

A special capital payment will be made up to a maximum of £5,000 payable to the Officer retired within one month of completing 10 years qualifying service. For Officers retiring earlier the amount payable will be calculated by abatement from the maximum payment at the rate of £500 a year for the period of short-fall. The actual calculation of abatement will be made on a monthly basis.

" SECTION V.

" *Special Resettlement Grant in Addition to Service Retired Pay or Service Gratuities*

" 10. Any permanent Officer up to and including the rank of Captain R.N., removed from the Active List after 4th April, 1957, on compulsory retirement for age or non-employment or after invaliding, may be awarded a resettlement grant in addition to his retired pay or gratuity under the following terms:

(a) The rate of grant will in all cases be £500.

(b) An Officer can qualify only once for a grant.

(c) The grant will not be payable in addition to the special capital payment under Section IV.

(d) The grant will be free of Income Tax.

(e) The grant will not be payable to those who are permitted to retire voluntarily for their own reasons compassionate or otherwise nor to those who are compulsorily retired for misconduct or incapacity, unsuitability or inefficiency, unless the causes are not within the Officer's own control and he has completed 15 years qualifying service.

" 11. A resettlement grant under Clause 10 shall also be admissible in the case of an Officer re-employed without a break in service on completion of re-employed service, or, at the discretion of the Admiralty on removal from the Active List. In the case of an Officer re-employed after a break in service a grant will be payable on his ceasing after 4th April, 1957, at least 12 months re-employed service.

" 12. A resettlement grant under Clause 10 shall not be admissible on retirement from the Active List in the case of Officers employed after retirement on certain Inspection, Research, Design and Experimental Ordnance duties and in certain other special posts under Orders in Council of 13th December, 1921, 26th May, 1925, and 23rd July, 1931, and subsequent amending Orders in Council, or any other such posts as have been or shall be created at the discretion of the Admiralty.

" 13. A resettlement grant under Clause 10 shall also be admissible in the case of an Officer serving on a temporary commission and retired from the Active List after 4th April, 1957, on compulsory retirement for age or non-employment after service as rating and officer totalling 15 years or on invaliding before completing engagements totalling 15 years.

" 14. A resettlement grant under Clause 10 shall also be admissible in the case of an Officer holding a Supplementary List or Short Service Commission who is compulsorily retired for age or non-employment at the end of engagements totalling 15 years of which the last 10 years must have been continuous or on invaliding before completing such engagements.

" SCHEDULE II.

" SECTION I.

" *R.N. Ratings and Royal Marines Service Pensions.*

" 1. The provisions of this Section relate, except where otherwise stated, to R.N. ratings and Royal Marines who are serving on pensionable engagements after 4th April, 1957; they do not apply to R.N. Locally Entered Ratings.

" 2. Service pensions granted under this Section will consist of the sum of elements for service and for rank assessed at the rates prescribed in Order in Council of 24th January, 1957, Schedule III, Clause 2.

" 3. A Service pension assessed as in Clause 2 may be granted to a R.N. rating or Royal Marine prematurely discharged if he has completed at least 10 years reckonable service.

" 4. These special terms for pension are not to apply to a R.N. rating or Royal Marine who is discharged at the end of his current engagement or is invalided or who has left or shall leave the Royal Navy voluntarily for his own reasons, compassionate or otherwise, nor to any who is discharged for misconduct or inefficiency.

" 5. In assessing rank element of pension all paid rank will be taken into account.

" 6. The provisions of Order in Council of 9th October, 1956, and previous pensions increase Orders in Council will not apply to pensions awarded under the foregoing provisions of this Section.

" *Reckonable Service.*

" 7. Reckonable Service for the purpose of determining entitlement to pension and the rates of pension under this Order will be calculated in the manner defined in Order in Council of 24th January, 1957, Schedule III, Clauses 8 to 12, saving that in the case of those who have served at least 10 years:

(a) To the service actually reckoned as rendered is to be added the notional sum of 5 years or such lesser sum as may cover the outstanding period of the current engagement provided that this addition does not extend the reckonable service beyond the end of the current engagement.

(b) Service added under (a) for the purposes of calculating pension will be treated as if rendered in the existing rating or rank.

" SECTION II.

" *Terminal Grants in Addition to Service Pension.*

" 8. Ratings and Royal Marines discharged to pension under the terms of Section I will be awarded on discharge a terminal grant at the rates prescribed in Order in Council of 24th January, 1957, Schedule III, Clause 13, saving that only 10 years reckonable service calculated as in Clause 7 will be necessary to qualify. Reckonable service for the purpose of determining rate of terminal grant will be calculated in accordance with Clause 7 above.

" 9. Rank for assessing the grant will be the rank held immediately preceding discharge.

" 10. The grant will be free of Income Tax.

" SECTION III.

" *Special Capital Payments in Addition to Pension.*

" 11. The provisions of this Section relate, except where otherwise stated, to R.N. ratings who are prematurely discharged with entitlement to Service pension or terminal grant as ruled in Sections I and II, after 4th April, 1957. They do not apply to R.N. Locally Entered Ratings.

" 12. Subject to the following provisions a R.N. rating or Royal Marine who has 15 or more years reckonable service preceding his discharge will be granted a special capital payment as follows:—

Where service is terminated 3 or more years before the end of the current engagement: £1,250.

Where service is terminated 2 years before the end of the current engagement: £1,000.

Where service is terminated 1 year before the end of the current engagement: £750.

Where service is terminated at the end of the current engagement (Section IV): £250.

" 13. For a R.N. rating or Royal Marine who has 10 years but less than 15 years reckonable service the amount payable will be:

14 years	...	...	...	...	£1,200
13 years	...	...	...	...	£1,150
12 years	...	...	...	...	£1,100
11 years	...	...	...	...	£1,050
10 years	...	...	...	...	£1,000

" 14. Payments to ratings whose services are terminated at intermediate points will be calculated proportionately on a daily basis.

" 15. For any rating who has signed a further engagement pension, terminal grant and special capital payment will be calculated by interpreting the outstanding period of current engagement as inclusive of the further engagement up to a limit of 5 years.

" 16. Reckonable service for the purpose of determining entitlement to special capital payment will be as given in Order in Council of 24th January, 1957, Schedule III, Clauses 8 to 12.

" 17. The special capital payments to special categories of ratings agreed between the Admiralty and the Lords Commissioners of the Treasury will be based upon appropriate scales.

" SECTION IV.

" *Special Resettlement Grant in Addition to Service Pension for R.N. Ratings or Royal Marines.*

" 18. Any R.N. Rating or Royal Marine, who leaves the Royal Navy after 4th April, 1957, on completion of, or on invaliding when engaged to