

Member's pension on early retirement within five years of superannuation age

1. If a member has served 10 years or more and has made a minimum of 120 monthly contributions to the Armed Forces Pension Scheme as per the *clauses 11, 12 and 17* and the member retires within five years prior to superannuation age, pension to such a member is payable from the date of superannuation and the member shall not be paid any pension from the date of exit from service until attaining superannuation age.
2. *Clauses 11*: A member shall contribute to the AFPPFS a minimum of 12% of his/her covered monthly salary.
3. *Clauses 12*: The Royal Government, on behalf of the members of the Armed Forces shall make matching contribution to the AFPPFS
4. *Clauses 17*: From the total monthly contributions (Government and member), the Armed Forces Pension and the Armed Forces Provident Fund Accounts of the members shall be credited as follows:
 - 14% of the covered monthly salary of a member shall be credited to the Armed Forces Pension Account;
 - 10% of the covered monthly salary of a member shall be credited to the Armed Forces Provident Fund Account;
 - Total contribution (both Government and member contribution) of the expatriate members in the Armed Forces shall be credited to the Armed Forces Provident Fund Account only.
5. Member may however opt to receive pension with immediate effect. If the member so opts, member's pension as on the date of exit from service shall permanently be reduced by $\frac{1}{2}$ of 1 percent for every month the age falls short of superannuation age. Reductions shall be limited to 30% of the pension payable.
6. Such pension shall be payable from the date of exit from service until the date of death of a member.
7. Minimum pension payable is 45 percent of the maximum ceiling of the salary scale of the lowest rank of the Armed Forces, provided that a member has served a minimum of 22 years in the service and is above 42 years of age on the date of retirement. If a member has either served less than 22 years and or is below 42 years of age and retires from service then such members shall not be eligible for minimum pension.
8. Member's pension benefit shall be increased by 2% every year from the date of vesting the pension. Additional increases of member's pension other than annual 2% increase shall be actuarially valued and decided accordingly.

Member's pension on early retirement prior to five years of attaining superannuation age

- 35 If a member has served 10 years or more and has made a minimum of 120 monthly contributions to the Armed Forces Pension Scheme as per the *clauses 11, 12 and 17* and the member retires earlier than five years prior to superannuation age, pension to such a member is payable from the date of superannuation and the member shall not be paid any pension from the date of exit from service until attaining superannuation age.
- 36 Member may however opt to receive pension with immediate effect from five years prior to attaining the superannuation age. If the members so opt, pension shall permanently be reduced by $\frac{1}{2}$ of 1 percent for every month the age falls short of superannuation age subject to a maximum of 30% of the pension payable.
- 37 Such pension shall be payable from the date of attaining five years prior to superannuation age or the date the member opts within five years prior to superannuation age until the date of death of a member.
- 38 Minimum pension payable is 45 percent of the maximum ceiling of the salary scale of the lowest rank of the Armed Forces, provided that a member has served a minimum of 22 years in the service and is above 42 years of age on the date of retirement. If a member has either served less than 22 years and or is below 42 years of age and retires from service then such members shall not be eligible for minimum pension.
- 39 Member's pension shall be increased by 2% every year from the date of vesting the pension. Additional increases of member's pension other than annual 2% increase shall be actuarially valued and decided accordingly.