1. **Policy.** Navy Personnel Command (NAVPERSCOM), Reserve Retirements Branch (PERS-912) will transfer members of the Fleet Reserve to the Retired List without application upon:

   a. Completion of 30 years active and inactive service; or

   b. Upon determination that the member is not physically qualified to perform the duties of the rate held. Such members may, upon notification by Chief of Naval Personnel, be transferred to the Retired List, or if serving on active duty and when otherwise qualified; therefore, be placed on the Temporary or Permanent Physical Disability Retired List per reference (a), Chapter 61.

2. **Grade Determination**

   a. Except as noted below, NAVPERSCOM (PERS-912) will transfer members to the Retired List in the enlisted grade held immediately prior to transfer per reference (a), §6331. Unless otherwise entitled to higher pay, each member transferred to the Retired List is entitled to retired pay at the same rate as the retainer pay in effect at the time of retirement from the Fleet Reserve.

   b. Per reference (a), §6151 and §6334, if the member concerned had previously served satisfactorily under a temporary appointment in a warrant or commissioned, or a higher enlisted grade upon retirement from the Fleet Reserve, member will be advanced on the Retired List to the highest temporary warrant or commissioned, or higher enlisted grade satisfactorily held as determined by the Secretary of the Navy. Retirement pay will be
calculated by vb the Defense Finance and Accounting Service (DFAS) per reference (a), §6151, §6334, and §1406–§1407.

3. **Service Computation**

   (a) NAVPERSCOM (PERS-912) will compute years of service for transfer from the Fleet Reserve to the Retired List by adding:

   (1) Years of service credited upon transfer to the Fleet Reserve;

   (2) Years of active duty and inactive duty service in the Armed Forces before transfer to the Fleet Reserve not credited upon that transfer; and

   (3) Years of service, active duty and inactive duty, in the Fleet Reserve.