

- (e) If retired for misconduct, or on termination of commission for any of the reasons set out in Clause 11(b), with at least 10 years' qualifying service, a gratuity, or a compassionate gratuity, if the Secretary of State for Defence so decides and of such amount as he may determine, but not in any event exceeding 90 per cent. of the award which would have been admissible had the officer retired at his own request.

SECTION V

Service Gratuities for Permanent Officers on the Special Duties List

18. If permitted to retire at their own request, on or after 1st April 1970 with insufficient service to qualify for retired pay, officers on the Special Duties List may be granted gratuities on the following scale, subject to the completion of a minimum period of 12 years' actual service from the age of 18:

(i) *Rating Service*

For each year of qualifying service in excess of 5 years up to 10 years	...	...	...	£19
For each year of qualifying service in excess of 10 years up to 14 years	...	...	...	£49
For each year of qualifying service in excess of 14 years up to 17 years	...	...	...	£67
For each year of qualifying service in excess of 17 years	...	...	...	£77

(ii) *Officer Service*

For each year of qualifying service as Commissioned Officer (Branch List), R.N. or R.M., or Sub-Lieutenant (S.D.), R.N., or Second Lieutenant (S.D.), R.M.	...	...	...	£145
For each year of qualifying service as Senior Commissioned Officer (Branch List), R.N. or R.M. or Lieutenant (S.D.), R.N. or R.M. or above	...	...	...	£260

19. An officer with sufficient service to qualify for an award of retired pay, or for an award of pension on ratings' scales (with special increments for service as an officer), will not be eligible for an alternative award of gratuity on the foregoing scale.

20. If retired on or after 1st April 1970 for misconduct, or on termination of commission for any of the reasons set out in Section II Clause 11(b) of this Schedule, with at least 12 years' actual service from age 18, a gratuity or a compassionate gratuity may be allowed at the discretion of the Secretary of State for Defence, but not in any event exceeding 90 per cent. of the award which would have been admissible under Clause 18 had the officer retired voluntarily.

21. An officer who has served on a rating's engagement, conferring eligibility for a rating's gratuity on completing at least 10 years' service after age 18, will have a reserved right to an award under Clauses 18 and 20, on completion of 10 years' such service instead of 12 years.

22. If invalidated with less than 10 years' qualifying service and with insufficient service to qualify for pension on the ratings' scale, a gratuity at the rate of £245 for each complete year of qualifying service may be granted.

SECTION VI

Rank for Retired Pay Purposes

23. Subject to the following Clauses, the rank for retired pay purposes shall be the substantive rank held by the officer on his retirement, provided that, unless the officer is invalidated, the rank had been held on the Active List for the following minimum periods:

- (i) Admiral; General, Royal Marines 1 year
 (ii) All other officers 2 years

If the substantive rank has been held for less than the period specified the rank for retired pay purposes shall be the highest substantive rank which (with periods spent in higher substantive rank) satisfies the condition.

24. Service as Acting Captain, Royal Navy, may be reckoned towards the requirement of 6 years' service as Captain irrespective of the date of substantive promotion.

ADDITIONS TO RETIRED PAY FOR SERVICE IN PAID ACTING RANK

25. Subject to the general conditions in Clause 26 below, paid acting and temporary rank held by officers of the Royal Navy, Royal Marines and Women's Royal Naval Service and members of Queen Alexandra's Royal Naval Nursing Service may reckon for increase of retired pay as follows:

- (a) For each complete year (subject to a maximum of 3) for which the paid acting or temporary rank was held, there may be added one-third of the difference between the retired pay for which the officer is eligible and the retired pay for which he would have been eligible had his rank for retired pay been one rank above his substantive rank.
 (b) Where an officer has failed to complete 2 years in a substantive rank required to qualify him for the retired pay of the rank such service may reckon for retired pay as if it had been acting or temporary rank.

26. *General Conditions.* (i) Service from 3rd September 1939, will count.

(ii) In no case shall service in an acting or temporary rank earn a rate of retired pay higher than would have been earned if the acting or temporary rank had been substantive.

(iii) The "complete years" referred to in sub-Clause 25(a) need not be continuous in time but may be made up of broken periods.

27. The Secretary of State for Defence may fix a date after which periods in acting or temporary rank will no longer be reckonable for additions to retired pay.

DEFINITIONS OF SERVICE

28. The following periods may be included in assessing qualifying and reckonable service for the purpose of the foregoing Clauses:

- (a) Subject to Clause 31, full pay service (including mobilised or embodied service or for the purpose of training) as an officer, rating or other rank of the Royal Navy, the Royal Marines, the Army or the Royal Air Force or of the Auxiliary and Reserve Forces, and of the former Armed Forces of India or Burma, or of the Armed Forces of the Commonwealth or a Colony, provided that where appropriate such service would be reckonable as qualifying service under Army or Royal Air Force regulations; except broken periods each of less than 6 months' duration.
 (b) While a permanent regular officer, periods in appointments not remunerated from Navy Votes which the Secretary of State for Defence considers can reasonably be regarded as part of an officer's career as such. They shall be appointments to which the officer brings his naval knowledge and from which he acquires additional experience and which have been officially offered to him as part of his naval service.
 (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 6 months in any one period or 2 years in all. Any such service not reckoning in full under the above rule will reckon as a third, subject to a maximum of 6 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.