



**Information Paper
USAREUR Retiree Council**

AETS-FCB, 23 May 2011



SUBJECT: On-post financial services offered to retirees living in Europe.

- 1. PURPOSE:** To provide information on the banking and credit union privileges offered to retirees that choose to maintain their residence in Europe.
- 2. ISSUE RECOMMENDATION(S):** There is no change to the Status of Forces Agreement (SOFA) or Supplementary Agreement (SA) within Europe that would allow retirees to maintain an account with an on-post financial institution.
- 3. FACTS:** Under the NATO SOFA and related SAs, banks and credit unions that operate on overseas military installations are only authorized to provide financial services to members of the force, members of the civilian component, and their dependents. Retirees are not authorized to maintain an account with an on-post financial institution, except under certain circumstances.

If a member of the force or civilian component opens an account with an on-post credit union prior to their retirement, they are authorized to maintain their account after retirement IAW Army in Europe Regulation 600-700, Chapter 13, Paragraph 13-4a(4). The reason a retiree can maintain an account with an overseas credit union is that credit unions operating overseas must maintain their headquarters in the United States, so the credit union account is considered to exist in the United States.

A member of the force or civilian component is not authorized to maintain a Community Bank account after retirement under any circumstances, however, retirees may still choose to utilize the limited services authorized by Community Bank, depending on country of residence. The following list of limited banking services offered to retirees by country is listed below:

Germany: 1) Cash U.S. Treasury retirement and disability checks, and concurrently convert to local currency for up to the face amount of the check, and 2) Purchase and/or redeem U.S. Savings Bonds.

Italy: Retiree banking services are not authorized.

Netherlands: 1) Cash U.S. Treasury retirement and disability checks, and concurrently covert local currency for up to the face amount of the check, 2) Purchase and/or redeem U.S. Savings Bonds, and 3) Open a bank account if they have opted to receive their

AETS-FCB

SUBJECT: Retiree Bank and Credit Union Privileges

retirement pay electronically. These accounts may not be used for any other purpose but to receive and withdraw retirement pay.

United Kingdom: As long as the customers' permanent residence is in the UK, full banking services are authorized, with the exception of Credit Products. Widows and widowers' banking privileges are grandfathered if the accounts were opened prior to 8 November 1996 in the UK.

If a member of the force or civilian component passes away, the dependent is no longer authorized to maintain an account with Community Bank. Given the same situation with a credit union account, the dependent may continue to maintain their account, as long as the account is solely in their name. A joint credit union account must be closed upon the death of the member of the force or civilian component.

4. STAFF POSITION: If an active duty Soldier or member of the civilian component is planning on retiring and continuing to live in Europe, and they wish to maintain an account with an on-post financial institution, they must open an account with an on-post credit union, prior to their retirement. Recommend that dependents also open their own single account with the credit union, in case their spouse passes away and the joint account is closed. Retirees will not be able to maintain a single or joint account with Community Bank under any circumstances, if a service member or federal employee passes away.

CPT Chris Wurst/483-7515