§ 3.960 Section 306 and old-law pension protection.

(a) General. Except as provided in paragraphs (b) and (c) of this section, any person eligible to elect improved pension under §3.711 or 3.712 who is in receipt of section 306 or old-law pension on December 31, 1978, shall in the absence of an election to receive improved pension, continue to receive such pension at the monthly rate payable on December 31, 1978.

(b) Termination. Pension payable under paragraph (a) of this section shall be terminated for any one of the following reasons:

(1) A veteran pensioner ceases to be permanently and totally disabled.

(2) A surviving spouse pensioner ceases to meet the definition of surviving spouse in 38 U.S.C. 101(3).

(3) A child pensioner ceases to meet the definition of child in 38 U.S.C. 101(4).

(4) A section 306 pensioner’s countable annual income, determined under...