

33. *Invaliding from causes within a rating's control.* When a rating is invalided from causes partly or wholly within his own control the award and amount of any service invaliding pension or service attributable pension or gratuity will be at the discretion of the Secretary of State for Defence.

SECTION III

34. *Service Pensioners re-employed in Peace-Time.* Ratings who were in re-employment on a pensionable basis on or after 1st April 1974 will qualify on discharge for re-assessed service pensions and terminal grants in accordance with the following conditions, provided that the interval in service, as defined in Clause 20 of this Schedule does not exceed 5 years.

35. Where the period of continuous pensionable re-employment is 3 years or more, or the rating is invalided from re-employment, the pension and terminal grant will be re-assessed on total pensionable service (including re-employed service) in accordance with Clauses 6 to 10 of this Schedule. The amount of terminal grant will be reduced by the amount of any terminal grant previously paid.

36. Where a pensioner who was re-employed in a lower rank than that held when he was originally discharged to pension has qualified for re-assessment of his pension under Clause 34 of this Schedule he may on final discharge, if more to his advantage, be awarded the pension to which he would have been entitled at the time when he was originally discharged to pension, but calculated in accordance with Clauses 6 to 10 of this Schedule, together with an addition based on his further service and rank as defined in Clauses 6 and 7 of this Schedule.

37. Where the period of continuous pensionable re-employment is less than 3 years and the rating is not invalided, the pension will be re-assessed on total pensionable service at the rates laid down in the Order in Council under which the previous pension was awarded. A terminal grant, if payable under this Order in Council, will be re-assessed on total pensionable service and reduced by the amount of the terminal grant previously paid.

38. Ratings who re-enter the Service within five years of being discharged on redundancy will be required to refund a portion of the Special Capital Payment awarded to them as follows:

<i>Break in Service</i>	<i>Refund of Special Capital Payment</i>
1 year	4/5ths
2 years	3/5ths
3 years	2/5ths
4 years	1/5th
5 years and over	— (nil)

In addition to the above a discount of a period equal to that by which service on redundancy was enhanced should be made from any subsequent service reckonable for terminal benefits.

39. *Pensioners re-employed after an interval of over 5 years.* Where a pensioner is re-employed on a pensionable basis after an interval in service of more than 5 years, as defined in Clause 20 of this Schedule, the pension previously awarded will not be re-assessed on final discharge and no terminal grant will be payable. Where the period of continuous pensionable re-employment is 3 years or more, or the rating is invalided from re-employment, the pension previously awarded will be increased by additions in respect of the re-employed service at the rates shown in Clause 10 of this Schedule. Where the period of re-employment is less than 3 years and the rating is not invalided, the additional service rendered will reckon for increase of the pension only at the rates laid down in the Order in Council under which the pension was awarded.

40. *Pensionable re-employment—Definition.* For the purpose of this Section re-employment on a pensionable basis shall be any period of re-employed naval service during which a long service pensioner has given up payment of his pension in order that such additional service may be reckonable for increase of pension on final discharge.

41. *Officers Re-employed as Ratings.* An officer who after being awarded retired pay is subsequently re-employed as an RN rating or Royal Marine other rank, may be dealt with under this Section as though his retired pay were a service pension.

42. *Commutation.* When a pensioner who has commuted a part of his pension re-enters the Royal Navy or the Royal Marines and ceases to draw pension he shall be required to refund the value of the commuted part for the periods of further service. He shall be given the option of refunding the money by:

- deduction from his final pension, on discharge, for a period equal to the re-employed service of an amount equivalent to that commuted; or
- deduction from any terminal grant payable on final discharge; or
- further commutation of pension to provide a sum equal to the capital value of the commuted portion of the original pension for the period of re-employed service; or
- deduction from Naval pay while serving.

A deduction equivalent to the amount of the original part of the pension commuted will be made from any revised award made on final discharge, but the commutation will be ignored in assessing the final terminal grant which will be based on the gross pension irrespective of commutation.

SECTION IV

Future Emergency Re-employment of Service Pensioners.

43. This Section relates to:

- Service pensioners recalled for service during a period of general recall.
- Other service pensioners who give further service (otherwise than on normal or non-continuous service engagements) during a period of general recall to service on account of an emergency, or who are specially re-employed on full pay in anticipation of an imminent general recall.

44. The provisions of this Section may be brought into operation for such pensioners on such occasions and for such periods as the Secretary of State for Defence may determine, in consultation with the Minister for the Civil Service.

45. A service pensioner will, during periods of further service to which these provisions apply, continue to receive his service pension subject to the conditions normally attached thereto.

46. On discharge or release from such service as a service pensioner, provided his service has been satisfactory and of at least 6 months' duration, he may receive an addition to his pension of half the difference between:

- the pension for which his previous service qualified him, or would have qualified him under Clauses 6 to 10 of this Schedule, and
- the pension for which he would be eligible under Clauses 6 to 10 of this Schedule if his further service were added to his previous service.

47. No terminal grant or additional terminal grant will be payable in respect of the re-employment.

48. An addition under Clause 46 of this Schedule may be granted although the existing pension was assessed under regulations in force before 1st April 1974.

49. If service pensioners are employed with the Armed Forces of the British Commonwealth or Colonies, the provisions of this Section may be applied to them at the discretion of the Secretary of State for Defence as if their further service had been with the Royal Navy, Royal Marines or Women's Royal Naval Service.

SECTION V

Ratings serving on regular engagements continuing in service during a Future Emergency.

50. The following Clause will be brought into operation on such occasions, being periods of general recall to service on account of emergency as the Secretary of State for Defence may determine, in consultation with the Minister for the Civil