

(c) Periods before 1st August 1938, on unemployed pay, or on half-pay not following the sentence of a Court Martial or the expiration of full pay sick leave, will reckon as service in full up to a maximum of six months in any one period or two years in all. Any such service not reckoning in full under the above rule will reckon as a third, subject to a maximum of six years such service reckoning as two years.

29. Loss of seniority or time forfeited by sentence of Court Martial or Disciplinary Court will not involve loss of service for retired pay or gratuity.

30. Service preceding a five-year interval in service shall not be included unless specially allowed by the Secretary of State for Defence, and eligibility to reckon such previous service will normally be determined at the time of resumption of service. Where, during a break in service the officer has been a member of the Royal Naval Reserve, the Royal Naval Volunteer Reserve, or other reserve of any of the Forces, undertaking or liable for periodical training, the period of such membership will not be considered an interval in service for the purpose of deciding whether the previous service is admissible.

#### PREVIOUS SERVICE FOR WHICH A NON-EFFECTIVE AWARD HAS BEEN RECEIVED

31. (a) In the case of previous service in respect of which the officer received a service gratuity, or in any case of previous service other than in the Royal Navy, the Royal Marines, the Army, or the Royal Air Force, it may be stipulated as a condition for allowing such service to reckon for retired pay, that the officer shall make a payment to Naval Funds, either in a lump sum or otherwise. In default of such payment as may have been stipulated, the previous service will not be allowed.

(b) If an officer has continued to draw concurrently with full pay the retired pay or other analogous award payable in respect of previous service, the further service will normally not confer eligibility for improved benefits on final termination of employment.

#### COUNTING OF SERVICE

32. (a) *Reckonable Service*—All service as defined above from the age of 21 will count in full as reckonable service.

(b) *Qualifying Service*—All service as defined above from the age of 18 will count in full as qualifying service.

#### SCHEDULE II

##### SECTION I

#### *Gratuities for Short Service Medical and Dental Officers*

1. An officer entering the Medical or Dental Branches of the Royal Navy on a short service commission of 3 or 5 years' duration on or after 1st May 1961, may, if the full period of Active List service he has undertaken is satisfactorily completed, be awarded a gratuity at the rate of £500 for each of the first three years' service and at a rate of £750 a year thereafter. An officer entered on a 3 year commission who has applied before 1st September 1963 to extend his service by 2 years will be eligible for a gratuity of £3,000. Those applying for such extensions on or after 1st September 1963, irrespective of whether their original 3 year commission began before or after that date, will be eligible only for a gratuity of £2,500 on completion of 5 years' service. An officer entered on a 3 year commission who could, by a two year extension of service, qualify for a gratuity of either £3,000 or £2,500 may, if his further service beyond 3 years falls short of two years, be awarded an addition to his gratuity at the rate of £280 a year in respect of his further service. Officers permitted to extend their service beyond 5 years will be eligible for an addition calculated at the rate of £280 a year for service in excess of 5 years.

2. Medical and Dental Officers entered before 1st May 1961, whose commissions terminate after that date and who have not exercised options to extend their commissions or transfer to new ones as offered, to remain eligible for gratuity at the rate of £230 a year. Officers who have been permitted to transfer to new commissions, or to extend their original commissions, after 1st May 1961, may be granted a gratuity, on satisfactory completion of their further service, as follows:

(a) Officers originally entered for commissions of 3 years' duration who applied before 1st September 1963, to extend their service by 2 years to be eligible for gratuities of £3,000. Officers applying for such extensions on or after 1st September 1963, to be eligible only for a gratuity of £2,500 on completion of 5 years' service.

(b) Officers granted fresh commissions of 3 years' duration to be eligible for a gratuity of £1,500 on completion thereof with an addition, calculated at the rate of £230 a year, proportionate to the period of their original commissions that have previously been completed.

(c) Officers serving on four, five or six years' commissions who were permitted to extend their service by two years to be eligible, on satisfactory completion of their service, for a gratuity of £3,000 in respect of 5 years' service with an addition, calculated at the rate of £230 a year in respect of service in excess of 5 years. Officers serving on commissions of 4 or 5 years duration who were granted fresh commissions of 4 or 5 years duration to be eligible for gratuity at the rate of £2,250 and £3,000, respectively, on completion thereof, with an addition, calculated at the rate of £230 a year, proportionate to the period of their original commission that had previously been completed.

(d) Officers who give further service on completion of the periods referred to in Sub-Clause (a) and (c) above will be eligible for an addition at the rate of £280 for each year of further service.

3. Any Medical or Dental officer in the categories mentioned in Sub-Clauses 2 (a), (b) and (c) above, who fails to complete the full period of Active List service that he has undertaken may be granted such gratuity as the Secretary of State for Defence may determine, conformably with Clauses 11-14 of Section III hereunder, that does not exceed the following amounts:

(a) *Officers granted new Short Service commissions after 1st May 1961*

	£ per annum
Service prior to grant of new commission ... ..	230
First three years of new commission ...	500
Fourth and fifth years of new commission ... ..	750

(b) *Officers who extend their periods of service after 1st May 1961*

	£ per annum
(i) Three year periods extended to five years:	
First three years' service ... ..	500
Fourth and fifth year's service—	
if extended before 1.9.63 ... ..	750
if extended on or after 1.9.63 ... ..	500
(ii) Four year periods extended to six years:	
First year's service ... ..	230
Second, third and fourth year's service ... ..	500
Fifth and sixth year's service ... ..	750
(iii) Five year periods extended to seven years:	
First and second year's service ... ..	230
Third, fourth and fifth year's service ... ..	500
Sixth and seventh year's service ... ..	750
(iv) Six year periods extended to eight years:	
First, second and third year's service ... ..	230
Fourth, fifth and six year's service ... ..	500
Seventh and eighth year's service ... ..	750

4. Women Medical and Dental officers leaving on marriage or for compassionate reasons where the Secretary of State for Defence is satisfied that such reasons necessitate retirement may be awarded a gratuity proportionate to the length of Active List service actually completed.