[REPUBLIC ACT NO. 1903, June 22, 1957]

AN ACT TO AMEND SECTION TEN OF REPUBLIC ACT NUMBERED THREE HUNDRED AND FORTY, OTHERWISE KNOWN AS THE ARMED FORCES RETIREMENT LAW, AS AMENDED.

Be it enacted by the Senate and House of Representatives of the Philippines in Congress assembled:

SECTION 1. Section ten of Republic Act Numbered Three hundred and forty, as amended, is hereby further amended to read as follows:

"SEC. 10. An enlisted man or officer below the rank of colonel who is entitled to the benefits of this Act shall be retired or separated from the service one rank or grade higher than the permanent rank or grade he holds for at least one year at the time of retirement or separation: Provided, That an enlisted man, or an officer below the rank of colonel who incurred physical or mental disability in line of duty shall, upon retirement or separation, be promoted to the next higher grade or rank from the permanent grade or rank he holds at the time of retirement or" separation even if he has not yet held that grade or rank for one year: Provided, further, That an enlisted man, or an officer below the rank of colonel who was retired or separated from the service after December eight, nineteen hundred and forty-one, due to physical or mental disability incurred in line of duty shall be promoted to the next higher grade or rank from his adjusted or retired grade or rank: Provided, furthermore, That such separation of officer or enlisted man was not a punishment duly meted him as a result of general or special court martial findings: And, provided, furthermore, That separation from the service was not due to his own misconduct, willful failure, the intemperate use of drugs or alcoholic liquor or vicious or immoral habits: And, provided, finally, however, That officers and enlisted men promoted before retirement because of their capabilities for the next higher rank or grade would not be made to assume their ranks or grades before retirement when recalled-to active duty unlike those retired officers and enlisted men automatically raised one rank or grade by operation of this Act who shall resume their ranks or grades prior to their retirement. The gratuity or retirement pay provided in section two, and the separation pay provided in section eight of Republic Act Numbered Three hundred forty shall be computed upon the basis of such higher rank or grade in which the officer or enlisted man may be retired or separated.

SEC. 2. The sum of sixty thousand pesos and any sum appropriated by law for the retirement of the members of the Armed Forces of the Philippines, shall be and are hereby appropriated and made available for carrying out the provisions of this Act.