

(b) Chaplains

Years of Reasonable Service	Chaplains	Principal Chaplains	Chaplain of the Fleet
	£ per year	£ per year	£ per year
16	710	780	—
17	745	815	—
18	790	860	—
19	820	890	—
20	850	920	—
21	885	955	—
22	915	985	1,665
23	975	1,050	1,720
24	1,045	1,115	1,780
25	1,115	1,185	1,835
26	1,180	1,250	1,895
27	1,250	1,320	1,955
28	1,320	1,390	2,015
29	1,385	1,455	2,075
30	1,450	1,520	2,135
31	1,520	1,590	2,195
32	1,590	1,660	2,250
33	1,660	1,730	2,300
34	1,730	1,800	2,355

6. When an officer's reckonable service exceeds a given number of years (up to and including 33 years) by one or more complete quarters of a year, his retired pay will be increased by that number of quarters of the difference between the rate for the number of years completed and the rate that would have been awarded had a further complete year been served.

7. *Late entrants.* (a) If an officer was appointed to a permanent commission before 1st April 1960, at an age later than that of the normal entrant and, in consequence of his late entry, has not completed sixteen years' reckonable service at the time of compulsory retirement for age or non-employment, as provided in this Section, retired pay may nevertheless be granted at the discretion of the Secretary of State for Defence provided he has completed at least 15 years' qualifying service.

(b) Retired pay will be awarded at the rate appropriate to 16 years' reckonable service with one deduction at the appropriate rate shown below for each year, and proportionately by quarters of a year, by which his reckonable service is less than 16 years:—

	£ a year
Lieutenant ... ..	26
Lieutenant-Commander ... ..	35
Commander ... ..	42

8. *Voluntary Retirement.* An officer with at least 16 years' reckonable service who retires at his own request on or after reaching the age of 40 years and before reaching the age of 50 years may be granted retired pay at the rates set out in Clauses 5 and 6 abated by 7½ per cent. At other ages the retired pay will be as indicated in Clauses 5 and 6.

Officers transferred from the Reserves or from temporary service or while holding Supplementary List or Short Service commissions will not be eligible for retired pay on voluntary retirement unless they have in addition rendered five years' service from the date of transfer to the Permanent List.

9. *Invaliding.* (a) An officer with at least 16 years' reckonable service will, on invaliding, be granted retired pay at the rate set out in Clauses 5 and 6.

(b) An officer who has not given 16 years' reckonable service but has completed 10 years' qualifying service will also be awarded retired pay on invaliding. The rate of retired pay will be calculated by making deductions from the rate appropriate to 16 years' reckonable service for each year by which his reckonable service falls short of 16 years. The deductions will be as follows:

	£ a year
Sub-Lieutenants ... ..	32 10s.
Lieutenants ... ..	40
Lieutenant-Commanders ... ..	50
Commanders ... ..	55

Proportionate reductions will be made in respect of quarters of a year.

10. *Retirement for Incapacity, Unsuitability, or Inefficiency.* (a) *Not within an officer's control.*—An officer who is retired for incapacity, unsuitability or for inefficiency, not due to causes within his own

control, and having at least 16 years' reckonable service, may be granted retired pay as for a compulsory retirement on account of non-employment.

(b) *Within an officer's control.*—An officer who is retired for incapacity, unsuitability or inefficiency due to causes within his own control, but not amounting to misconduct, and having at least 16 years' reckonable service, may be granted an award of retired pay at such rate as the Secretary of State for Defence may determine, but not in any event exceeding the rate which would have been admissible had he retired voluntarily.

11. *Retirement, etc. for misconduct.* (a) An officer who is retired for misconduct with at least 16 years' reckonable service, may be granted retired pay at such rate as the Secretary of State for Defence may determine, but not in any event exceeding 90 per cent. of the rate of retired pay which would have been admissible had he retired at his own request.

(b) *Dismissal etc.*: An officer with at least 16 years' reckonable service who is dismissed the Service or dismissed with disgrace by sentence of Court Martial or whose name has been removed from the List of Officers or who has been allowed to resign his commission to avoid trial by Court Martial, may be granted a compassionate allowance at the discretion of the Secretary of State for Defence but not in any event exceeding 90 per cent. of the rate of retired pay which would have been admissible had he retired at his own request.

12. The Secretary of State for Defence may, in the exercise of his discretion under Sub-Clause 10(b) and Clause 11 grant a gratuity, or compassionate gratuity, in place of retired pay or compassionate allowance.

13. *Special rules relating to officers promoted from the lower deck.*—An officer promoted to a permanent commission while serving on a normal regular engagement, and who serves continuously until retired, may be granted either:

(a) Retired pay under the conditions set out in this Section, provided he has served for not less than 5 years on a permanent commission; or

(b) Retired pay under the current rules for the award of ratings pensions.

SECTION III

*Terminal Grants in Addition to Service Retired Pay*

14. Any officer retired from the Active List on or after 1st February 1966, and awarded retired pay under Section II of this Schedule, may be awarded a terminal grant, in addition to his retired pay, under the following conditions:

(a) The standard rate of grant will be three times the annual amount of the retired pay awarded under Section II of this Schedule.

(b) Except as provided in Clause 4 of Schedule III, an officer can qualify only once for a grant.

(c) The grant will be free of income tax.

15. A terminal grant under Clause 14 shall not be admissible in the case of an officer to whom Clause 11(b) applies, but a tax-free compassionate grant not exceeding three times the annual amount of the compassionate allowance may be awarded at the discretion of the Secretary of State for Defence.

16. In the event of eligibility for full pay continuing after formal retirement, payment of terminal grant will not be made before the day following that in respect of which full pay was last payable.

SECTION IV

*Service Gratuities for Permanent and Pensionable Supplementary List Officers*

17. Permanent and Pensionable Supplementary List Officers other than those on the Special Duties List may on retirement on or after 1st February 1966, if ineligible for service retired pay, be granted a gratuity as follows:

(a) On compulsory retirement for age or non-employment or on retirement at own request, with at least 10 years' qualifying service:

For the first 10 years' qualifying service ... ..	£1,375
For each further year's qualifying service an addition of ... ..	£275

Officers transferred to the Permanent List or to a pensionable commission on the Supplementary List from the Reserves or from temporary service