

Education

Montgomery GI Bill, Army College Fund, and Loan Repayment Program

For the Commander:

RICHARD R. MAJAUSKAS
Colonel, GS
Chief of Staff

Official:

ROGER H. BALABAN
Director, Information Management

History. This regulation revises USAREC Reg 621-1 which is effective 30 November 1998.

Summary. This regulation provides information on the various education incentive programs available to individuals enlisting into the Regular Army or the United States Army Reserve.

Applicability. This regulation applies to and is binding on all military and civilian personnel assigned, attached, or detailed to the United States Army Recruiting Command and to all military

personnel in a temporary duty status with the United States Army Recruiting Command. Exceptions to the nonstatutory provisions of this regulation may be made by the Commanding General, United States Army Recruiting Command. In cases of conflict between this regulation and any other Recruiting Command regulation or directive which addresses the Montgomery GI Bill, Army College Fund, and Loan Repayment Program this regulation will take precedence.

Proponent and exception authority. The proponent of this regulation is the Director of Recruiting Operations. The proponent has the authority to approve exceptions to this regulation that are consistent with controlling law and regulation. Proponent may delegate the approval authority, in writing, to a division chief within the proponent agency in the grade of lieutenant colonel or civilian equivalent.

Army management control process. This

regulation contains management control provisions in accordance with AR 11-2 but does not identify key management controls that must be evaluated.

Supplementation. Supplementation of this regulation is prohibited.

Suggested improvements. The proponent agency of this regulation is the Office of the Director of Recruiting Operations. Users are invited to send comments and suggested improvements on DA Form 2028 (Recommended Changes to Publications and Blank Forms) directly to HQ USAREC (RCRO-TE), Fort Knox, KY 40121-2726.

Distribution. Distribution of this regulation has been made in accordance with USAREC Pam 25-30, distribution Y. This regulation is published in the Recruiter Management UPDATE.

Contents (Listed by paragraph number)

Chapter 1

Montgomery GI Bill and Army College Fund

- Purpose ● 1-1
- References ● 1-2
- Explanation of abbreviations and terms ● 1-3
- Policy ● 1-4
- Eligibility and benefits ● 1-5
- Procedures ● 1-6

Chapter 2

Selected Reserve Educational Assistance Program

- Basic eligibility ● 2-1
- Entitlements ● 2-2
- Enrollment ● 2-3
- Procedures ● 2-4

Chapter 3

Montgomery GI Bill-Selected Reserve Kicker Program

- Purpose ● 3-1
- Eligibility ● 3-2
- Benefit ● 3-3
- Enrollment ● 3-4

Chapter 4

RA LRP

- Authority ● 4-1
- Eligibility ● 4-2
- Military deferments ● 4-3
- GC processing procedures for LRP eligibles ● 4-4
- Responsibilities ● 4-5
- Loans in default ● 4-6
- Entitlements ● 4-7

- Special conditions ● 4-8
- Processing payments ● 4-9

Chapter 5

USAR SLRP

- General ● 5-1
- Scope ● 5-2
- Eligibility ● 5-3
- Entitlements ● 5-4
- Obligation ● 5-5
- Termination ● 5-6
- GC processing of SLRP eligibles ● 5-7

Appendix A. References

Glossary

Chapter 1

Montgomery GI Bill and Army College Fund

1-1. Purpose

This regulation provides information on the Montgomery GI Bill (MGIB) under chapter 30, title 38, United States Code, established under Public Law (PL) 98-525 on 19 October 1984. It announces eligibility, entitlements, benefits, and enrollment procedures; furnishes processing procedures for recruiting battalions (Rctg Bns), recruiters, guidance counselors (GC), and liaison noncommissioned officers (LNCO).

1-2. References

For required and related publications and blank forms see appendix A.

1-3. Explanation of abbreviations and terms

Abbreviations and special terms used in this

regulation are explained in the glossary.

1-4. Policy

a. The New GI Bill was enacted for a 3-year period and replaced the Veterans' Educational Assistance Program on 1 July 1985. On 1 June 1987, the Montgomery GI Bill Act was signed making the MGIB permanent.

b. The MGIB was enacted to assist in the recruitment and retention of highly qualified personnel in the Regular Army (RA) and United States Army Reserve (USAR) by providing financial assistance for higher education.

c. The MGIB has four parts: Basic benefits for enlistees in the RA; additional educational entitlements for RA enlistees meeting test score category and critical skill provisions (MGIB and Army College Fund (ACF)); basic benefits for enlistees in the USAR; and benefits for in-service personnel who have chapter 34 (Vietnam Era GI Bill) eligibility without a break in service of 90 days or more and who will have served 3 years on active duty (AD) between 1 July 1985 and 31 December 1989. This provision allows those individuals to receive MGIB benefits beginning 1 January 1990.

d. Policies and procedures contained in this regulation are applicable for enlistees who enter on AD on or after 1 July 1985.

e. Prohibition of duplication of benefits (RA only). An individual may not receive benefits under chapter 30 (MGIB) concurrently with benefits under chapter 31, title 38, United States Code (Training and Rehabilitation for Veterans With Service-Connected Disabilities); chapter 32 (Post Vietnam Era Veterans' Educational Assistance); chapter 34 (Veterans' Educational Assis-

*This regulation supersedes USAREC Regulation 621-1, 27 October 1997.

tance); chapter 35 (Survivors' and Dependents' Educational Assistance); chapter 106, title 10, United States Code (Educational Assistance for Members of the Selected Reserve); or chapter 107 (Educational Assistance for Persons Enlisting for Active Duty). The person must elect which benefit he or she will receive.

f. Applicants who possess qualifying loans and request entitlements under the RA Loan Repayment Program (LRP) must be advised that they cannot have loans repaid and also earn benefits under the MGIB. The individuals may earn benefits in one or the other of the programs but not both.

g. If an applicant decides to participate in the RA LRP, he or she must disenroll from the MGIB using DD Form 2366 (Montgomery GI Bill Act of 1984 (MGIB)) (para 4) (see fig 1-1) and provide a copy of his or her loan promissory note.

h. Entitlements for USAR Student Loan Repayment Program (SLRP) may be earned simultaneously and used concurrently with other benefits. Applicants will be briefed and processed accordingly.

i. Individuals not eligible for the MGIB. There are two groups of individuals who are expressly barred by statute from participating in the MGIB Program:

(1) Those who received a commission as officer in the Armed Forces as graduates of the United States Military Academy (Army), Naval Academy, Air Force Academy, or Coast Guard Academy after 31 December 1976, are not eligible for MGIB benefits. However, the MGIB will not be denied to participants who enroll in a service academy or a service academy preparatory school during their initial period of AD service and who fail to complete their course of education. If these participants immediately reenter AD, they would be able to merge their second AD period with their initial period so that the total length of the two periods would be considered a continued period of service.

(2) Those who completed a program of educational assistance under a Reserve Officers' Training Corps (ROTC) Scholarship Program (section 2107, title 10, United States Code) after 31 December 1976, are not eligible for MGIB benefits. However, those completing an ROTC program without a scholarship are not excluded from the MGIB.

(3) Prior service (PS) who were on RA AD are not eligible for the MGIB. The length of service is not an important factor in this determination. PS soldiers who enlisted in the Reserves and were on active duty for training only are eligible to enroll in the MGIB.

j. Limitations on entitlement. A veteran may not receive basic educational assistance under the MGIB for more than 36 months for full-time training or the equivalent for less than full-time training. The aggregate entitlements to educational benefits for those having entitlements under two or more Veterans' Administration (VA) education programs may not exceed 48 months.

1-5. Eligibility and benefits

a. The MGIB for nonprior service (NPS) members of the RA. Basic eligibility, entitlements, and enrollment procedures for the MGIB are as

follows:

(1) To be eligible for basic educational benefits, an individual must:

(a) Be NPS. (Eligibility determination for MGIB differs from the 180-day accession rule (i.e., 1-day of AD in an Active Component makes the soldier a PS accession). This excludes anyone separated for erroneous, defective, or unfulfilled enlistment.)

(b) PS soldiers who were on RA AD are not eligible for MGIB. The length of service is not an important factor in this determination. PS soldiers who enlisted in the Reserve Component and were on active duty for training only are eligible to enroll in MGIB.

(c) Enlist for 2 or more years in the RA and enter on AD on or after 1 July 1985.

(d) Have received a high school diploma (HSD) or equivalency certificate prior to completion of the qualifying term of service (TOS). This requirement is met if the participant completed the equivalent of 12 semester hours in a program of education leading to a standard college degree before the end of the individual's initial obligation period of AD.

(e) Receive an honorable discharge or continue on AD.

(f) Serve at least 3 years on AD, or 2 years if the initial obligated period of AD is 2 years. Individuals discharged or released from AD for a service-connected disability or for hardship are authorized MGIB entitlements. Individuals discharged or released from AD for the convenience of the Government must serve 20 months if the initial obligated period of AD is 2 years, or 30 months if the initial obligated period of AD is 3 years or more.

(g) Soldiers who are separated involuntarily for the convenience of the Government because of a reduction-in-force directed by the Secretary of the Army have no minimum service requirement and may earn prorated benefits. Soldiers involuntarily separated in a reduction-in-force with less than 20/30 months of continuous AD will earn 1 month of benefits for every month served.

(2) The MGIB entitlements which can be used to achieve a bachelor, master, and doctorate degree for RA enlistees are:

(a) Receive \$528 a month for attendance at a VA-approved school on a full-time basis up to 36 academic months for an individual who has served 3 or more years on AD. Monthly rates are appropriately reduced for less than full-time enrollment.

(b) Receive \$429 a month for attendance at a VA approved school on a full-time basis up to 36 academic months for an individual who has served at least 2 years continuous AD. Monthly rates are appropriately reduced for less than full-time enrollment.

(c) Receive the amount of tuition and fees or the basic benefit amount, whichever is less for members pursuing a program of education while on AD.

(3) Enrollment procedures.

(a) Individuals are automatically enrolled unless they specifically elect to disenroll.

(b) Enrolled individuals will have \$100 per month collected from their pay for the first 12 full months of AD. This collection is nontaxable and

individuals who decide not to pursue a program of education, cannot request a refund of the collections which have been made.

(c) All individuals entering on AD will be advised of their right to disenroll. The option to disenroll will be explained to each individual by the GC. Applicants will complete DD Form 2366, parts I and II, to verify they have been advised of their right to disenroll.

(d) All enlistees will receive an MGIB briefing during United States Army Reception Battalion (USARECBN) processing. The decision to disenroll (completion of DD Form 2366, para 4) will be made at this time.

(e) Individuals electing to disenroll will not be allowed to enroll at a later date. Individuals will not be allowed to reverse their decision after completion of DD Form 2366, paragraph 4.

b. Additional education assistance (MGIB and ACF). Eligibility, benefits, and enrollment procedures for the MGIB and ACF are as follow:

(1) To be eligible for the MGIB and ACF entitlements an individual must:

(a) Meet all eligibility requirements for the MGIB as stated in a(1) above.

(b) Achieve test score category I-IIIA (Armed Forces Qualification Test (AFQT) score of 50 or above) on the Armed Services Vocational Aptitude Battery.

(c) Qualify as a high school diploma graduate (HSDG) prior to entry on AD.

(d) Enlist for a critical skill as announced periodically and as displayed on the Recruit Quota System and remain qualified in the military occupational specialty (MOS) for which the soldier enlisted.

(2) Current policy limits payment under the MGIB and ACF as follows:

(a) Up to \$26,500 for an enlistment in a 2-year program in a selected MOS. A collection from the soldier of \$1,200 + 14,244 Government contribution + \$11,056 ACF. A total of \$736.11 per month for 36 academic months for full-time attendance in a VA-approved program.

(b) Up to \$33,000 for an enlistment in a 3-year program in a selected MOS. A collection from the soldier of \$1,200 + \$17,808 Government contribution + 13,992 ACF. A total of \$916.66 per month for 36 academic months for full-time attendance in a VA-approved program.

(c) Up to \$40,000 for an enlistment in a 4-year program in a selected MOS. A collection from the soldier of \$1,200 + \$17,808 Government contribution + \$20,992 ACF. A total of \$1,111.11 per month for 36 academic months for full-time attendance in a VA-approved program.

(d) Monthly rates are appropriately reduced for less than full-time enrollment.

(3) Enrollment procedures.

(a) Individuals must enlist for the MGIB and ACF option, AR 601-210, enlistment option 9-C.

(b) Individuals must complete DA Form 3286-66 (Statement of Understanding - U.S. Army Incentive Enlistment Program) (see fig 1-2).

(c) Individuals must enroll in the MGIB Program during USARECBN processing in order to qualify for the ACF.

1-6. Procedures

a. Recruiters will:

(1) Familiarize themselves with the provisions of this regulation.

(2) Continue to offer the MGIB and ACF as an Army benefit to applicants scheduled for Military Entrance Processing Station processing.

(3) Explain the LRP, MGIB, and ACF entitlements to applicants. Use DD Form 2366 and DA Form 3286-66.

(4) Inform applicants that there is no longer a military deferment for student loans. Regardless of the loss of deferments, LRP applicants who have outstanding student loans should contact their lending institution to determine if they are eligible for a deferment of any type or a forbearance.

b. GC will:

(1) Familiarize themselves with the provisions of this regulation.

(2) Ensure all applicants for enlistment are informed of the provisions of the MGIB and possess a completed DD Form 2366, paragraphs 1 and 2.

(3) Ensure all applicants for enlistment who are qualified for the LRP, MGIB, and ACF are informed and processed in accordance with AR 601-210, enlistment option 9-C.

(4) Explain to applicants that the Army wants high school seniors (HSSR) and HSDG who are eligible for the ACF to continue their education.

c. LNCO will:

(1) Familiarize themselves with the provisions of this regulation.

(2) Ensure DD Form 2366 has been completed for each receptee.

(3) Ensure DA Form 3286-66 has been completed for each receptee having enlisted for the ACF.

(4) Table 1-1 contains a matrix of eligibility entitlements, benefits, and enrollment procedures.

Chapter 2

Selected Reserve Educational and Assistance Program

2-1. Basic eligibility

To meet basic eligibility requirements an individual must:

a. Enlist, reenlist, or extend an enlistment in the Selected Reserve for a period of not less than 6 years on or after 1 July 1985.

b. If NPS, have received an HSD or equivalency certificate prior to completing initial active duty for training (IADT) including the alternate (split) training option.

c. Individuals may receive benefits for both postsecondary and graduate courses.

2-2. Entitlements

Individuals will receive basic benefits as follows:

a. A total of \$251 per month for attendance of a VA-approved school on a full-time basis for up to 36 academic months.

b. A total of \$188.25 per month for attendance of a VA-approved school on a three-quarter-time basis for up to 48 academic months.

c. A total of \$125.50 per month for attendance of a VA-approved school on a half-time basis for up to 72 academic months.

d. An appropriate reduced rate and number of academic months will be determined by the

VA for less than half-time attendance.

e. The total entitlement is \$9,036.

f. The program is noncontributory. Selected Reserve members are eligible for entitlements at no cost to the soldier.

2-3. Enrollment

a. All individuals entering the Selected Reserve will receive an MGIB briefing by the GC. Applicants will complete DA Form 5435-R (Statement of Understanding - The Selected Reserve Montgomery GI Bill), section IV (see fig 2-1), to verify they have been advised of their rights.

b. After fulfilling all qualifying criteria, the USAR unit will issue DD Form 2384 (Selected Reserve Educational Assistance Program (GI Bill) Notice of Basic Eligibility) (see fig 2-2) to the soldier.

c. It is the soldier's responsibility to apply to the VA in order to receive MGIB benefits.

2-4. Procedures

a. USAR recruiters will:

(1) Familiarize themselves with the provisions of this regulation.

(2) Continue to offer the Selected Reserve Educational Assistance Program (MGIB) as a USAR benefit to applicants scheduled for Military Entrance Processing Station processing.

(3) Continue to offer the Selected Reserve Incentive Program (SRIP) affiliation bonus as a USAR benefit to applicants in addition to the MGIB.

(4) Explain the Selected Reserve Educational Assistance Program (MGIB) to applicants. Use DA Form 5435-R.

b. GC will:

(1) Familiarize themselves with the provisions of this regulation.

(2) Ensure all applicants for enlistment in the USAR are informed of the provisions of the Selected Reserve Educational Assistance Program (MGIB) and possess a completed DA Form 5435-R.

c. LNCO will:

(1) Familiarize themselves with the provisions of this regulation.

(2) Ensure DA Form 5435-R has been completed, as appropriate, for each receptee.

(3) Table 1-1 contains a matrix of eligibility, entitlements, benefits, and enrollment procedures.

Chapter 3

Montgomery GI Bill-Selected Reserve Kicker Program

3-1. Purpose

a. The Montgomery GI Bill-Selected Reserve (MGIB-SR) kicker is currently in a test phase until 1 October 1999.

b. The purpose of the MGIB-SR kicker is to facilitate the recruitment of NPS Reserve Component members in hard to fill critical skills and/or critical units.

3-2. Eligibility

a. To be eligible for the MGIB-SR kicker, the NPS member must:

(1) Enlist for a period of 6 years in the Se-

lected Reserve.

(2) Be a secondary school diploma graduate, HSSR, or currently attending high school and expected to graduate before entering the second phase of IADT under the split-training option.

(3) Score 31 or above on the AFQT.

(4) Complete IADT and be assigned to a selected critical skill position in a designated critical unit.

(5) Be entitled to benefits under chapter 1601 of title 10, United States Code.

b. The MGIB-SR kicker is an incentive, rather than entitlement as is the basic benefit under chapter 1606.

c. An individual may be granted an MGIB-SR kicker only once and must serve 6 years in the Selected Reserve of the same Reserve Component that granted the MGIB-SR kicker.

3-3. Benefit

a. The MGIB-SR kicker will be paid for a maximum of 36 months based upon full-time pursuit.

b. The USAR may offer the MGIB-SR kicker to eligible individuals at a monthly rate not to exceed \$350 for a total of \$12,600 for 36 months.

3-4. Enrollment

a. All individuals eligible for the MGIB-SR kicker will complete DA Form 5435-1-R (Statement of Understanding - The Selected Reserve Montgomery GI Bill Kicker Program) (see fig 3-1).

b. Following the reading, explanation, and affixing of proper signatures to this form, the GC will include the addendum as part of the enlistment packet.

c. The LNCO will ensure DA Form 5435-1-R has been completed, as appropriate, for each receptee.

Chapter 4

RA LRP

4-1. Authority

a. The LRP is currently authorized by PL 99-145, Section 671 (10 USC 671).

b. The LRP is an enlistment incentive designed to increase test category I-IIIA accessions.

4-2. Eligibility

The soldier must:

a. Be an NPS enlistee.

b. Have enlisted between 1 December 1980 through 30 September 1981, or after 30 September 1982.

c. Be an HSDG (tier 1) as outlined in USAREC Reg 601-101.

d. Have an AFQT score of 50 or higher.

e. The TOS is dictated by the parent MOS, but in no case may the TOS be less than 4 years.

f. Have received a loan made, insured, or guaranteed under part B, part D (William D. Ford Direct Loan Program), or part E of the Higher Education Act of 1965, after 1 October 1975, and before entering AD. The loan must not be in default and remain in good standing while on AD.

(1) Auxiliary Loan Assistance for Students.

(2) Federally Insured Student Loans.

- (3) Guaranteed Student Loan or Stafford Loans.
- (4) National Direct Student Loan or Perkins Loans.
- (5) Supplemental Loans for Students.
- (6) Consolidated Loans (in soldier's name).
- (7) Parent Loans for Undergraduate Students (PLUS Loans) Incurred for the use of individual contracting for LRP.

NOTE: Even though the applicant's name appears in the loan paperwork, parent(s) are the borrowers of Parent(s) Loans for Students. Since there is no deferment possible for the applicant, the parent(s) must continue to pay on the loan. The only benefit for those with Parent(s) Loans for Students loans is paying off the loan sooner than what is stipulated in the loan agreement.

g. At table 4-1 is a list (not all inclusive) of loans that are ineligible as outlined in USAREC Message 97-059, part 1, dated 9 June 1997.

h. Loans issued by any state's higher education assistance authority are not covered by the LRP.

i. Provide the Army a loan promissory note before enlistment.

j. Enlist and remain qualified for the MOS for which enlisted. The LRP option was restricted to designated MOS for soldiers enlisting before 11 June 1984, and between 9 June 1987 to 26 September 1989. All enlisted MOS were included in the LRP from 11 June 1984 through 9 June 1987. Beginning 26 September 1989, all enlisted MOS with a 3 year or greater TOS are again included in the LRP (except 09S and 09W). Effective 31 March 1997 the LRP is offered only to soldiers enlisting for a designated MOS. Eligible MOS for the LRP are subject to change due to the recruiting environment. Change to eligible MOS will be published by Headquarters, United States Army Recruiting Command.

4-3. Military deferments

a. The 1992 Reauthorization of the Higher Education Act eliminated military deferments.

(1) All old borrowers, those who received their first loan disbursement prior to 1 July 1993, are still eligible for military deferments.

(2) All new borrowers, those who received their first loan disbursement after 1 July 1993, are not eligible for a military deferment. Soldiers not receiving a deferment will have to continue to make monthly payments unless their lender grants them a forbearance on their loan. Soldiers must contact the lender to determine if they are eligible for any other type of deferment or to request forbearance.

b. Enrollment in the LRP does not exempt soldiers from their obligation to repay their loans, whether they are eligible for deferment or not. Soldiers remain responsible to secure a deferment or forbearance. The letter by itself does not secure deferment for forbearance. The lender must acknowledge and approve all requests for deferment or forbearance. At figure 4-1 is a sample letter which the applicant can use to inquire about his or her eligibility for a loan deferment or possible loan forbearance.

4-4. GC processing procedures for LRP eligibles

This guidance is in addition to the requirements outlined in AR 601-210, option 9-27.

a. Applicants are no longer authorized to ship without documents or verification of eligible loans.

- b. Initiate DD Form 2366 by completing:
 - (1) Items 1, 2, and 5 for all enlistees.
 - (2) Item 4 for the LRP enrollee.

(3) Item 3 for the LRP enrollee with the following statement "I understand that I am enlisting for the LRP; therefore, I must disenroll from the MGIB." (Failure to disenroll will result in the soldier losing his or her eligibility for the LRP.)

(4) A cover sheet to the DD Form 2366 will be added to the USARECBN packet with bold-printed letters indicating: "DISENROLLED FROM THE GI BILL (LRP PARTICIPANT)."

c. Forward DD Form 2366 to the USARECBN with enlistment packet at DEP-out.

d. At DEP-out, code section 21, block 51 of DD Form 1966/1 (Record of Military Processing - Armed Forces of the United States) with the appropriate code. The three acceptable codes for item 21-51 are as follows:

- (1) Code "L" for those applicants who are eligible and have in their possession the necessary loan promissory notes.
- (2) Code "N" for those applicants who are not eligible for the program.
- (3) Code "U" for those applicants who claim to have an eligible loan, but who do not have the promissory notes denoting proof of eligibility.

e. Indicate on DA Form 3286-66 that the soldier has selected the LRP as an option.

f. GC will have the applicant complete and sign DA Form 3286-67 (Statement of Understanding (Army Policy)) (see fig 4-2), including the following additions at DEP-in, "I have enlisted for the following Education Incentive Program(s) (initial under the appropriate column for each program):

	YES	NO
Montgomery GI Bill	_____	_____
Army College Fund	_____	_____
Loan Repayment Program	_____	_____

I have read and understand the Statement of Understanding on U.S. Army Incentive Enlistment Program as outlined on DA Form 3286-66. If I have any more questions regarding my educational entitlements, I will ask my guidance counselor prior to or on my scheduled active duty date. _____."

g. GC will advise the LRP applicant to read AR 621-202, chapter 3, prior to completing the 10th month of AD.

h. GC will ensure that the provisions of AR 601-210 and this regulation are followed; specifically the requirement for forwarding documents to the United States Total Army Personnel Command (PERSCOM).

i. Within 5 working days after accession, mail a copy of the following to Commander, PERSCOM (TAPC-PDE-EI), 2461 Eisenhower Avenue, Alexandria, VA 22331-0472.

- (1) LRP contract (DA Form 3286-66).
- (2) Loan promissory note.
- (3) DD Form 1966/1 and the remarks section of the DD Form 1966/1.
- (4) DD Form 2366.
- (5) If eligible, a copy of the deferment or forbearance letter from the lender.

j. Applicants enlisting for MOS 09S and 09W are not eligible for the LRP. They are enlisted only while undergoing training and enlisted into the Army with a commission as an end goal. Although, these candidates carry an MOS code of 09S10 or 09W10, these are reporting codes and have not been awarded as primary military occupational specialty codes.

4-5. Responsibilities

a. Recruiters will advise applicants awarded the LRP to secure a deferment or forbearance from the lender.

b. United States Army Recruiting Command (USAREC) LNCO will mail documentation as listed in paragraph 4-4i when soldiers are renegotiated at training sites which will entitle them to the LRP whether or not offered on their original contract. Additionally, LNCO will forward copies of these required documents to the Rctg Bn that processed the soldier for enlistment.

c. Rctg Bn operations will ensure that the documents outlined in paragraph 4-4i are incorporated into the soldier's residual file maintained at the Rctg Bn.

4-6. Loans in default

The Army will not repay loans or portions of loans that are in default. It will not repay delinquent payments, their interest, and associated charges. The Army will not make payments to soldiers and will not reimburse soldiers for payments made by them or any other individual.

4-7. Entitlements

a. The maximum dollar amount reimbursable under the LRP is \$55,000 as of 28 April 1992 and \$65,000 as of 4 February 1997. Enlistees who accessed prior to 28 April 1992 are not affected by these maximum dollar amounts.

NOTE: Message, HQDA, DAPE-MPA, 09756Z Mar 92, subject: Enlistment Incentive Program Change Effective 10 March 1992.

b. Entitlements are earned by an LRP soldier after completion of a full year of enlisted service. For each year of initially contracted service, the Army will repay 33 1/3 percent or \$1,500 whichever is greater, of an eligible student loan on the remaining original outstanding unpaid principal amount borrowed as verified by the lender up to \$65,000. When a loan or loan balance exceeds \$65,000, 33 1/3 percent of \$65,000 will be paid over the 3 years. The Army will not pay interest or interest which has been capitalized into the principal.

c. The payments will not exceed the cap of \$65,000 of the original outstanding unpaid principal amount or the original unpaid principal balance remaining at the time the soldier enters AD.

d. The Army will make payments directly to the lender.

e. LRP payments are subject to Federal and State taxes. Soldiers will be issued a separate TD Form IRS W-2 (Wage and Tax Statement) at yearend for payments disbursed under the LRP.

4-8. Special conditions

a. Soldiers who do not complete their initial term of enlistment may qualify for prorated credit

if they:

(1) Complete at least one full year of enlisted service, and

(2) Are discharged for the convenience of the Government, hardship, or because of a service-connected disability.

b. Final determination of prorated credit will be made by PERSCOM.

c. Soldiers who receive a commission or warrant before completing 1 year of service lose eligibility for the LRP. Receiving a commission or warrant appointment is considered a separation for convenience of the Government; therefore, upon completion of 1 year AD as an enlistee, any portion of a year completed thereafter should be prorated.

d. Soldiers who extend their initial 2-year enlistment are entitled to receive the appropriate credit based on the length of the extension. Soldiers must supply PERSCOM with a copy of the extension.

e. Soldiers who reenlist are not entitled to additional payments.

f. Effective 1 July 1985, participation in both the MGIB and LRP is prohibited. To enlist for the LRP, the soldier must disenroll from the MGIB on DD Form 2366, block 4. Disenrollment must be accomplished at the time the soldier enters AD. If the soldier fails to complete the disenrollment portion of DD Form 2366, the soldier will not be eligible for the LRP and will become automatically enrolled in the MGIB.

4-9. Processing payments

a. PERSCOM will:

(1) Forward to soldier an LRP packet which includes:

(a) Letter of instruction.

(b) DD Form 2475 (DOD Education Loan Repayment Program (LRP) Annual Application).

(2) Create suspense file to ensure packets have been received.

b. The soldier will:

(1) Follow instructions in letter.

(2) Complete DD Form 2475, section I.

(3) Forward DD Form 2475 to lender.

(4) Ensure the loan repayment process has begun.

c. The lender will be asked to:

(1) Complete DD Form 2475, section III.

(2) Forward DD Form 2475 to address stated in DD Form 2475, section II.

d. Upon receipt of DD Form 2475, PERSCOM will:

(1) Verify eligibility of loan.

(2) Prepare paperwork for loan repayment.

(3) Input payment plain into master file.

(4) Verify loan amount annually.

e. Upon completion of each full year of AD,

(1) PERSCOM will:

(a) Authorize Defense Finance and Accounting System to issue LRP payment.

(b) Send letter to soldiers informing them that payment has been authorized.

(2) Defense Finance and Accounting System will:

(a) Issue check to lender within 90 days of receipt of PERSCOM notification.

(b) Provide verification of disbursement to PERSCOM.

(c) Issue a soldier a separate TD Form IRS W-2 indicating amount paid at yearend.

(d) Notify Internal Revenue Service of amount

paid.

f. Early AD separation. When soldiers separate from AD earlier than the initial enlistment term, they must provide PERSCOM with:

(1) Copy 4 of DD Form 214 (Certificate of Release or Discharge From Active Duty).

(2) Current address of veteran.

Chapter 5 USAR SLRP

5-1. General

a. This chapter gives guidance for the administration of the SLRP. PL 99-145, section 671(a)(1) authorizes student loan repayment for qualified Selected Reserve enlisted personnel. This incentive is offered to qualifying nonprior, prior, and inservice personnel upon signing a contractual agreement for a specified TOS in a unit or MOS that has been established as bonus eligible in the Selected Reserve, and executing DA Form 5261-4-R (Student Loan Repayment Program Addendum) (see fig 5-1) between 1 October 1980 to 30 September 1981, and 1 October 1982 until rescinded.

b. Selection of the SLRP incentive and execution of DA Form 5261-4-R must be made by the person when he or she signs a Selected Reserve contractual agreement. The applicant may select the SLRP incentive even though he or she has no outstanding loan when signing the contractual agreement. A Selected Reserve contractual agreement is executed when a person enlists, reenlists, immediately reenlists, or extends in a unit or MOS that has been established as bonus eligible in the Selected Reserve of the Army. These contractual agreements are governed by AR 140-111 and AR 601-210. (An extension of a USAR enlistment or reenlistment agreement will not serve to qualify a USAR soldier for the SLRP.) The SLRP may be offered to a soldier regardless of the number of years time in service the soldier has at the time he or she meets the SLRP eligibility criteria.

c. The SLRP may be combined with any other SRIP. In these cases the eligibility criteria of both programs must be met.

d. Recruiting officials will not provide financial information about student loans. Applicants will be referred to the financial institution of their choosing for loan information.

e. Recruiters will inform applicants, who are enlisting for the SLRP, that parental income may be a factor in qualifying for a loan.

5-2. Scope

a. The SLRP incentive provides for the repayment by the Government of a designated portion of any outstanding loan(s) secured after 1 October 1975. Subject to this chapter, any loan made, insured, or guaranteed under Part B, Part D (William D. Ford Direct Loan Program), or Part E of the Higher Education Act of 1965, after 1 October 1975, may be repaid.

b. The following loans qualify for repayment. However, these loans must have been incurred after 1 October 1975 or qualifying periods of Selected Reserve service after 1 October 1980:

(1) Auxiliary Loan Assistance for Students.

(2) Federally Insured Student Loans.

(3) Guaranteed Student Loan or Stafford Loans.

(4) National Direct Student Loan or Perkins Loans.

(5) Parent Loans for Undergraduate Students.

(6) Supplemental Loans for students.

(7) Consolidated Loan Program (in soldier's name).

c. At table 4-1 is a list (not all inclusive) of loans that are ineligible as outlined in USAREC Message 97-059, part I, dated 9 June 1997.

d. For each year of satisfactory service in the Selected Reserve, the loan amount to be repaid will be as follows:

(1) If the amount of the loan or loans does not exceed the designated maximum portions authorized in e below, the amount of annual repayment is 15 percent of the original balance of the loan or loans, plus accrued interest not paid by the Department of Education, or \$500 plus the accrued interest not paid by the Department of Education, whichever is greater.

(2) If the amount of the loan or loans exceed the designated portions authorized in e below, the amount of annual repayment is 15 percent of the designated maximum portion, plus the accrued interest not paid by the Department of Education. This equates to a maximum annual repayment of \$1,500, or effective 1 March 1988, \$3,000 per e below, plus the accrued interest. If the amount set for repayment is less than \$500, then \$500 becomes the calculated amount for repayment in that year.

e. The maximum amount of the loan or loans is not regulated. However, the monetary units in (1) and (2) below represent the maximum SLRP benefit available throughout a soldier's service as a reservist of the Army. The SLRP incentive provides for the repayment of a designated portion of an outstanding loan or loans identified in b above. Effective 1 March 1998, the designated maximum portion authorized for loan repayment is:

(1) \$20,000 for a soldier who contracts for a critical MOS that has been established by Headquarters, Department of the Army (HQDA) (DAPE-MPA) for the SLRP increased incentive.

(2) \$10,000 for a soldier who contracts for a unit or MOS that has been established by HQDA (DAPE-MPA) as bonus eligible for the SLRP increased incentive.

f. The SLRP entitlement extends beyond the maximum of a 6-year enlistment. Payments end when enlistment ends with the Selected Reserve or when payment reaches the maximum amount allowable.

g. If a soldier participating in the SLRP enters on AD in an Active Component of a United States Armed Forces, or enters on AD in an Active Guard Reserve status and is terminated per paragraph 5-6, he or she will be eligible to have repayment apportioned with proper fractional credit for each portion of the year served.

h. Soldiers should determine whether they are eligible for a military deferment of their student loans. If they do not qualify for deferment, they must be advised to make payments on their loans and not allow them to go into default.

5-3. Eligibility

The Government will repay a designated portion of any outstanding loans under paragraph 5-2 for persons who are:

a. Eligible for enlistment, reenlistment, immediate reenlistment, or extension in a unit or MOS that has been established as bonus eligible in the Selected Reserve per AR 140-111 and AR 601-210.

b. Contracting for a TOS in the Selected Reserve as follows:

(1) PS and inservice personnel must enlist, reenlist, immediately reenlist, or extend in a unit or MOS that has been established as bonus eligible for 3 or more years.

(2) NPS applicants must enlist in a unit or MOS that has been established as bonus eligible with an initial Selected Reserve TOS of at least 6 years with a concurrent 8-year military service obligation (8X0 or 6X2 enlistment option).

c. PS applicants and inservice personnel who contract for an MOS that has been established as bonus eligible in which they are qualified, or in a critical MOS that has been established by HQDA (DAPE-MPA) for the SLRP increased incentive (para 5-2d(1)). NPS applicants must enlist in a unit or MOS that has been established as bonus eligible, but to be eligible for the increased incentive (para 5-2d(1)) they must enlist in a critical MOS established by HQDA (DAPE-MPA-P) for the SLRP increased incentive. All applicants must complete DA Form 5261-4-R.

d. NPS applicants must be classified in mental category I-III A (score 50 to 99 on the AFQT).

e. NPS and PS must meet one of the following education categories as defined in AR 601-210:

(1) HSDG.

(2) HSDG via adult education.

(3) HSDG via college credit.

(4) HSDG via clock hours from a postsecondary vocational or technical school.

(5) HSSR.

(6) Enrolled in an adult education or college program.

f. Not contracting to qualify for a permanent civilian position where membership in the USAR is a condition of employment.

5-4. Entitlements

A soldier will not be eligible for any initial or subsequent loan repayments until he or she:

a. Has completed IADT.

b. Is MOS qualified or received sufficient training to be deployed.

c. Qualifies as a secondary school graduate. If enlisting under the Alternate Training option, must be a secondary school graduate before entering the second phase of IADT.

d. Has served 1 year in the Selected Reserve after securing the loan or loans.

e. Has reached the anniversary date of the Selected Reserve contract for SLRP participation.

5-5. Obligation

To be eligible for the SLRP incentive, a person must contractually obligate himself or herself to serve satisfactorily per AR 135-91. A person must serve in the Selected Reserve for the full term of the contractual agreement per paragraph 5-3b. He or she must further obligate himself or herself to continue to serve in the same component and the same MOS unless excused for the convenience of the Government.

5-6. Termination

Entitlement to the SLRP will stop if the soldier:

a. Completes the contracted Selected Reserve TOS.

b. Contracted for an MOS authorized by HQDA for SLRP entitlement and moves to an ineligible MOS, or is reclassified, unless at the express direction of the appropriate USAR command. A soldier who contracted for a critical MOS authorized by HQDA (DAPE-MPA) for the increased entitlement (para 5-2d(1)) is eligible to continue SLRP participation at the \$10,000 designated maximum portion level if he or she moves to, or is reclassified in, an MOS authorized by HQDA for the basic entitlement (para 5-1d(2)). However, if the move or reclassification was at the express direction of the appropriate USAR command, the soldier may continue SLRP participation at the \$20,000 designated maximum portion level.

c. Becomes an unsatisfactory participant under AR 135-91.

d. Accepts a permanent civilian position where membership in the USAR is a condition of employment.

e. Fails to extend the contracted TOS for a period of nonavailability (see AR 135-7).

f. Exceeds the maximum period authorized for suspension (see AR 135-7).

g. Separates from the Selected Reserve as an enlisted person for any reason including enlistment or voluntary recall into the active forces.

h. If a soldier is ordered to AD in an Active Guard Reserve status under section 672d, title 10, United States Code, SLRP eligibility will be terminated if:

(1) This is the soldier's initial entry on AD, and

(2) He or she is enrolled in the AD entitlement portion of the MGIB.

5-7. GC processing of SLRP eligibles

a. Determine if the vacancy is authorized a unit or MOS enlistment bonus by HQDA (level of SLRP, \$10,000). Eligibility requirements for \$20,000 SLRP are the same as those for the \$10,000 SLRP plus they must be listed on the current HQDA (DAPE-MPA) critical incentive list.

b. Ensure DA Form 5261-4-R is completed and amount of SLRP is \$10,000 or in cases of select high-tech and medical MOS maximum amount, line through the \$10,000 write in \$20,000, line through annual maximum \$1,500 write in \$3,000, and have applicant initial each change. GC will complete and attach USAREC Fm 1122 (Statement of Understanding - Army Policy - USAREC Addendum to DA Form 3540 (Acknowledgment of Enlistment)) (see fig 5-2).

c. Ensure that the applicant reads and understands DA Form 3540-R (Certificate and Acknowledgment of U.S. Army Reserve Requirements and Methods of Fulfillment), then have the applicant complete and sign the form.

**Table 1-1
Eligibility, entitlements, benefits, and enrollment matrix**

	MGIB	MGIB AND ACF	SELECTED RESERVE MGIB
Eligibility	<ul style="list-style-type: none"> • NPS. • Enlist for 2 or more years in the RA and enter AD on or after 1 July 1985. • Possess HSD or equivalency certificate prior to completion of initial TOS. • Receive an honorable discharge. 	<ul style="list-style-type: none"> • Meet MGIB eligibility. • AFQT of 50 or above. • Must be an HSDG prior to entry on AD. 	<ul style="list-style-type: none"> • Enlist, reenlist, or extend in the Selected Reserve for 6 or more years on or after 1 July 1985. • If NPS, receive an HSD or equivalency certificate prior to completion of IADT. • Complete 180 days of service in the Selected Reserve and IADT.
Entitlements and Maximum Benefits	<ul style="list-style-type: none"> • 2-year enlistee = \$15,444 \$429/mo full-time. • 3-year enlistee = \$19,008 \$528/mo full-time. • 4-year enlistee = \$19,008 \$528/mo full-time. 	<ul style="list-style-type: none"> • 2-year enlistee = \$26,500 \$736.11/mo full-time. • 3-year enlistee = \$33,000 \$916.66/mo full-time. • 4-year enlistee = \$40,000 \$1,111.11/mo full-time. 	<ul style="list-style-type: none"> • Total entitlement of \$9,036. • \$251/mo full-time. • \$188.25/mo three-quarter-time. • \$125.50/mo half-time.
Enrollment Procedures	<ul style="list-style-type: none"> • Automatic enrollment (unless individuals elect to disenroll during USARECBN processing). • \$100/mo collection from pay first 12 full months of AD. • If disenrolled, may not enroll at a later date. • Cannot disenroll at a later date. 	<ul style="list-style-type: none"> • Enlist for the MGIB and ACF option, AR 601-210, enlistment option 9-C. • Complete DD Form 2366. • Complete DA Form 3286-66 and DA Form 3286-67. • Be enrolled in the MGIB with \$100/mo collected from pay for first 12 full months of AD. 	<ul style="list-style-type: none"> • Reserve unit issues DD Form 2384. • DD Form 2384 and application processed through VA by individual soldier.

**Table 4-1
Loans ineligible for the LRP (this list is not all inclusive)**

<p>Achievement Loan Alaska Student Loan Program - State Funded Alternative Bond Loan - Privately Funded Alternative Loan Program - Privately Funded Career Education Funds (CEF) Installment Loan CHELSA College Access Loan (CAL) - State Funded College Aid Loan Collegiate Loan Consern Loan Consolidated Loans (which are not in the soldier's name) Edvantage Loan EXCEL Loan Extra Education Loan (EEL) - State Funded GATE Loan Health Education Assistance Loan (HEAL) - Title VII Health Professional Student Loan (HPSL) Home Equity Loan Income Contingent Loan - Title VII Installment Loan Institutional Loan L. Arthur O'Neill Educational Fund</p>	<p>Law Access Loan (LAL) Law Student Loan (LSL) Medical Health Professional Loan NCLP NJ Class Loan Nursing Student Loan Option 4 Loan Partnership Loan Program Paul Douglas Teacher Scholarship PEO Educational Fund Personal (Individual) Loan Plato Educational Loan - Privately Funded SCHELL Scholarship Loan SELF Loan SHARE Loan State Loan The Education Resource Institute (TERI) Loan Tuition Loan University Loan University Nursing Loan Unsecured Loan</p>
---	---

MONTGOMERY GI BILL ACT OF 1984 (MGIB)
(Chapter 30, Title 38, U.S. Code)

PRIVACY ACT STATEMENT

AUTHORITY: Chapter 30, Title 38, US Code, Sections 3011, 3012, 3018A, and 3018B; and EO 9397.

PRINCIPAL PURPOSE: To establish eligibility to participate in the Montgomery GI Bill Act of 1984.

ROUTINE USES: Information will be used as a source document indicating participation status of each servicemember in the Montgomery GI Bill benefits program. Determination of participation status or eligibility will involve computer matching between the Department of Defense and the Department of Veterans Affairs using information from this document.

DISCLOSURE: Voluntary; however, failure to provide Social Security Number and other personal information may delay processing of this form and may result in the respondent being automatically enrolled in the MGIB.

1. SERVICE MEMBER (Print)

a. NAME (LAST, First, Middle Initial) APPLICANT, Any O.	b. SOCIAL SECURITY NUMBER (SSN) 123-45-6789
--	--

2. STATEMENT OF UNDERSTANDING

a. ACADEMY / ROTC SCHOLARSHIP GRADUATES
I am **NOT** eligible for the MGIB because I am a Service Academy graduate / Reserve Officers' Training Corps (ROTC) scholarship graduate.

(1) SERVICE MEMBER SIGNATURE	(2) RANK / GRADE	(3) DATE SIGNED (YYMMDD)
------------------------------	------------------	-----------------------------

b. PRIOR SERVICE MEMBER
I am **NOT** eligible for the MGIB based upon this enlistment because this is not my initial entry on active duty.

(1) SERVICE MEMBER SIGNATURE	(2) RANK / GRADE	(3) DATE SIGNED (YYMMDD)
------------------------------	------------------	-----------------------------

c. ALL OTHER SERVICE MEMBERS

- (1) I am eligible for the MGIB based on my initial entry on active duty after June 30, 1985.
- (2) I understand that I am automatically enrolled unless I exercise the option to disenroll by signing Item 4 below by the date designated by my Services.
- (3) I understand that **UNLESS I DISENROLL** from the MGIB, my basic pay will be reduced \$100 per month or the current monthly rate for **EACH** of the first 12 full months of active duty and this basic pay reduction **CANNOT** be **REFUNDED, SUSPENDED OR STOPPED**.
- (4) I must complete 36 months of active duty service before I am entitled to the current rate of monthly benefits for a period of 36 months.
- (5) If my obligation is less than 36 months, I understand that I must complete 24 months of active duty to receive the current rate of monthly benefits for a period of 36 months.
- (6) I must complete 24 months of active duty service and must join and serve honorably in the Selected Reserve for a minimum of 48 months in order to receive the current rate of monthly benefits for members who completed 36 months of service.
- (7) If a non-high school graduate, I must complete all high school diploma (or equivalency) requirements before completing my initial enlistment; or if on active duty August 2, 1990, prior to October 28, 1994.
- (8) I must use the MGIB within 10 years of release/discharge from active duty or completion of Selected Reserve obligation if qualifying under paragraph (6).
- (9) I must receive an **HONORABLE** discharge for service establishing entitlement to the MGIB.
- (10) I may use benefits in-service after 24 months of active duty. Benefits are limited to the cost of tuition and fees or the amount of assistance authorized, whichever is less.
- (11) If I die while on active duty, or within one year after discharge or release from active duty if service related, my designated beneficiary(ies) will receive the unused balance of the money reduced from my basic pay for the MGIB. This death benefit will be paid by the Department of Veterans Affairs (DVA).
- (12) I cannot receive any combination of DVA benefits in excess of 48 months and if I have received 12 months or more of benefits under any other VA program, my MGIB benefits will be appropriately adjusted.
- (13) My qualifying period of active duty service will not entitle me to both active duty MGIB and Selected Reserve MGIB benefits.

a. SERVICE MEMBER SIGNATURE /signed/	(b) RANK/GRADE	(c) DATE SIGNED (YYMMDD) 960317
---	----------------	---------------------------------------

3. SERVICE UNIQUE EDUCATION ASSISTANCE OPTIONS

4. STATEMENT OF DISENROLLMENT

I **DO NOT** desire to participate in the MGIB. I understand that I **WILL NOT** be able to enroll at a later date.

a. DATE SIGNED (YYMMDD)	b. RANK/GRADE	c. SERVICE MEMBER SIGNATURE /signed/
----------------------------	---------------	---

5. WITNESSING OFFICIAL

a. TYPED OR PRINTED NAME (LAST, First, Middle Initial) SMITH, Charles L.	b. RANK/GRADE SFC/E7	c. SIGNATURE /signed/	d. DATE SIGNED (YYMMDD) 980317
---	-------------------------	--------------------------	--------------------------------------

Figure 1-1. Sample of a completed DA Form 2366

**STATEMENT OF UNDERSTANDING
UNITED STATES ARMY INCENTIVE ENLISTMENT PROGRAM**

For use of this form, see AR 601-210, the proponent agency is ODCSPER

DATA REQUIRED BY THE PRIVACY ACT OF 1974

Authority Title 10, United States Code, section 275; Executive Order 9397.

Principal Purpose Basic form used to record contractual obligations to enlistees, guarantees and annexes enlistment contract.

Routine Uses This form becomes a part of the Enlisted Master File and Field Personnel File. All uses of the form are internal to the United States Army.

Disclosure Disclosure of the Social Security Number (SSN) and other personal information is voluntary. However, failure to provide the required information may result *in denial of enlistment or reenlistment.*

1. In connection with my enlistment into the Regular Army, I hereby acknowledge and understand:

a. I am enlisting for (in addition to my primary program of US Army Training Enlistment Program) an incentive of (Enter title of incentive) US Army Cash Bonus.

b. My enlistment in the Regular Army is for 4 years, 00 weeks.

c. I understand that I am only entitled to the incentive as listed in 1a above and I have not been given any other guarantees or verbal promises in connection with my enlistment, other than my primary option.

2. If the incentive in 1a above is U. S. ARMY CASH BONUS, I understand that the BONUS AMOUNT IS \$ 4,000.00, authorized by HQDA message 111111Z JUL 91, and will be paid in accordance with DA instruction.

3. If the incentive in 1a above is U. S. ARMY COLLEGE FUND (ACF), I will be awarded the amounts indicated below, as they apply to the term I enlisting for: (I MUST REMAIN ENROLLED IN THE GI BILL TO RETAIN THIS INCENTIVE.)

TERM	AMOUNT	ACCRUAL RATE
TWO (2) YEARS	UP TO \$ 8,000	333.33 MO SERVED
THREE (3) YEARS	UP TO \$12,000	333.33 MO SERVED
FOUR (4) YEARS	UP TO \$14,000	333.33 MO SERVED

4. If the incentive in 1a above is for the U. S. ARMY LOAN REPAYMENT PROGRAM (LRP), I understand that I must **DISENROLL** from the GI Bill in order to qualify for this program. DISENROLLMENT MUST BE ACCOMPLISHED at the time I enter on active duty. If I fail to complete the disenrollment portion of the DD Form 2366, I will not be eligible for the LRP and will become automatically enrolled in the GI Bill.

a. I understand that under this program (LRP) that the government will repay a designated portion of any loan I incurred that was made, insured or guaranteed, under Part B of the Higher Education Act of 1975 (Guaranteed Student Loan) or any loan under Part E of such act (National Direct Student Loan) after 1 October 1975 and before I enlist into the Regular Army.

b. Enlistment for the LRP ensures me, provided I meet and maintain the prescribed prerequisites, that the portion or amount of loan that may be repaid is 33 1/3 percent or \$1,500, whichever is greater, of the unpaid principal balance for each year of service completed.

c. Repayment will be made only after each successful year of active duty that I perform commencing on the date of my enlistment in the Regular Army.

d. I fully understand that I must secure a military deferment or maintain my account in good standing until such time as repayment (c above) is started.

e. I understand that repayment amounts paid by the government are subject to Federal and State income taxed as taxable income each year payment is made.

5. STATEMENT AND CONDITIONS which apply to ALL incentive programs above:

a. I further acknowledge and understand that my incentive is subject to the following conditions:

(1) Should I fail to satisfactorily complete the Advanced Individual Training or One Station Unit Training, I will be trained in another MOS or CMF and required to complete my term of enlistment based upon the needs of the Army, forfeiting any entitlement of the Cash Bonus, LRP, or Army College Fund.

(2) I will lose entitlement to the incentive above if I fail to successfully complete training (*including academic failure*) and receive the MOS I have enlisted for.

(3) I must stay qualified in my incentive MOS for the duration of my initial enlistment, unless otherwise directed by Headquarters, Department of the Army. Change of MOS due to normal career progression (*see AR 621-201*) is authorized.

(4) If I fail to complete my term of enlistment and separation or discharge was at the convenience of the government, I must have completed at least 20 months if my initial term was less than 3 years and at least 30 months if 3 or more years. This applies to the MGIB and the ACF only.

(5) If I receive a commission in the Armed Forces either by graduating from the U.S. Military, Naval, Air Force, or Coast Guard Academy, or by completing a program of educational assistance under the Reserve Officer Training Corps (ROTC) Scholarship program, I will lose my eligibility for the MGIB and the ACF.

APPLICABLE TO ALL APPLICANTS ENLISTING UNDER THIS PROGRAM

6. I understand that if my enlistment contract cannot be fulfilled through no fault of my own, the alternative available to me will be provided in the Army Regulation 635-200. I understand that I will have a period of thirty days from the time I am notified, become aware that my selected training (*1a above*) cannot become fulfilled, to elect an alternative training program for which I am qualified and a vacancy exists, or request a separation. This thirty-day period may be extended by the General Courts Martial Convening Authority when necessary to determine the availability of my selected alternative. If I make no election within the thirty-day period, my claim will be deemed to have been waived.

7. If I fail, through my own fault, to meet any of these established prerequisites for the Nuclear Surety Programs or the required security clearances or fail to meet or maintain required medical, physical, professional, or other suitability standards for training or retention in accordance with my enlistment contract, I will be trained and assigned in accordance with the needs of the Army and required to complete my term of enlistment. I further acknowledge that if I become disqualified for this enlistment program because of personal conduct, withholding of information that I have within my knowledge that precludes access to special intelligence information, I will be retrained and required to complete my term of enlistment in accordance with the needs of the Army.

8. **MILITARY SERVICE OBLIGATION UNDERSTANDING:** I understand that an original enlistment in the U.S. Armed Forces obligates me to an eight (8) year Military Service Obligation. My term of enlistment in the Regular Army is creditable towards that obligation as was any enlistment in the Delayed Entry Program. In the event that the Secretary of the Army determines that military necessity of a national scope requires that soldiers be available for assignment/reassignment or training, any or all guarantees contained in this agreement may be terminated. Under these conditions, I may be trained, assigned, or reassigned according to the needs of the Army.

9. I have read and understand the statements above and that these statements are intended to constitute **ALL** promises and guarantees whatsoever concerning my enlistment. No other (*verbal or otherwise*) promise or representation not annexed to my enlistment contract is valid or will be honored. I hereby state that I have **NOT** been promised anything other than what is written on this form and hereby waive any claim based upon any promise or representation not annexed to my contract. I further state that I have provided my recruiter and guidance counselor all information concerning my qualifications and that no official in the U.S. Army or any other agency has advised me to conceal nor have I concealed information in connection with my enlistment.

AUTHENTICATION

TYPED NAME AND SSN OF APPLICANT		SIGNATURE OF APPLICANT	DATE
Any O. Applicant 222-22-2222			
TYPED NAME, GRADE AND SSN OF COUNSELOR		SIGNATURE OF GUIDANCE COUNSELOR	DATE
Victor S. Dellisola, SGM 111-11-1111			
CCN (REQUEST)		ANNEX	DATE

REVERSE, DA FORM 3286-66, JUN 91

Figure 1-2. Sample of a completed DA Form 3286-66 (Continued)

STATEMENT OF UNDERSTANDING - THE SELECTED RESERVE MONTGOMERY GI BILL
(10 USC CHAPTER 1606)

For use of this form, see AR 135-7; the proponent agency is ODCSPER

DATA REQUIRED BY THE PRIVACY ACT OF 1974

AUTHORITY: Title 10, USC, chapter 1606, and section 552a, title 10, USC.

PRINCIPAL PURPOSE: To explain obligation and eligibility requirements for entitlement under the Selected Reserve Montgomery GI Bill (*10 USC Chap 1606*) and to ensure that your understanding of these conditions is a matter of record.

ROUTINE USES: Information on eligibility and entitlement under the Montgomery GI Bill.

DISCLOSURE: Disclosure of your SSN is voluntary.

SECTION I - APPLICABILITY

This Statement of Understanding will be completed by all soldiers on assignment to, or serving in, the Selected Reserve of the U.S. Army, regardless of Selected Reserve Montgomery GI Bill eligibility status.

SECTION II - INSTRUCTIONS

The service representative is responsible for explaining the Montgomery GI Bill requirements and benefits outlined on this form. Following the reading, explanation, and affixing of proper signatures, a copy of this form will be filed in the soldier's official military personnel file (*OMPF*).

SECTION III - QUALIFICATIONS

1. Effective 1 July 1985, the Selected Reserve Montgomery GI Bill (*SEL RES MGIB*) prescribed by AR 135-7, chapter 8, and codified in law (*10 USC Chap 1606*), provides financial assistance for the pursuit of educational programs approved by the Department of Veterans Affairs (*DVA*) to qualified officers, warrant officers, and enlisted soldiers serving in the Selected Reserve. To qualify for entitlement under the *SEL RES MGIB*, I understand that on or after 1 July 1985, a soldier must:

a. Contract to serve at least 6 years in the Selected Reserve by enlisting, reenlisting, or extending an enlistment or reenlistment, in the Army National Guard of the United States or the U.S. Army Reserve with concurrent assignment to the Selected Reserve. A commissioned officer or warrant officer must agree to serve in the Selected Reserve for 6 years in addition to any other Selected Reserve obligation.

b. Be a secondary school graduate. An enlisted soldier with no previous military service must be a secondary school graduate before completion of initial active duty for training (*IADT*).

c. Complete, or have completed, initial active duty for training (*IADT*) or the equivalent which is required for all accessions including basic military and technical skill training.

d. Not –

(1) Be an unsatisfactory participant; or

(2) Elect to credit service toward Montgomery GI Bill for active duty service (*38 USC Chap 30*); or

(3) Be receiving financial (*scholarship*) assistance under 10 USC 2107 as a member of the Reserve Officers Training Corps; or

(4) Be pursuing graduate studies or a course of education leading to a degree above a baccalaureate (*see paragraphs 2 and 3 below*); or

(5) Be serving in an Active Guard Reserve status.

2. Prior to 1 October 1990, soldiers who had received a baccalaureate degree, or equivalent, or completed a course of instruction required for award of same, could not qualify for, or were terminated from, educational assistance under *SEL RES MGIB*. Since that date, a soldier who has received a baccalaureate degree and qualifies under paragraph 1 above, can receive assistance in pursuing additional courses approved by the Department of Veterans Affairs by contracting for an additional 6 years of Selected Reserve service.

3. Effective 1 October 1990, a soldier who qualifies under paragraph 1 above and contracts for 6 years of Selected Reserve service; or a soldier who is currently under the *SEL RES MGIB* and contracts for an additional 6 years of Selected Reserve service, may receive assistance in pursuing vocational, technical, or flight training programs or graduate courses approved by the *DVA*.

NAME APPLICANT, Any O.	SSN 123-45-6789
SECTION IV - ENTITLEMENT	
<p>I understand that –</p> <ol style="list-style-type: none"> 1. The date of my basic entitlement to educational assistance under the SEL RES MGIB will be established the day I meet all of the qualifications specified in section III, paragraph 1, above. I will be eligible to utilize the SEL RES MGIB benefits only when my basic date of entitlement has been established. 2. When entitlement is established, I will be required to sign a Notice of Basic Eligibility (<i>NOBE</i>) which will fully explain satisfactory participation, monthly entitlements, authorized nonparticipation, expiration of entitlements, and prohibited duplication of educational benefits. The <i>NOBE</i> will be provided to me by supporting personnel officials in my command. 3. Any additional Selected Reserve contractual service incurred under section III, paragraphs 2 or 3 above, will not change my basic date of entitlement established under paragraph 1 above. 	
SECTION V - BENEFITS	
<ol style="list-style-type: none"> 1. If qualified, I will be eligible to receive educational assistance to pursue a program of education in an amount determined by the Department of Veterans Affairs and as announced annually by Headquarters, Department of the Army. 2. The maximum benefit period is 36 months based on full-time status, or 48 months based on 3/4-time status, or 72 months based on 1/2-time status, or the number of months determined by the Department of Veterans Affairs based on less than 1/2-time status, or any combination that will not exceed the authorized maximum benefits. 	
SECTION VI - CAUTION	
<p>I understand that –</p> <ol style="list-style-type: none"> 1. I may be qualified for the SEL RES MGIB and for a bonus under the Selected Reserve Incentive Program (<i>SRIP</i>), or other incentives such as loan repayments, at the time of my enlistment, reenlistment, or extension in the Army National Guard of the United States of the U.S. Army Reserve; and 2. I am authorized to reenlist or extend at any time during a current enlistment or reenlistment agreement to qualify for the SEL RES MGIB; and 3. Regulations governing eligibility for a bonus under the <i>SRIP</i> may specify that the reenlistment or extension must be accomplished within a certain specified period prior to the expiration of term of service (<i>ETS</i>); and 4. If I reenlist or extend to qualify for the SEL RES MGIB when I am not within the specified period prior to my <i>ETS</i> date, I will be ineligible for a <i>SRIP</i> bonus. 	
SECTION VII - TERMINATION OF ENTITLEMENT	
<p>_____ (<i>Solider must initial</i>) I have read the following and I understand that my entitlement to educational assistance will be terminated under any of the following conditions:</p> <ol style="list-style-type: none"> 1. If I am declared an unsatisfactory participant per AR 135-91. 2. If I am discharged or separated from the Selected Reserve except -- <ol style="list-style-type: none"> a. To accept appointment as a commissioned officer or warrant officer with concurrent assignment to the Selected Reserve. b. To vacate my commission and enlist with concurrent assignment to the Selected Reserve. c. For disability that occurred after my eligibility date and which is not the result of my own misconduct. d. During the period 1 October 1991 and ending on 30 September 1999, if I am voluntarily separated from the Selected Reserve, except under the conditions cited below, I will retain my entitlement to educational assistance under the SEL RES MGIB until expiration under 5, below. The term "involuntarily separated" refers to separation from a paid position in the Selected Reserve. If separated during this period I will be considered as being involuntarily separated except where I am discharged, transferred, or reassigned from the Selected Reserve as a result of the following reasons: <ol style="list-style-type: none"> (1) For early retirement. (2) As a result of unsatisfactory participation, or unsatisfactory performance, or under other adverse conditions including a transfer with a tentative characterization of under other than honorable conditions. 	

Figure 2-1. Sample of a completed DA Form 5435-R (Continued)

NAME APPLICANT, Any O.		SSN 123-45-6789
SECTION VII - TERMINATION OF ENTITLEMENT (Continued)		
<p>(3) If I fail to meet qualifications for membership in the Selected Reserve under law or regulations, to include medical fitness standards.</p> <p>(4) If I am immediately eligible for retired pay under any provision of law based on military service.</p> <p>(5) If I am immediately eligible for an unreduced annuity under the Civil Service Retirement and Disability System or the Federal Employees Retirement System and I am serving as a military technician.</p> <p>(6) If I am eligible for separation pay.</p> <p>(7) If I refuse to accept another position in the Selected Reserve (<i>USAR or ARNGUS</i>) which was offered to me and it was within reasonable commuting distance of my home or, if outside reasonable commuting distance, was located at or in close proximity to the location of the unit with which I had been affiliated, and did not require a reduction in my grade.</p> <p>(8) If I voluntarily enter on extended active duty in the Active Army, or if I enlist or accept an appointment in a Regular component or another Reserve component for continued service in the Selected Reserve.</p> <p>(9) If I am not assigned, at the time of transfer or discharge, to an authorized position in the Selected Reserve which qualified me for basic pay or compensation for inactive duty training.</p> <p>(10) If I am fully qualified for reenlistment or extension on the date my current enlistment expires, and I request immediate reenlistment, but nevertheless I am discharged.</p> <p>3. If I enter on active duty, or full-time active duty under the Active Guard Reserve program.</p> <p>4. If I receive financial assistance under an ROTC scholarship program (<i>10 USC 2107</i>).</p> <p>5. When I complete a 10-year period which begins on the date I become entitled to assistance under the Montgomery GI Bill, except as provided for by the Department of Veterans Affairs.</p>		
SECTION VIII - RECOUPMENT		
I understand that if I receive financial education assistance and lose entitlement due to unsatisfactory participation I may be required to refund part of the educational assistance I received, plus interest. The amount of recoupment will be determined by the Department of Defense and the Department of Veterans Affairs.		
SECTION IX - UNDERSTANDING		
I have read and understand each of the sections above, have had my questions answered satisfactorily, and understand the Selected Reserve Montgomery GI Bill eligibility requirements, benefits, entitlement procedures, and caution.		
DATE SIGNED 11 Sep 98	APPLICANT'S SIGNATURE /signed/	
SSN 123-45-6789	TYPED OR PRINTED NAME AND RANK APPLICANT, Any O., PFC	
SECTION X - CERTIFICATION BY SERVICE REPRESENTATIVE		
I certify that I have witnessed the reading and signing of the above agreement and the signature appearing above is that of the applicant.		
DATE SIGNED 11 Sep 98	SIGNATURE OF SERVICE REPRESENTATIVE /signed/	
TITLE Guidance Counselor	TYPED OR PRINTED NAME AND RANK Ima A. Recruiter, SFC	

Figure 2-1. Sample of a completed DA Form 5435-R (Continued)

SELECTED RESERVE EDUCATIONAL ASSISTANCE PROGRAM (GI BILL) NOTICE OF BASIC ELIGIBILITY
(Chapter 106, Title 10, U.S.C)

Privacy Act Statement

AUTHORITY: 10. U.S. Code, Sections 2131, 2132, 2133, 2134, and 2135

ROUTINE USE: Information will be used as a source document indicating entitlement of each eligible member of the Selected Reserve to GI Bill Educational Assistance benefits.

PRINCIPAL PURPOSE: To establish eligibility to participate in the Selected Reserve Educational Assistance Program (GI Bill).

DISCLOSURE: Disclosure of your social security number and other personal information is voluntary. However, this form cannot be processed if requested information is not provided.

1. SERVICEMEMBER

a. NAME (<i>Last, First, Middle Initial</i>) STEPHENSON, DAVID J.	b. UNIT OF ASSIGNMENT HHC, 85TH DIV (TNG)	(2) GUARD/RESERVE COMPONENT USAR
c. SOCIAL SECURITY NUMBER 111-11-1111	(1) MAILING ADDRESS 1515 WEST CENTRAL ROAD ARLINGTON HEIGHTS, IL 60005-2475	(3) UIC WV5099

2. NOTICE OF BASIC ELIGIBILITY

I meet the eligibility criteria for the Selected Reserve Educational Assistance program authorized in Public Law 98-525 as follows:

a. During the period July 1, 1985 through June 30, 1988, I have agreed to serve six years in the Selected Reserve. If I am an officer, I agree to serve in the Selected Reserve for six years in addition to any other period of obligated Selected Reserve service you are required to perform.

b. I have completed 180 days service in the Selected Reserve.

c. I am a high school graduate or have obtained an equivalency certificate of high school completion.

d. I have completed Initial Active Duty for Training (IADT), if required.

e. I have neither completed the necessary courses of instruction required for a bachelor's degree nor do I have the equivalent evidence of completion of study.

f. I am not receiving financial assistance under section 2107 of title 10 U.S.C. (ROTC Scholarship).

3. (Continued)

a. Ordered to involuntary active duty for a period of up to two years or the period of my obligated service remaining, whichever is less, or

b. Required to refund the United States part of the money received from the Veterans Administration plus accrued interest for educational assistance under this program. Any refund I may be required to make does not affect my obligation to complete my service agreement in the Selected Reserve.

4. MONTHLY ENTITLEMENTS

I am entitled to the following monthly benefit in pursuit of an approved program of education at an institution of higher learning (approved programs include vocational courses and undergraduate degrees of the equivalent):

- a. \$140 per month for full-time enrollment;
- b. \$105 per month for three-quarter-time enrollment;
- c. \$ 70 per month for half-time enrollment.

I am entitled to a maximum of 36 months of educational assistance based upon full-time pursuit (or the equivalent based upon three-quarters or half-time pursuit). No payment can be made for less than half-time pursuit. Benefits to which I am entitled under this program will be paid by the Veterans Administration. It is my personal responsibility to apply to the VA in order to receive benefits. I understand I may receive no more than 48 months of benefits under 2 or more VA programs.

5. AUTHORIZED NON-PARTICIPATION

If I am not able to continue to serve in the Selected Reserve for a valid reason approved by my reserve component, following a period of satisfactory reserve participation, I will be ineligible for benefits for a period not to exceed: 3 years for a religious missionary obligation; 1 year for any other authorized reason.

5. (Continued)

Failure to affiliate with the Selected Reserve at the end of this period will result in permanent ineligibility to benefits. Only one approved release is permitted during the 10 year benefit period.

6. EXPIRATION

My entitlement to unused educational assistance benefits described in paragraph 4 will normally expire on the earlier of the following two dates: the 10th anniversary of eligibility to benefits if I remain a member in good standing during that period; or on the date of separation from the Selected Reserve.

7. OTHER ENTITLEMENTS

If I am entitled to basic educational assistance for service on active duty under section 1411 of Title 38, United States Code, I may not receive at the same time the educational assistance benefits described in paragraph 4 of this notice. If I have served at least two years on active duty after July 1, 1985 and have agreed to serve four or more years in the Selected Reserve under Section 1412 of Title 38 U.S.C., I will not be eligible for the benefits described in paragraph 4. If I believe that I may be entitled to other benefits based on active duty service I should contact the Veterans Administration.

8. UNDERSTANDING

I have read and understand each of the statements above and acknowledge that they are intended to constitute official notice and certification of my eligibility for Selected Reserve educational assistance benefits.

9. DATE OF BASIC ELIGIBILITY

(YYMMDD)

10. AUTHENTICATION: I certify that, to the best of my knowledge, the above information is true and correct.

a. SERVICEMEMBER

(1) TYPED OR PRINTED NAME (<i>Last, First, Middle Initial</i>) STEPHENSON, DAVID J.	(2) PAY GRADE E-3	(3) SIGNATURE /signed/	(4) DATE SIGNED 13 DEC 97
--	----------------------	---------------------------	------------------------------

b. COMMANDING OFFICER OR DESIGNEE

(1) TYPED OR PRINTED NAME (<i>Last, First, Middle Initial</i>) JONES, DANIEL T.	(2) PAY GRADE O2	(3) SIGNATURE /signed/	(4) DATE SIGNED 13 DEC 97
--	---------------------	---------------------------	------------------------------

Figure 2-2. Sample of a completed DD Form 2384

**STATEMENT OF UNDERSTANDING - THE SELECTED RESERVE MONTGOMERY GI BILL
KICKER PROGRAM (10 USC 16131)**

For use of this form, see AR 135-7; the proponent agency is ODCSPER

DATA REQUIRED BY THE PRIVACY ACT OF 1974

AUTHORITY: Title 10, USC, chapter 1606 and 10 USC 552a.
PRINCIPAL PURPOSE: To explain obligation and eligibility requirements for entitlement under the Selected Reserve Montgomery GI Bill (10 USC 16131) and to ensure that your understanding of these conditions is a matter of record.
ROUTINE USES: Information on eligibility and entitlement under the MGIB-SR Kicker.
DISCLOSURE: Disclosure of your SSN is voluntary.

SECTION I - APPLICABILITY

This Statement of Understanding will be completed by all eligible persons enlisting in the Sel Res of the Army (ARNG OR USAR) for the incentive under the MGIB-SR Kicker Program.

SECTION II - INSTRUCTIONS

The service representative is responsible for reading and explaining the MGIB-SR Kicker requirements outlined on this form. Following the reading, explanation, and affixing of proper signatures, a copy of this form will be stapled to each copy of the DD Form 1966, for ARNG and USAR personnel.

SECTION III - ACKNOWLEDGMENT

In connection with my enlistment in the USAR , for entitlement to the MGIB-SR Kicker, (ARNG or USAR)
I hereby acknowledge that I meet the following eligibility criteria (The applicant will initial the applicable paragraphs):

1. AOA I am enlisting in the ARNG/USAR with assignment to a unit of the Sel Res for a minimum of 6 years.
Incentive entitlement is based on –

AOA a. Assignment to a high-priority unit authorized by HQDA for the MGIB-SR Kicker.

(Enter complete unit identification and UIC)

98C W52RSR

 b. Assignment to a unit (*not high-priority*) authorized by HQDA for the MGIB-SR Kicker in an MOS that is authorized by HQDA for the MGIB-SR Kicker.

(Enter MOS and complete unit identification and UIC)

2. AOA I am a secondary school diploma graduate, or I am currently attending high school and expect to graduate before I enter the second phase of initial active duty for training (IADT) under the split-training option.

3. AOA I have scored 31 or higher on the Armed Forces Qualification Test (AFQT).

4. I have completed IADT or I will complete the second phase of IADT prior to becoming eligible for the MGIB-SR Kicker incentive.

SECTION IV - OBLIGATION

1. I am enlisting to serve 6 years in a Sel Res unit in an authorized HQDA unit or MOS, unless excused for the convenience of the Government; to include, normal career progression.

2. I agree to serve satisfactorily in the Sel Res for which contracted.

SECTION V - ENTITLEMENT

1. AOA I am entitled to the MGIB-SR Kicker Program in the amount of \$ per month (for full-time enrollment), for 36 academic months. This amount will be adjusted by the DVA for less than full-time pursuit of qualifying educational programs.

2. AOA I understand all incentive payments are subject to Federal and State income tax withholdings.

NAME	SSN
Any O. Applicant	123-45-6789

DA FORM 5435-1-R, MAY 98

Figure 3-1. Sample of a completed DA Form 5435-1-R

NAME	SSN
Any O. Applicant	123-45-6789

SECTION V - ENTITLEMENT (Continued)

3. AOA. I understand the procedures for payment of the MGIB-SR Kicker will be initiated by my unit Commander or direct representative. I further understand I cannot receive any portion of the MGIB-SR Kicker until I have received my secondary school diploma, completed initial active duty for training, and have been awarded my DMOS.

SECTION VI - SUSPENSION

I understand that under certain conditions I can be suspended on a one-time basis for a specified period from the incentive program rather than being terminated. Suspensions are limited to the following conditions:

1. Temporary overseas residence, missionary obligation, or overseas employment obligation for 3 years or less. Also transfer to the Inactive National Guard or Individual Ready Reserve for personal reasons for up to 1 year. Reinstatement to a partial or full resumption of incentive eligibility, when authorized, requires extending my term of service equal to a period that, in combination with time already served will equal 6 years.
2. I must remain DMOSQ unless changed through unit transition (para 1-14.1), reclassification of a position to non-critical, transfers to another position at the convenience of the government or promotion within the specialty or skill career progression path that provided MGIB-SR Kicker eligibility. If I voluntarily request reassignment to a new position for any other reason, my MGIB-SR Kicker benefits will be suspended. When non-DMOSQ occurs due to reasons above, I must become DMOSQ within 24 months to continue receipt of Kicker benefits.
3. If I enter a period of service where favorable personnel actions on my behalf are suspended, entitlement to subsequent MGIB-SR Kicker payments will also be suspended. If otherwise eligible, I will be entitled to receive MGIB-SR Kicker payments (section V) when the suspension has been favorably lifted. Reinstatement to a partial or full resumption of incentive eligibility requires that I extend my term of service for the period of unfavorable personnel actions in combination with service already served to equal six years. This excludes suspension of favorable personnel actions for Army Physical Fitness Test (APFT) failure or failure to meet body fat standards. Repeat APFT failure or failure to meet body fat standard within a one year period will result in suspension of Kicker benefits. Two consecutive APFT or body fat standard failures will result in termination of Kicker benefits.
4. MGIB-SR Kicker benefits suspended after the 6-year obligation is served, will be restored upon reaffiliation in the Sel Res in any position or unit of any component as long as I am entitled to MGIB-SR basic benefits.

SECTION VII - TERMINATION

The MGIB-SR Kicker incentive will be terminated should any of the following conditions occur before the fulfillment of my enlistment agreement and obligation:

1. If I become an unsatisfactory participant per AR 135-91, the termination of the incentive will be effective on the date of my suspension (termination will result in recoupment action).
2. If I fail to return within the authorized period of nonavailability, my Kicker benefits will terminate with recoupment action.
3. If I fail to extend my USAR contracted term of service to compensate for a period of authorized nonavailability, my Kicker benefits will terminate with recoupment action.
(ARNG or USAR)
4. If I complete less than 6 years in a Sel Res unit under the terms of the initial contract; recoupment action will be initiated.
5. My MGIB-SR Kicker benefits will terminate without recoupment when discharged, transferred, or reassigned from the Sel Res as a result of the following reasons:

DA FORM 5435-1-R, MAY 98

Figure 3-1. Sample of a completed DA Form 5435-1-R (Continued)

NAME	SSN
Any O. Applicant	123-45-6789

SECTION VII - TERMINATION (Continued)

- a. Enters the second phase of alternate (split) training without proof of qualification as a secondary school diploma graduate.
- b. If I fail to meet qualifications for membership in the Sel Res under law or regulations, to include medical fitness standards.
- c. If I become a military technician and qualify for an unreduced annuity under the Civil Service Retirement and Disability System or the Federal Employees Retirement System.
- d. If I become eligible for separation pay.
- e. If I refuse to accept another position in the Sel Res (USAR or ARNG) that was offered and within a reasonable commuting distance of the soldier residence. Or, if the position is outside a reasonable commuting distance, but was located at or in close proximity to the unit I had been affiliated with and the position did not require a reduction in grade.
- f. If I voluntarily enter on extended active duty in the Active Army, or if I enlist or accept an appointment in a Regular component or another Reserve component for continued service in the Sel Res.
- g. If I fail to become DMOSQ within 24 months following an involuntary reassignment to an authorized MOS other than that for which I contracted. When retraining is required as a result of involuntary unit transition and the training is not achieved within the time limit authorized, the Kicker benefits will terminate without recoupment.
- h. If I enter the Active Guard Reserve program in a noncritical MOS.
- i. Upon completion of the authorized maximum number of 36 academic months of MGIB-SR basic benefits.
- j. Upon reaching the 10-year delimiting date, except as provided for by the DVA.
- k. If I accept an appointment as a commissioned officer or warrant officer with consecutive assignment to the Sel Res.
- l. If I transfer to Army ROTC Control Group for the purposes of accepting an Army ROTC scholarship under 10 USC 2107.
- 6. If I transfer between the USAR and the ARNGUS, the following rules will apply:
 - a. AOA (initial) As a USAR soldier eligible for MGIB-SR Kicker benefits who transfers to the ARNGUS —
 - (1) I will continue to receive Kicker benefits according to the DVA policy when a TPU has been affected by unit transition IAW para 1-17.
 - (2) Upon completion of my six year obligation, I will continue to receive Kicker benefits as long as I have not received the maximum 36 academic months of benefits and I have basic MGIB-SR benefits remaining.
 - (3) For any reason other than (1) or (2) above, my Kicker benefits will terminate (with recoupment) unless the Chief, National Guard Bureau authorizes continued receipt of Kicker benefits based on my enlistment into the ARNGUS.
 - b. ____ As a ARNGUS soldier entitled to the MGIB-SR Kicker benefits who transfers to a USAR Sel Res unit for any reason other than a(1) or a(2) above, my Kicker benefits will terminate (with recoupment) unless the Chief, Army Reserve authorizes continued receipt of Kicker benefits based on my enlistment into the USAR.

DA FORM 5435-1-R, MAY 98

Figure 3-1. Sample of a completed DA Form 5435-1-R (Continued)

SECTION VIII - RECOUPMENT

A. If my eligibility to the MGIB-SR Kicker is terminated for a reason listed in paragraph 1 through 4 of section VII above, I may be subject to recoupment action. The recoupment amount will be calculated as follows:

1. The number of months served satisfactorily during the term of my enlistment will be multiplied by the proportionate monthly dollar amount (total bonus authorized divided by 72 months).
2. The product of the above will be subtracted from the total number of bonus paid to me to date, including initial and subsequent payments.
3. If the above calculation indicates overpayment to me, I will be required to refund that amount to the U.S. Government. If the calculation indicates I have earned more than I have been paid, I will be paid a final payment in the amount due me.
4. Any refund made by me will not affect my period of obligation to serve in the ARNGUS or USAR.

B. If I am in receipt of the MGIB-SR Kicker incentives and lose my eligibility, I will be subjected to recoupment plus interest. If I can not receive a waiver of recoupment through my service representative (Chief, NGB for the ARNGUS or Chief, Army Reserve for the USAR), I am obligated to repay benefits received through the recoupment process.

C. All debts to the U.S. Government will be submitted for collection from Sel Res members declared unsatisfactory participants when a waiver is not authorized. Delinquent repayment will result in the collection of interest on the remaining balance.

SECTION IX - STATEMENT OF UNDERSTANDING

I have read and understand each of the statements above and have had my questions satisfactorily answered. I understand the statements above are intended to constitute all promises and agreements, whatsoever, concerning my enlistment for MGIB-SR Kicker benefits. Any other representation, or commitments, made to me in connection with my enlistment for the MGIB-SR Kicker has been entered below in my own handwriting, or they are hereby waived. (If none, indicate by writing the word "NONE" below.)

DATE SIGNED

30 Oct 98

APPLICANT'S SIGNATURE

/signed/

SSN

123-45-6789

TYPED OR PRINTED NAME AND RANK

Any O. Applicant, PVT

SECTION X - CERTIFICATION BY SERVICE REPRESENTATIVE

I certify that I have witnessed the reading and signing of the above agreement and the signature appearing above is that of the applicant. I have verified the applicant meets the eligibility requirements of AR 135-7, and the applicant's unit of assignment (section III, para 1a) or MOS (section III, para 1b) is currently eligible, per HQDA annual policy guidance, for the MGIB-SR Kicker. No other promises were made to the applicant as a condition of entitlement to the MGIB-SR Kicker under the Sel Res Incentive Program. I have provided the applicant with a copy of this form.

DATE SIGNED

30 Oct 98

SIGNATURE OF SERVICE REPRESENTATIVE

/signed/

TITLE

Guidance Counselor

TYPED OR PRINTED NAME AND RANK

Charles Smith, SFC

DA FORM 5435-1-R, MAY 98

Figure 3-1. Sample of a completed DA Form 5435-1-R (Continued)

DATE

American Lending Company
100 Main Street
Anywhere, U.S.A. 12345-0000

Dear Sir:

This is to inform you that I am serving in the U.S. Army. I understand that if the first student loans I incurred were after July 1, 1993, I am not authorized a military deferment. Request you inform me if I am eligible for any other type of deferment. Request you provide me with the form(s) necessary to apply for a deferment. If I am not eligible for a deferment, request you provide me with the form(s) necessary to apply for a forbearance.

You may respond to my permanent address listed below until I can provide you with my current address.

Sincerely,

Lee Johnson
Private, U.S. Army
SSN: 123-45-6789
Loan Account Number:

Permanent Address:

101 Last Street
Elsewhere, U.S.A. 54321-0000

Figure 4-1. Sample deferment letter

**STATEMENT OF UNDERSTANDING
(ARMY POLICY)**

For use of this form, see AR 601-210, the proponent agency is ODCSPER

DATA REQUIRED BY THE PRIVACY ACT OF 1974

Authority	Title 10, United States Code, section 275; Executive Order 9397.
Principal Purpose	Basic form used to record contractual obligations to enlistees, guarantees and annexes enlistment contract.
Routine Uses	This form becomes a part of the Enlisted Master File and Field Personnel File. All uses of the form are internal to the United States Army.
Disclosure	Disclosure of the Social Security Number (SSN) and other personal information is voluntary. However, failure to provide the required information may result <i>in denial of enlistment or reenlistment</i> .

1. SURE PAY:

a. As part of my enlistment contract, I hereby acknowledge and agree that I have the duty and responsibility, as explained below, to establish and maintain an account with a United States financial institution (such as a bank, savings and loan, or credit union) for the direct deposit/receipt of my Army net pay and allowances.

b. I understand that within 3 months after completion of IADT/BT/AIT/OSUT, as applicable, I am required to establish an account with the U.S. financial institution for direct deposit/receipt of my Army net pay and allowances, and execute the appropriate forms at my PAC or unit finance office to ensure that my Army net pay and allowances are deposited directly into my account. I understand I may freely choose or change U.S. financial institutions to satisfy this requirement. I understand that I will continue to have the duty and responsibility to maintain such an account for direct deposit/receipt of my Army net pay allowances so long as I remain in service, unless I receive a specific exemption from this requirement from the Army. I understand that failure to establish and maintain an account as described above, in the absence of a specific exemption, may subject me to administrative action and/or disciplinary action under the Uniform Code of Military Justice or state military code (ARNG).

2. ALCOHOL AND DRUG ABUSE:

a. I understand that the Army's policy on alcohol and drug abuse is that the Army must prevent alcohol and drug abuse in order to perform its mission to defend the United States, to ensure its combat readiness, and to protect the health and welfare of its soldiers. I understand that service in the United States Army places me in a position of special trust and responsibility. Any drug abuse by soldiers of the United States Army is against the law, violates Army standards of behavior and duty performance, and will not be tolerated. Alcohol abuse involving criminal acts or conduct detrimental to the Army or good order and discipline will also not be tolerated. The illegal use of narcotics, or prescription drugs, or any use of marijuana or other illegal substances by soldiers can lead to criminal prosecution and/or discharge under other than honorable conditions. If I am identified for either alcohol or drug abuse, including the use or possession of marijuana, appropriate disciplinary and/or administrative action may be taken against me. This may include trial by court-martial or administrative separation from the Army.

b. I understand that certain Military Occupational Specialties (MOS) in the Army cannot be performed by persons who have used marijuana or other drugs. If it is established that I have used drugs or marijuana and that usage disqualifies me for the MOS for which I entered the Army or have been awarded, I may be reclassified into another MOS.

3. RELIGIOUS PRACTICE ACCOMMODATION:

a. I understand the Department of the Army's policy on accommodation of religious practices is to accommodate religious practices when accommodation will not have an adverse impact on military readiness, unit cohesion, standards, health, safety, or discipline. The Army places a high value on the rights of its soldiers to observe the tenants of their respective religions. Unit commanders are authorized to initially approve or deny requests for accommodation of religious practices. Conditions of accommodation may change based on military need. Policy guidelines are contained in AR 600-20 and AR 165-20 which my guidance counselor has available for me to read. I understand that the Army cannot guarantee accommodation of religious practices.

b. I further state that I have been given the opportunity to read or I have read the policy in AR 600-20 and AR 165-20.

Figure 4-2. Sample of a completed DA Form 3286-67

4. I have read the following statement(s) of understanding:

a. **USAR COMMISSIONED/WARRANT OFFICERS:** I understand that I will automatically vacate my reserve commission/warrant, if I enlist in the Delayed Entry Program.

b. **ESL ENLISTEE:** I understand that I am enlisting into the Regular Army unassigned. I have been accepted under the conditions described below:

(1) I will be required to attend the English Language Training Program.

(2) I will be administered the English Language Comprehension Test (*ECLT*) upon completion of training. If my score is 70 or greater, I will be required to take the Armed Services Vocational Aptitude Battery (*ASVAB*).

(3) The resulting scores from my retest will be the scores of record from which my qualifications and options will be determined. If I do not score at least a 21 on the *ASVAB* retest, with at least one qualifying aptitude area score, I will be assigned an enlistment program/option and MOS based upon my initial *ASVAB* scores. If neither my *ASVAB* retest nor my initial *ASVAB* scores qualify me for an enlistment program/option and MOS, I will be separated from the Army.

(4) If I fail to attain the required score of 70 on the *ECLT*, I will be separated from the Army, regardless of my *AFQT* and aptitude area scores.

(5) I have not been guaranteed any assignment, job, or training skill, and fully understand the nature of this enlistment.

(6) My term of enlistment is four (4) years.

c. **PRIOR SERVICE ENLISTEE:** I understand that if I have enlisted for an MOS that is taught in the *OSUT* mode, I may be required to complete all or a portion of Basic Training, regardless of the period of my break in service.

d. **FITNESS TRAINING UNIT:** I understand that I will be given a Pre-Basic Training Physical Fitness test during my first 3 days at the Reception Station. Should I fail to meet the minimum requirements, I will be placed in a Fitness Training Unit (*FTU*) until I can attain the minimum physical standards to enter Basic Training.

5. I have enlisted for the following Educational Incentive Programs (*initial under the appropriate column for each program*).

	YES	NO
Montgomery GI Bill (<i>MGIB</i>)	_____	_____
Army College Fund (<i>ACF</i>)	_____	_____
Loan Repayment Program (<i>LRP</i>)	_____	_____

AUTHENTICATION

TYPED NAME AND SSN OF APPLICANT	SIGNATURE OF APPLICANT	DATE
Any O. Applicant 222-22-2222		
TYPED NAME, GRADE AND SSN OF COUNSELOR	SIGNATURE OF GUIDANCE COUNSELOR	DATE
Victor S. Dellisola, SGM 111-11-1111		

REVERSE, DA FORM 3286-67, JUN 91

Figure 4-2. Sample of a completed DA Form 3286-67 (Continued)

STUDENT LOAN REPAYMENT PROGRAM ADDENDUM

For use of this form, see AR 135-7; the proponent agency is ODCSPER.

ARNGUS: ADDENDUM TO DD FORM 4 SERIES (ENLISTMENT/REENLISTMENT DOCUMENT - ARMED FORCES OF THE UNITED STATES) OR DA FORM 4836 (OATH OF EXTENSION OF ENLISTMENT OR REENLISTMENT)

USAR: ADDENDUM TO DA FORM 3540 SERIES (CERTIFICATE AND ACKNOWLEDGMENT OF SERVICE REQUIREMENTS FOR INDIVIDUALS ENLISTING, REENLISTING, OR TRANSFERRING INTO TROOP PROGRAM UNITS OF THE U.S. ARMY RESERVE)

NOTE; THE TERM "EXTENSION," AS USED IN THIS ADDENDUM, APPLIES TO ARMY NATIONAL GUARD OF THE UNITED STATES (ARNGUS) SOLDIERS WHO MAY INITIALLY CONTRACT FOR THIS PROGRAM EITHER BY REENLISTMENT OR EXTENSION. U.S. ARMY RESERVE (USAR) SOLDIERS INITIALLY CONTRACT FOR THIS PROGRAM ONLY BY REENLISTMENT. SUBSEQUENT EXTENSIONS OF THE INITIAL ARNGUS OF USAR CONTRACTED TERM OF SERVICE WILL EXTEND THE SOLDIER'S ENTITLEMENTS UNDER THIS PROGRAM

DATA REQUIRED BY THE PRIVACY ACT OF 1974

AUTHORITY: Section 16301, title 10, USC and section 552a, title 5, USC.

PRINCIPAL PURPOSE: To explain obligation and participation requirements for entitlement under the Student Loan Repayment Program (SLRP) and to ensure that your agreement to these conditions is a matter of record.

ROUTINE USES: Confirmation of obligation and participation requirements for entitlement under the SLRP; occasionally as basis for suspension or termination.

DISCLOSURE: Disclosure of your SSN is voluntary, however, if not provided, you will not be eligible for the SLRP.

SECTION I - APPLICABILITY

This addendum will be completed by all persons enlisting, reenlisting, immediately reenlisting, or extending in the Selected Reserve of the Army (ARNGUS or USAR) for entitlement under the Student Loan Repayment Program (SLRP).

SECTION II - INSTRUCTIONS

The service representative is responsible for reading and explaining the SLRP requirements outlined on this form. Following the reading, explanation, and affixing of proper signatures, a copy of this form will be stapled to each copy of the DD Form 4 series, or DA Form 4836, for ARNGUS personnel, or the DA Form 3540 series for USAR personnel.

SECTION III - ACKNOWLEDGMENT

In connection with my enlistment, immediate reenlistment, or extension in the Army National Guard of the United States (ARNGUS) or U.S. Army Reserve (USAR), for entitlement to loan repayment under the Student Loan Repayment Program, I hereby acknowledge that I meet the following eligibility criteria (The applicant will initial the applicable paragraphs):

1. D.S. I have no previous military service, or I have previous military service but I have not completed initial entry training and I am contracting for an initial Selected Reserve term of service of at least 6 years with a concurrent contractual and statutory military service obligation of 8 years. In addition--

- a. I have scored 50 or higher on the Armed Forces Qualifications Test (AFQT).
- b. I am contracting for completion of initial active duty for training (IADT) and qualification in military occupational specialty

(MOS) 71L10 which HQDA has approved for:

 N/A (1) A maximum of \$10,000 in loan repayments; or

 D.S. (2) A maximum of \$20,000 in loan repayments (USAR only).

- c. I am a secondary school graduate and I have the supporting documentation: or I am currently in high school and --

 N/A (1) I have enlisted for the Standard Training Option. I must present proof of high school graduation before I enter on IADT; or

 D.S. (2) I have enlisted for the Alternate (Split) Training Option. I must submit proof of high school graduation before I enter on the second phase of IADT. This addendum is void if I enter the second phase of training without proof of graduation.

Figure 5-1. Sample of a completed DA Form 5261-4-R

NAME STITES, DONALD W.	SSN 222-22-2222
SECTION III - ACKNOWLEDGMENT <i>(Continued)</i>	
<p><u> N/A </u> 2. I have previous military service, or I am currently a member of the ARNGUS or USAR, and I am contracting to serve for 3 more years in the Selected Reserve. In addition, I am contracting:</p> <p>a. To serve in military occupational specialty (MOS) <u> N/A </u> <i>(in which I am qualified)</i> and that HQDA has approved for: <i>(Initial as appropriate.)</i></p> <p><u> N/A </u> (1) A maximum of \$10,000 in loan repayments; or</p> <p><u> N/A </u> (2) A maximum of \$20,000 in loan payments (USAR only).</p> <p><u> N/A </u> b. For assignment to a Selected Reserve training brigade/division in a valid drill sergeant duty position for which I am, or will become within 24 months, SQI "X" qualified.</p> <p>3. I am not contracting in the ARNGUS/USAR to fill a permanent civilian position where membership in the Selected Reserve is a condition of employment <i>(temporary civilian assignment is excluded)</i>.</p> <p>4. I am a high school graduate or equivalent and I have the supporting documentation as required by AR 135-7 and AR 601-210.</p>	
SECTION IV - OBLIGATION	
<p>I will serve satisfactorily, as prescribed by National Guard or Department of the Army regulations, the obligated term of service in the Selected Reserve according to my enlistment, reenlistment, or extension agreement unless expressly excused for the convenience of the Government. I incur the obligations of this contractual agreement as follows: <i>(Initial the paragraph below that is applicable to you.)</i></p> <p><u> D.S. </u> 1. I have no previous military service. I am enlisting for 8 years (8x0 or 6X2) in the ARNGUS/USAR. I agree to serve my initial 6 years in the Selected Reserve in the MOS I have indicated in section III, paragraph 1b above.</p> <p><u> N/A </u> 2. I am not a current member of the ARNGUS/USAR, but I have previous military service. I am enlisting or reenlisting for <u> N/A </u> years <i>(must be 3 or more years)</i> in the ARNGUS/USAR. I agree to serve the entire term of service in the Selected Reserve in the MOS I have indicated in section III, paragraph 2.</p> <p><u> N/A </u> 3. I am currently a member of the ARNGUS/USAR. I am immediately reenlisting or extending for <u> N/A </u> years <i>(must be 3 or more years)</i>. I agree to serve the entire term of service in the Selected Reserve in the MOS I have indicated in section III, paragraph 2.</p>	
SECTION V - ENTITLEMENT	
<p>I understand that loan repayment under the SLRP will apply to me as follows:</p> <p>1. The Government will repay a designated portion of any outstanding loan(s) I have secured since 1 October 1975. Such loan(s) must have been made, insured, or guaranteed under Part B of the Higher Education Act of 1965 <i>(Guaranteed Student Loans/Federally Insured Student Loans)</i>, or any loan made under Part E of such act <i>(National Direct Student Loans)</i>.</p> <p>2. In addition, qualifying educational loan(s) made by me while a member of the Selected Reserve during this contractual term of service will also be repaid in part under this incentive.</p> <p>3. Repayment of the qualifying student loan(s) will be made after each year of satisfactory service in the Selected Reserve after securing the loan(s) and reaching the anniversary date of this agreement. For each year of satisfactory service in the Selected Reserve, the loan amount to be repaid will be as follows: <i>(The applicant will initial the applicable paragraph.)</i></p> <p><u> N/A </u> a. A maximum of \$10,000 during my military career as I have acknowledged in section III, above, and that amount will not increase. The amount to be repaid each year will not exceed 15% of the original balance <i>(a maximum of \$1,500)</i> or \$500, whichever is greater, plus the accrued interest.</p> <p><u> D.S. </u> b. A maximum of \$20,000 during my military career as I have acknowledged in section III, above, and that amount will not increase. The amount to be repaid each year will not exceed 15% of the original balance <i>(a maximum of \$3,000)</i> or \$500, whichever is the greater, plus the accrued interest. Further, I understand my eligibility for the \$20,000 SLRP is based on MOS <u> 71L10 </u> as shown in section III, above. I will be subject to reduced benefits if I move to an MOS not eligible for this amount.</p>	

Figure 5-1. Sample of a completed DA Form 5261-4-R (Continued)

NAME STITES, DONALD W.	SSN 222-22-2222
SECTION V - ENTITLEMENT <i>(Continued)</i>	
D.S. _____ 4. I understand that--	
a. The repayment of student loans by the Government is not automatic under the terms of this addendum. It is my responsibility to initiate the request for loan repayments during each year that I meet the requirements explained in this addendum, by completing DD Form 2475 (<i>DOD Educational Loan Repayment Program (LRP) Annual Application</i>) and submitting it to personnel officials in my command.	
b. I should arrange for deferment or forbearance with lenders or note holders on loans which are falling due.	
c. Loan repayments will only be made to the lender or note holder and nothing in this agreement will be construed as authority to refund any repayment of a loan.	
5. Loan repayments are subject to Federal and State income tax withholdings.	
SECTION VI - SUSPENSION	
I understand that under certain conditions I can be suspended on a one-time basis for a specified period from loan repayment under the SLRP rather than being terminated. Suspensions are limited to the following conditions:	
1. Temporary overseas residence, missionary obligation, or overseas employment obligation for 3 years or less. Also transfer to the Inactive National Guard or Individual Ready Reserve for personal reasons up to 1 year. Reinstatement to a partial or full resumption of loan repayments, when authorized, requires extending my term of service equal to the period I was in a nonavailable status and reestablishing my eligibility and adjusting my anniversary date.	
2. I must continue to serve in the MOS for which I contracted. If I am reassigned to another duty MOS in which I am not qualified, loan repayment will be suspended. I must become MOS qualified within 12 months if on-the-job training (<i>OJT</i>) is required, or within 24 months if attendance at a service school is required. However, except where my MOS duty position has been changed through unit reorganization, relocation, redesignation, inactivation, or conversion --	
a. If I contracted for the \$20,000 loan repayment (<i>section V, para 3b</i>) I must become qualified in an MOS which HQDA has approved for this amount or I will be subject to reduced benefits (<i>section V, para 3a</i>); and	
b. If otherwise eligible, I will be entitled to loan repayment when I become MOS qualified in the new position.	
3. If I enter a period of service where favorable personnel actions on my behalf are suspended, entitlement to subsequent payments will also be suspended. If otherwise eligible, I will be entitled to loan repayments (<i>section V, para 3</i>) when the suspension has been lifted. This excludes suspension of favorable personnel actions for Army Physical Fitness Test failure or failure to meet body fat standards.	
SECTION VII - TERMINATION	
D.S. _____	(<i>Applicant must initial this block</i>) I understand that the terms of this addendum will remain in force as long as I continue to participate satisfactorily under a contractual agreement as a member of the Selected Reserve. I further understand that the terms of this agreement and my entitlement to loan repayment under the SLRP will be terminated should any of the following conditions occur:
1. Become an unsatisfactory participant per AR 135-91.	
2. If I move to an MOS, or am reclassified in an MOS, other than that for which contracted. Loan repayment will not be terminated if I remain assigned to the Selected Reserve (<i>see para 11 below</i>) and I am moved to another MOS for normal career progression, or when my unit is reorganized, relocated, redesignated, inactivated, or converted, or where the Chief, National Guard Bureau or Chief, Army Reserve has approved the move.	
3. Fail to become MOS qualified within 12 months, if required to perform on-the-job training, or within 24 months if required to attend a service school, following a voluntary reassignment to a position in an MOS other than that for which I have herein contracted.	
4. Am separated from my enlisted status in the Selected Reserve, for any reason, except for an authorized period of nonavailability. This includes enlistment in the Regular Army or voluntary entry on extended active duty in the Active Army.	
5. Accept a permanent civilian position where membership in the Selected Reserve is a condition of employment (<i>a temporary civilian assignment is excluded</i>).	
6. Exceed the maximum period authorized for suspension during a period of nonavailability.	

Figure 5-1. Sample of a completed DA Form 5261-4-R (Continued)

NAME STITES, DONALD W.		SSN 222-22-2222
SECTION VII - TERMINATION (Continued)		
7. Fail to extend my ARNGUS or USAR contracted term of service to compensate for a period of nonavailability.		
8. Enter on active duty in an Active Guard Reserve (AGR) status, provided this would be my initial entry on active duty and I am enrolled under the Montgomery GI Bill for active duty service (38 USC Chapter 30).		
9. Enroll in Senior Reserve Officers Training Corps (SROTC) with assignment to Control Group (ROTC), or if I become a participant in the ROTC Simultaneous Membership Program (SMP).		
10. Was attending high school at the time of enlistment and I do not become a secondary school graduate within the required timeframe.		
11. Have reached the maximum portion authorized for loan repayment during my service as a Reserve of the Army (ARNGUS and USAR service combined). The maximum portion of loan repayment that I am authorized during my career is shown in section III, paragraph 2b, above.		
D.S. 12. (Applicant must initial) Transfer between the USAR and the ARNGUS under the following conditions:		
a. If, as a member of the USAR entitled to loan repayment at the \$10,000 or \$20,000 level, I transfer to the ARNGUS --		
(1) Because my USAR troop program unit has been reorganized, relocated, redesignated, inactivated, or converted, I will terminate my entitlement at the \$20,000 level, but will not terminate my entitlement to loan repayment. I will continue entitlement to loan repayment but only at the \$10,000 level.		
(2) For any reason other than (1) above, I will terminate my entitlement to loan repayment at both the \$10,000 and \$20,000 levels, unless the Chief, National Guard Bureau authorizes continued entitlement at the time of enlistment in the ARNGUS.		
b. If, as a member of the ARNGUS entitled to loan repayment under this program, I transfer to a USAR Selected Reserve unit and I remain otherwise eligible, I will not terminate my entitlement and will continue entitlement for loan repayment. However, this transfer will not authorize increasing my entitlement to the \$20,000 level.		
13. Was attending high school at the time of enlistment and I do not become a secondary school graduate within the required timeframe.		
SECTION VIII - STATEMENT OF UNDERSTANDING		
I have read and understand each of the statements above and have had my questions satisfactorily answered. I understand the statements above are intended to constitute all promises and agreements, whatsoever, concerning my entitlement, reenlistment, or extension under the SLRP. Any other promise, representation, or commitments, made to me in connection with my enlistment, reenlistment, or extension for the SLRP have been entered below in my own handwriting, or they are hereby waived. (If none, indicate by writing the word "NONE" below.)		
DATE SIGNED 23 OCT 98	APPLICANT'S SIGNATURE /signed/	
SSN 222-22-2222	TYPED OR PRINTED NAME AND RANK STITES, DONALD W., PFC	
SECTION IX - CERTIFICATION BY SERVICE REPRESENTATIVE		
I certify that I have witnessed the reading and signing of the above agreement and the signature appearing above is that of the applicant. I have verified the soldier meets the eligibility requirements of AR 135-7, and the applicant's MOS is currently eligible for the designated portion authorized for loan repayment shown in section III, above. No other promises were made to the applicant as a condition of entitlement under the SLRP. I have provided the applicant with a copy of this form.		
DATE SIGNED 23 OCT 98	SIGNATURE OF SERVICE REPRESENTATIVE /signed/	
TITLE GUIDANCE COUNSELOR	TYPED OR PRINTED NAME AND RANK DUNCAN, EDWARD D., JR., SFC	

Figure 5-1. Sample of a completed DA Form 5261-4-R (Continued)

**Statement of Understanding-Army Policy
USAREC Addendum to DA Form 3540 (Acknowledgment of Enlistment)**
(For use of this form see USAREC Reg 601-96)

1. **D.S.** ACKNOWLEDGMENT: I have been advised and understand, my Army Reserve enlistment makes me ineligible for the following Regular Army incentive programs should I later apply for a Regular Army enlistment.

- a. Enlistment Cash Bonus - Regular Army.
- b. Loan Repayment Program - Regular Army.
- c. Army College Fund - Regular Army.

2. **D.S.** Montgomery GI Bill (MGIB): I understand the amount of the MGIB I am entitled to is \$ 9,036.00 . The current amount of monthly benefits are: \$ 251.00 per month for 36 months as a full-time student; \$ 182.25 per month for 48 months as a 3/4-time student; and \$ 125.50 per month for 72 months as a 1/2-time student. I also understand the MGIB is authorized for graduate studies.

3. **D.S.** I am enlisting under the Alternate Training Program, AR 601-210, chapter 5, paragraph 5-67b and have been advised and fully understand that school attendance or employment will not be a sufficient reason for failure to ship on my scheduled active duty date. I understand that the current length for the military occupational specialty I am to be trained in is approximately 9 weeks. My scheduled return date from basic training is 28 Aug 99 .

4. **D.S.** I have read/viewed and understand the military occupational specialty (MOS) description for 71L10

5. **D.S.** I certify that I successfully completed or am currently enrolled in high school typing (subject(s)) and understand that I must provide verification by certified school transcripts before initial active duty for training; or accept training in an alternate military occupational specialty (MOS), if offered, and remain on active duty for such additional period as required to complete training.

6. **D.S.** I have 1 dependents under the age of 18. I understand that the responsibility that I have for the care of my children will not be a sufficient reason of itself for not satisfactorily participating in the Ready Reserve during my period of enlistment. I further understand that it is my responsibility to make arrangements for the care of my children during periods of military service when I am required to perform duty in an area where dependents are not authorized.

7. I concur with this assignment even though the distance from my home to the Army Reserve Center is greater than the normal commuting distance of 50 miles or 90 minutes travel time. I understand extra meals and lodging will not be provided on training assemblies. I further understand that it is my responsibility to attend all scheduled meetings with my assigned unit. Transportation to and from meetings is my responsibility and will not be a reason for not attending meetings. *GC will follow procedures outlined in AR 601-210, paragraph 6-8c.*

8. Report back to MEPS on 9 Jun 99 at 0530
 Reception Battalion Fort Jackson date 12 Jun 99
 Basic Training Station Fort Jackson date 15 Jun 99
 AIT Station N/A date N/A

I have read and understand the statements initialed above. This addendum is part of my enlistment contract. Only promises made to me in writing as part of my enlistment contract (DD Form 4), Acknowledge of Enlistment (DA Form 3540), or addenda will be honored. I have not been promised anything not written on one of these documents that were signed on 23 OCT 98 and are annexed to my contract.

AUTHENTICATION

SIGNATURE OF GUIDANCE COUNSELOR: /signed/	TYPED NAME, GRADE, AND SSN: DUNCAN, EDWARD D., JR., SFC 555-55-5555	DATE: 23 OCT 98
SIGNATURE OF APPLICANT: /signed/	TYPED NAME AND SSN:: STITES, DONALD W., 222-22-2222	DATE: 23 OCT 98

USAREC Fm 1122, Rev 1 Nov 96 (Previous editions will be used)

Figure 5-2. Sample of a completed USAREC Fm 1122

Appendix A References

Section I Required Publications

AR 140-111
U.S. Army Reserve Reenlistment Program.

AR 601-210
Regular Army and Army Reserve Enlistment Program.

Section II Related Publications

AR 135-7
Army National Guard and Army Reserve Incentive Programs.

AR 135-91
Service Obligations, Methods of Fulfillment, Participation Requirements, and Enforcement Procedures.

AR 600-20
Army Command Policy.

AR 621-202
Army Educational Incentives and Entitlements.

DOD 1322.16
Veteran's Educational Assistance Act of 1984 (GI) Bill.

USAREC Reg 601-96
Guidance Counselor Procedures.

USAREC Reg 601-101
Education Enlistment Credentials.

Section III Required Form

USAREC Fm 1122
Statement of Understanding-Army Policy-USAREC Addendum to DA Form 3540 (Acknowledgment of Enlistment).

Section IV Related Forms

DA Form 3286-66
Statement of Understanding - U.S. Army Incentive Enlistment Program.

DA Form 3286-67
Statement of Understanding (Army Policy).

DA Form 3540-R
Certificate and Acknowledgment of U.S. Army Reserve Requirements and Methods of Fulfillment.

DA Form 5261-4-R
Student Loan Repayment Program Addendum.

DA Form 5435-R
Statement of Understanding - The Selected Reserve Montgomery GI Bill.

DA Form 5435-1-R
Statement of Understanding - The Selected

Reserve Montgomery GI Bill Kicker Program.

DD Form 214
Certificate of Release or Discharge From Active Duty.

DD Form 1966/1
Record of Military Processing - Armed Forces of the United States.

DD Form 2366
Montgomery GI Bill Act of 1984 (MGIB).

DD Form 2384
Selected Reserve Educational Assistance Program (GI Bill) Notice of Basic Eligibility.

DD Form 2475
DOD Education Loan Repayment Program (LRP) Annual Application.

TD Form IRS W-2
Wage and Tax Statement.

Glossary

Section I Abbreviations

ACF
Army College Fund

AD
active duty

AFQT
Armed Forces Qualification Test

DEP
Delayed Entry Program

GC
guidance counselor

HQDA
Headquarters, Department of the Army

HSD
high school diploma

HSDG
high school diploma graduate

HSSR
high school senior

IADT
initial active duty for training

LNCO
liaison noncommissioned officer

LRP
Loan Repayment Program

MGIB
Montgomery GI Bill

MGIB-SR
Montgomery GI Bill-Selected Reserve

MOS
military occupational specialty

NPS
nonprior service

PERSCOM
United States Total Army Personnel Command

PL
public law

PS
prior service

RA
Regular Army

Rctg Bn
recruiting battalion

ROTC
Reserve Officers' Training Corps

SLRP
Student Loan Repayment Program

SRIP
Selected Reserve Incentive Program

TOS
term of service

USAR
United States Army Reserve

USAREC
United States Army Recruiting Command

USARECBN
United States Army Reception Battalion

VA
Veterans' Administration

Section II Terms

loan deferment
The procedure through which the repayment of the loan principal is deferred to a later date. Interest does not accrue on the account until expiration of the deferment.

loan forbearance
The procedure during which a person either temporarily does not make loan payments, extends the time between payments, or makes smaller payments than originally scheduled. If the person chooses not to pay the interest during the forbearance period, it will be capitalized and added to the loan principal when the forbearance ends.

loan repayment
If an individual does not obtain a deferment or a forbearance, then the individual must ensure any payments go toward interest only.