

# 05

## Armed Forces Pension Scheme

# Your Pension Scheme Explained



There are two Armed Forces pension schemes for members of the Regular Armed Forces. The first was introduced in 1975 and was closed to new entrants from 6 April 2005. This is known as AFPS 75. On 6 April 2005 a new scheme was introduced for new entrants, known as the Armed Forces Pension Scheme 2005 (AFPS 05). Members of AFPS 75 were given the opportunity to transfer to AFPS 05 on 6 April 2006.

This is your guide to the range of benefits which you could earn during your service as a member of AFPS 05. It also contains information about the Early Departure Payments (EDP) Scheme and about Resettlement Grants.

If you decided to remain in AFPS 75, you should see the booklet “AFPS 75 – Your Pension Scheme Explained” – MMP/106, which describes the benefits of that scheme.

This booklet should be read by those joining the Armed Forces from 6 April 2005 and who transferred to AFPS 05 on 6 April 2006. Please read this booklet carefully and keep it in a safe place, for future reference. There are some special terms that you need to know: you can find them on pages 3 to 5 and refer to them as you go along. They appear in ***bold italics***.

**IMPORTANT: This booklet provides only a summary of some of the rules of the relevant schemes, more details are contained in Joint Services Publication 764. The booklet is not a full explanation of the rules and is not the legal basis for any entitlement under the schemes. If there are any differences between the rules and an explanation in this booklet, the rules will be followed.**

**In addition, this booklet does not give you financial or legal advice. If you want financial or legal advice you should seek independent advice. Unit administrative or personnel staffs can offer information and an explanation of benefits, but will not take responsibility for your pensions decisions. They will be able to let you have a list of Services Insurance and Investment Advisory Panel (SIIAP) approved independent financial advisers, although you are free to use any independent financial adviser that you wish.**

# FINDING YOUR WAY ABOUT THIS BOOKLET

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# INTRODUCTION

As a member of the Armed Forces Pension Scheme 2005 (**AFPS 05**), you could earn a range of benefits to help provide financial security for you and your dependants up to retirement age and beyond.

You make no direct contributions towards your basic benefits under **AFPS 05**, although your pension benefits are taken into account when your pay is assessed. If you wish to, you may be able to increase your pension benefits by buying added years.

Your pension will start to build up from your first day of paid service, and after 35 years' service you could achieve a pension worth 50% of pensionable pay. Longer service up to a maximum of 40 years will count towards your pension.

If you have any queries about **AFPS 05**, please contact your unit administration office in the first instance. In addition, the Service Personnel and Veterans Agency (**SPVA**) is on hand to answer questions. They can be contacted at the following address:

Pensions Division  
Mail Point 480  
Kentigern House  
65 Brown Street  
Glasgow  
G2 8EX

Phone: 0800 085 3600 (enquiry service)

Military: 94560 3600

E-Mail: [JPAC@afpaa.mod.uk](mailto:JPAC@afpaa.mod.uk)

**NOTE:** From 1 April 2007, AFPAA and the Veterans Agency (VA) will merge to become a single Agency and will change their name to the *Service Personnel and Veterans Agency* (SPVA).

## FURTHER INFORMATION

Your unit administration office has copies of the following booklets, which will provide you with further information on specific aspects of your pension under **AFPS 05**:

- **Re-employment – MMP/116**
- **Family Pension Benefits – MMP/126**
- **Ill-Health Benefits – MMP/127**
- **Increasing Benefits – MMP/128**
- **Transferring Benefits – MMP/129**
- **Internal Dispute Resolution Procedures – MMP/130**
- **Pension Benefits on Divorce – MMP/131**
- **Armed Forces Redundancy Schemes – MMP/138**

These booklets, and further information are also available on the Defence Intranet at:

<http://defenceintranet.diiweb.r.mil.uk/DefenceIntranet/Admin/FindOutAboutArmedForcesPensions>

Or on the internet at:

[www.armedforcespensions.mod.uk](http://www.armedforcespensions.mod.uk)

# TERMS YOU NEED TO UNDERSTAND

Here is a list which explains the meaning of some special pension terms used in this booklet.

## Added Years

An arrangement in which a member makes contributions to buy extra years of service to reckon in the calculation of his final pension and lump sum and/or that of his dependants.

## AFAB – Armed Forces Attributable Benefits

The attributable benefits payable under AFPS 75 will be replaced by AFAB during 2007 to create a stand-alone compensation scheme for injuries, illnesses and deaths caused by service on or before 5 April 2005. AFAB is being introduced to continue to provide cover to Service personnel if they are medically discharged from the services (regardless of whether they are members of AFPS 75 or AFPS 05) and their surviving dependants. See [www.armedforcespensions.mod.uk](http://www.armedforcespensions.mod.uk) for more information.

## AFCS – Armed Forces Compensation Scheme

This is a compensation scheme for all members of the Regular and Reserve Forces. It provides compensation for all injuries, ill-health and deaths mainly due (attributable) to service, the cause of which occurred on or after its introduction on 6 April 2005. See AFCS Booklet – MMP/125.

## AFPS 05 – Armed Forces Pension Scheme 2005

This is the pension scheme for Regular Service personnel. It is effective for new entrants from 6 April 2005 and from 6 April 2006 for Service personnel who were in service on that date and who elected to transfer from AFPS 75 as a result of the Offer To Transfer.

## AFPS 75 – Armed Forces Pension Scheme 1975

This is the pension scheme for Service personnel which was introduced in 1975 and was closed to new entrants from 6 April 2005.

## Attributable

The term used to describe where:

- an injury or illness was caused or significantly aggravated by service in the Armed Forces;
- a death was caused or significantly hastened by service in the Armed Forces.

## Attributable Benefits

Attributable benefits are not paid under AFPS 05 which offers ill-health pensions whatever the cause of the condition. Benefits are paid under two schemes depending on the date when the injury or condition was caused. See AFAB and AFCS.

## Civil Partner

An individual who has formed a legally recognised partnership with another person of the same sex under the procedure provided by the Civil Partnership Act (CPA) 2004. If the civil partnership is legally dissolved, the former civil partner is not entitled to benefits.

## Contracting-Out

The arrangement under which a pension scheme leaves the State Second Pension Scheme (S2P). This means AFPS 05 members exchange their entitlements to benefits under the S2P for alternative benefits. AFPS 05 members' National Insurance contributions are paid at a lower "contracted-out" rate.

## Deferment

Benefits that are preserved until age 65 for a former member of the Armed Forces who left before the age of 55.

## Dependants

A member's spouse, civil partner, eligible partner or eligible children.

### EDP – Early Departure Payments

Payments to personnel who leave service before age 55, after a minimum of 18 years' service AND who are at least age 40 (the EDP 18/40 Point). Payments are made up of a tax-free lump sum equal to three times the value of the preserved annual pension and an income payment equal to at least 50% of the preserved pension. Medical and Dental Officers are not normally eligible for EDP as they are under the bonus scheme instead.

### Earmarking Order

A court order made as part of a divorce settlement instructing the scheme to pay all or part of a member's pension and/or tax-free pension lump sum or pension to the member's former spouse or civil partner when these benefits become payable in the future. The same arrangements will apply when a civil partnership is dissolved. These Orders are sometimes known as "Attachment Orders" when the member's pension is already in payment at the time of the Order. However, they will be referred to as "Earmarking Orders" throughout this booklet.

### Eligible Child/Children

Any child who is financially dependant on the member, who is:

- Under 18, or
- in full-time education or vocational training and is under 23, or
- unable to engage in employment because of physical or mental disability which was present at the time of the death of the member and began before the age of 23.

This includes children born within one year of the member's death.

### Eligible Partner

Someone with whom a member is cohabiting, in an exclusive (ie neither partner is married or a civil partner to someone else) and substantial relationship with financial and wider inter-dependence (this is not the same as a civil partnership) and they are not prevented from marrying or forming a civil partnership.

### GMP – Guaranteed Minimum Pension

The minimum pension that a scheme like AFPS 05 is obliged to provide to members as a result of contracting-out of S2P, formerly SERPS.

### Index-Linking

Annual increase in pension value in line with movements in the Retail Prices Index (RPI). Changes are made in April, using the previous September's annual headline rate of inflation. All ill-health pensions, pensions and dependants' pensions are index-linked from the date of payment. Preserved pensions are index-linked using prices since the date of leaving service. EDPs are not index-linked until age 55.

### Inverse Commutation

Exchanging all or part of a member's tax-free pension lump sum for an increase in the amount of taxable pension payable to the member and their dependants.

### Pensionable Pay

Basic pay including the X factor but excluding allowances, bonuses, financial retention incentives, loan service pay and any form of specialist pay.

### Pension Lump Sum

A one-off lump sum (normally tax-free) equal to three times the annual pension awarded. The pension lump sum is paid in addition to the pension when the pension first comes into payment.

### PSO – Pension Sharing Order

An Order made by the Court on divorce or dissolution of a civil partnership creating pension rights for a former spouse or civil partner out of the benefits in the scheme, which the member has built up at the time of the PSO. The value of the pension will depend on the percentage specified in the PSO. PSOs are payable at the age of 65.

### Preserved Pension

Benefits due to a member leaving AFPS 05 before age 55 after a minimum of two years' service or a transfer in from another scheme. The preserved pension and pension lump sum are payable at the age of 65.

### Reckonable Service

Reckonable service is the service which counts towards a member's pension. This starts from the first day of paid service in the Armed Forces, but may not exceed 40 years. The value of any pension benefits transferred in from another scheme increases the service which counts towards a member's pension and therefore counts towards the two year minimum required to qualify for pension benefits. Credit resulting from the purchase of added years also counts towards reckonable service. For those who transferred from AFPS 75 as a result of the Offer To Transfer, their service under AFPS 75 will count too. Certain absences are not reckonable for pension purposes, such as a period of detention, unauthorised absence or unpaid leave.

### RFPS – Reserve Forces Pension Scheme

Those who start or restart on Full time Reserve Service (FTRS), including Additional Duties Commitment (ADC) terms on or after 6 April 2005, will automatically be members of the RFPS. Personnel called out for service under section 32, 43, 52, 54 or 56 of the Reserve Forces Act 1996, (or a corresponding section of the Reserve Forces Act 1980) from that date may choose to become members of RFPS. Those in service before 6 April 2005 and still in service on 6 April 2006, were given the opportunity to transfer to this scheme.

### Scheme Actuary

The Government Actuary's Department provides actuarial advice to the scheme.

### Scheme Managers

Service Personnel Policy (Pensions), an MOD branch, manages AFPS 05.

### Spouse

A legally married (including separated, but not divorced) husband or wife.

### SPVA – Service Personnel and Veterans Agency

From 1 April 2007 AFPAA and the VA will merge to become a single Agency and will change their name to the Service Personnel and Veterans Agency (SPVA).

### Substantial relationship

To establish whether a relationship is substantial various factors are taken into consideration, such as: children, financial dependence or interdependence, shared commitments such as a mortgage, prime beneficiary of a will, shared accommodation, the length of the relationship and no legal spouse or civil partner (on either side).

### Transfer Value

A payment (called a Cash Equivalent Transfer Value or CETV reflecting the value of the rights an individual has in that scheme) made from one pension scheme to another to buy benefits in the receiving scheme. This transfer may only be made at the individual's request, when he changes from one pension scheme to another.

### VA – Veterans Agency

See SPVA.

### WPS – War Pensions Scheme

The WPS may pay benefits to an individual when they have left the Armed Forces, where an injury or illness or death was caused or made worse by service in the Armed Forces before 6 April 2005.

# MEMBERSHIP

**AFPS 05** is a defined benefit occupational pension scheme. You are automatically a member unless you choose to opt out. You need to do nothing to join **AFPS 05** when you enlist in the Regular Armed Forces. You will need two years' **reckonable service** to be entitled to most pension benefits.

Members of the scheme do not participate fully in the State pension arrangements. Instead, the scheme takes on responsibility for paying part of the pension that would otherwise have been paid by the State. This is known as being **contracted-out** and means that you pay a lower rate of National Insurance contributions. However, members of **AFPS 05** are entitled to the State pension on the same basis as everyone else.

You cannot be a member of the **AFPS 05** and pay towards another occupational pension at the same time. You may, however, pay into a Stakeholder or personal pension, subject to Revenue limits. (For further information about Stakeholder pensions, see page 19.)

## OPTING OUT

You can opt out of the scheme in favour of private arrangements at any time. You make no direct contributions towards your basic benefits under **AFPS 05**, although the value of your pension is taken into account when your pay is set by the Armed Forces Pay Review Body. There is no compensation payable for withdrawal from the scheme. If you are considering opting out, you should seek advice from an independent financial adviser. If you want to opt out of the scheme, you will need to fill in an option form available from **SPVA** (see page 2 for address), and forward it to them for action.

The option form must state the date of leaving the scheme.

You can find further information about the options available and the key points you need to bear in mind when making your decision in the booklet **"Transferring Benefits" – MMP/129**.

Opting out of **AFPS 05** does not affect any entitlement you may have under the Early Departure Payments (**EDP**) Scheme, under bonus arrangements in place for your specialist group or for a Resettlement Grant (RG).

## OPPORTUNITIES TO REJOIN AT A LATER DATE IF YOU OPT OUT

If you opt to leave **AFPS 05** (or not to join) while remaining in service, you have one opportunity to rejoin (or join) provided you are under age 55, and can prove you are medically fit.

This provision has nothing to do with the Offer To Transfer (OTT) and cannot be taken to give those who opted to stay in **AFPS 75** a further opportunity to transfer into **AFPS 05**.



# AN OVERVIEW OF YOUR BENEFITS

## GENERAL

You will be entitled to pension benefits provided you have at least two years' **reckonable service**. Your benefits are based on your final **pensionable pay** – that is the greatest amount of pensionable pay you received for 365 consecutive days over the last three years of reckonable service. This service starts from your first day of paid service in the Armed Forces.

## PRESERVED PENSION

If you leave the Armed Forces before age 55 having completed at least two years' reckonable service, you will be entitled to a **preserved pension** and a **pension lump sum** (normally tax-free) of three times your annual pension, which is payable when you reach the age of 65. (See page 9 for further details.)

## PENSION AT AGE 55

If you retire at age 55 or over you will be entitled to a pension paid immediately and a pension lump sum (normally tax-free) of three times your annual pension. (See page 10 for further details.)

## EARLY DEPARTURE PAYMENTS SCHEME

If you leave the Armed Forces before age 55, but having reached at least age 40 **AND** having served at least 18 years (the **EDP** 18/40 Point), you will get a tax-free lump sum and an income paid until age 65. (See pages 11-12 for details, including examples.)

## ILL-HEALTH BENEFITS

If your career is cut short by illness or injury and you have completed more than two years' reckonable service, you will receive an ill-health award. The amount is based on a three tier system. For less serious conditions, Tier 1 provides a tax-free lump sum only. If you have a serious condition, covered by Tiers 2 and 3, the ill-health pension will be based on your actual service, plus an enhancement. (See pages 14-15 for further details.)

## ATTRIBUTABLE ILL-HEALTH BENEFITS

There are no **attributable** ill-health benefits under **AFPS 05**. If you are discharged on medical grounds, your pension entitlement will normally be calculated under **AFPS 05**. Any attributable benefits to which you may be eligible will be considered under the War Pensions Scheme (**WPS**), **AFAB** or the Armed Forces Compensation Scheme (**AFCS**), depending on the date that your injury or illness was caused.

If your ill-health pension is paid under **AFPS 05**, it is payable irrespective of any award from the **AFCS**, **AFAB** or **WPS**, but these payments may be reduced to take account of **AFPS 05** pension benefits. See the booklet **"Armed Forces Compensation Scheme" – MMP/125** and the website [www.armedforcespensions.mod.uk](http://www.armedforcespensions.mod.uk) for further details.

## DEPENDANTS' BENEFITS

When you die – either in service or after leaving service – benefits may be due to your **spouse, civil partner, eligible partner** or to your **eligible children**. (See page 16-19 for further details.)

More information on **dependants'** benefits is available in the booklet **"Family Pension Benefits" – MMP/126**.

## DEATH OF A MEMBER WITH NO DEPENDANTS

If you are single, with no partner or eligible children and die, payments will be made as follows:

- in service, a tax-free lump sum of four times **pensionable pay** will be paid to your nominee or estate as part of the assets you leave;
- after service but before your **preserved pension** comes into payment, a tax-free lump sum of three times your annual preserved pension will be paid to your nominee or estate as part of the assets you leave. Your pension dies with you;
- within two years of drawing your pension, a lump sum equivalent to the balance of two years' worth of pension to your estate. Again, your pension dies with you.

## RESETTLEMENT GRANT

The Resettlement Grant (RG) is intended to help you adjust to civilian life. You are entitled to a RG when you leave the Armed Forces provided you:

- have served at least 12 years;
- are not entitled to any other immediate payments, eg ill-health pension or **EDP**;
- are not a member of the Reserve Forces Pension Scheme (**RFPS**), which does not offer a RG, or **AFPS 75**, which has its own RG arrangements.

And have:

- not previously received a RG (under new arrangements or under **AFPS 75**); or
- received a RG under new arrangements, and have rejoined voluntarily in 30 days or less of your discharge, and have repaid it; or
- received a RG under **AFPS 75**, and have rejoined voluntarily in 121 days or less of your discharge, and have repaid any necessary portion of the lump sum. Should you leave again and still qualify for the payment, your entitlement will be limited to the same proportion of the RG as was repaid.

# RETIREMENT BENEFITS

## HOW YOUR BENEFITS ARE CALCULATED AND PAID

The pension paid to you will be based on **reckonable service** at the point at which you leave the service. Each year is worth  $\frac{1}{70}^{\text{th}}$  of final **pensionable pay** up to a maximum of 40 years. (See example below of pension calculation.) Your final pensionable pay will be the greatest amount of pensionable earnings you received for 365 consecutive days over your last three years of service.

### Example of Pension Calculation

If your final salary is £30,000 after completing 25 years' service your annual pension would be calculated as follows:

$$£30,000 \times 25 \times \frac{1}{70} = £10,714 \text{ pension}$$

In addition to your annual pension, you will receive a pension lump sum of three times your annual pension.

## PRESERVED PENSION

If you leave the Armed Forces before age 55, you may be entitled to a **preserved pension**, which is normally paid from the age of 65, together with a **pension lump sum** (normally tax-free) of three times your annual preserved pension. To qualify, you must have two years reckonable service. Preserved pensions are **NOT** paid automatically; you have to claim them from **SPVA**. (See address on page 2.)

A preserved pension may be paid early if in the opinion of SPVA (who can consider evidence from medical and other specialists) you have become permanently unable to work full-time through ill-health. Further, if SPVA (having taken any advice necessary) agrees that you have a life expectancy of less than 12 months, you can

apply to have a lump sum of five times your annual preserved pension paid immediately instead of a pension. (A similar option is available for those still in service who find themselves in the same position.)

If you want your preserved pension to be paid early, but are not in ill-health, you can apply to have it paid subject to a reduction which reflects the fact that the pension will be paid over a longer period than would normally be expected. The earliest you can do this is age 55.

Early receipt of your preserved benefits does not impact on your **dependants'** pensions or your EDP.

You can ask SPVA to transfer the pension rights that you have already earned to a scheme offered by a future employer or to a private pension arrangement.

**REMEMBER**, if you do decide to transfer the value of your **AFPS 05** preserved pension to another scheme you will not be allowed to change your mind afterwards. **Once the transfer of funds is completed, you will have given up any rights of your own and those of your dependants under AFPS 05.**

The transfer rules are complicated. For more information, you should read the booklet **"Transferring Benefits" – MMP/129**. There could be time limits – see page 25.

## PENSION AT AGE 55

If you retire at age 55 or later you will not be entitled to EDP as your pension and **pension lump sum** (normally tax-free) will be paid immediately. Your pension will be increased every year in line with RPI. After 35 years' **reckonable service** your pension (ie excluding the value of the lump sum) will be worth 50% of your final **pensionable pay**, but benefits may be earned up to a maximum of 40 years.

## INVERSE COMMUTATION

You may opt to exchange the whole or part of your tax-free pension lump sum for an increase in the amount of taxable pension payable to you and your **dependants**. The value of the exchange is calculated by the **scheme actuary**. Once the exchange is agreed, the lump sum is reduced by the amount exchanged, whether or not the pension that is to be increased as a result of the option actually becomes payable. For example, if you reduce your lump sum to improve both your and your **spouse's, civil partner's** or **eligible partner's** benefits but he/she dies before you, the exchange will not be reversed.

This option can only be exercised within the six months before the pension is due to be paid, that is within six months of your departure at age 55 or later, or within six months of age 65, if you have a **preserved pension**. **SPVA** can advise you how this can be done.

Inverse commutation factors are in JSP 764, Part 4, Chapter 4.

## ALLOCATION

Providing that you are not discharged with an ill-health pension or do not ask for your preserved pension to be paid early because you are too ill to work full-time, you can opt to allocate up to 37.5% of your pension during your lifetime so that, after your death, one or more nominated dependants (who must be financially dependent on you) will receive an income for life.

While the maximum that may be allocated is 37.5%, a member will not be allowed to allocate a sum which, if they die aged 75 or over, means that the aggregate of dependants' pensions exceeds the annual pension before death plus 5% of the pension lump sum. The scheme actuary will work out the amount that will be payable to the dependant(s), taking into account the age and sex of the nominee(s).

Once the allocation has taken place, you will not be able to cancel the arrangement. If you die before your pension comes into payment, the allocation will be void. It should be noted that the reduction of the member's pension as a result of allocation has no effect on the accrual rate for spouse's, civil partner's or eligible partner's pensions. Allocation factors are in JSP 764, Part 4, Chapter 4 and an application form at Chapter 5, or alternatively available electronically on the websites. (For addresses see page 2.)

## TAX REGIME

The 2004 Finance Act simplified the tax regime to control tax privileged pension saving by means of a Life Time Allowance and an Annual Allowance. For further details see [www.hmrc.gov.uk](http://www.hmrc.gov.uk).

## EARLY DEPARTURE PAYMENTS (EDP) SCHEME

This scheme aims to retain personnel in service through to at least age 40 **AND** to compensate them for the fact that a full career to age 55 or beyond is not available to the majority. You will have to reach age 40 or over **AND** serve at least 18 years (the **EDP 18/40 Point**) to be eligible for an EDP. You do not need to be a member of **AFPS 05** to qualify, but you will not qualify if you decided to remain a member of **AFPS 75**, or are a member of **RFPS**.

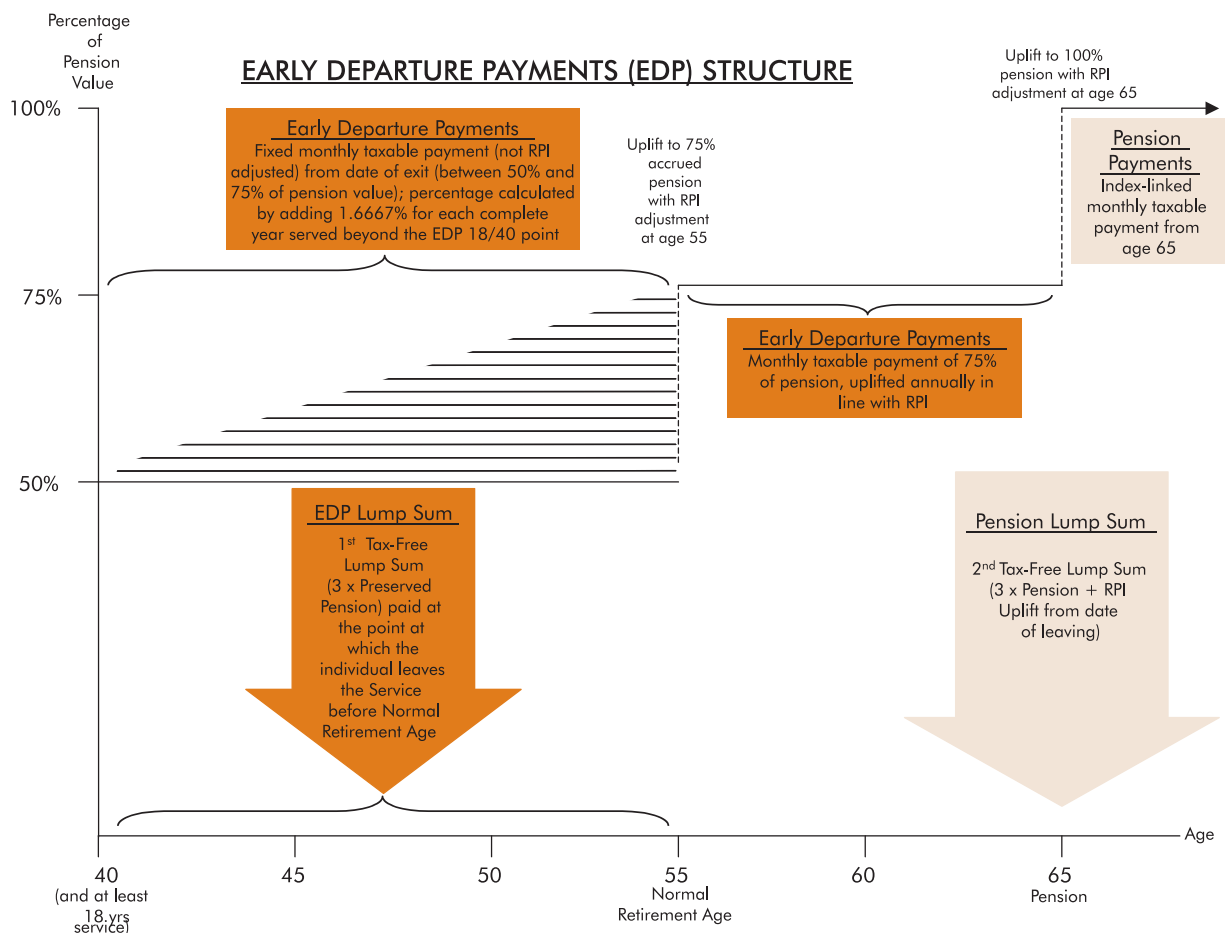
If you leave the Armed Forces from the EDP 18/40 Point but before the age of 55, you will receive a tax-free lump sum, equivalent to three times your annual **preserved pension** and a taxable income worth not less than 50% of your annual preserved pension. This will increase to 75% of your preserved pension at age 55, at which point it will be adjusted to take account of

increases in the Retail Prices Index (RPI) from the date that your EDP was originally taken. It will be increased in line with RPI every year thereafter.

For each complete year of service you give after reaching the EDP 18/40 Point (but before reaching the normal retirement age of 55), the level of income payable will be increased by 1.6667% of your preserved pension. Only complete additional years count: no adjustment will be made for parts of years.

Once you are 65, the EDP is no longer payable. At this point your preserved pension and **pension lump sum** (normally tax-free) are payable.

A pictorial representation of the EDP scheme payments for those in **AFPS 05** is below:



### Examples

Age	Service	EDP Income until age 55
40 years	18 years	50% of preserved pension based on 18 years' service
40 years	22 years	50% of preserved pension based on 22 years' service
44 years	18 years	50% of preserved pension based on 18 years' service
44 years	22 years	56.6668% of preserved pension based on 22 years' service

### EFFECT ON EDP OF REJOINING THE ARMED FORCES

If you rejoin the Armed Forces your **EDP** income will stop. This is because EDP is in part compensation for the majority not having the opportunity to serve much beyond age 40, and it does not make sense to compensate on the one hand and re-employ on the other. If you are serving on mobilisation, your EDP income will be taken into account when your reservist financial award is determined.

When you leave the Armed Forces again, the following will apply:

- if your service was mobilised service and you are demobilised before the age of 55, your EDP income will restart at the same level. It will not restart if you are demobilised after the age of 55: instead, you will receive your pension, including your **pension lump sum**;
- if your service is normal Regular service and you leave again before the age of 55, your EDP income and lump sum will be recalculated to reflect the additional service you have given;
- if your service is Full Time Reserve Service/Additional Duties Commitment (FTRS/ADC), your EDP income will:

- restart at the level originally calculated if you are under age 55;
- increase to 75% of your preserved pension and become index-linked if you are over age 55 but under age 65;
- stop and be replaced by your preserved pension if you are age 65 or over.

If you rejoin the Regular Armed Forces voluntarily or accept an FTRS/ADC appointment without a break of at least the period represented by the EDP lump sum, you will have to pay back the sum represented by this unexpired period. If the EDP lump sum is worth nine months' pay, the break must also be at least nine months long.

### Example

The EDP lump sum at the EDP 18/40 Point is equivalent to approximately 282 days pay (the lump sum is three times the annual pension, calculated as 18 years' reckonable service  $\times 3 \times \frac{1}{70} = \frac{54}{70}$ . This is equivalent to 282 days.) Thus an individual who rejoined the Regular Armed Forces three months (or 91 days) after receiving this lump sum would have to repay  $(282 - 91) = 191/282$  of his lump sum.

If you repay part of your lump sum on taking up an FTRS/ADC appointment it is lost to you, as FTRS/ADC terms and conditions do not include EDP provisions.

If you repay part of your lump sum on rejoining the Regular Armed Forces and leave again before the age of 55, you will receive a new EDP lump sum based on your total service less the amount of your original EDP lump sum that you did not repay.

For further details on the EDP, you should consult JSP 764 Part 2, a copy of which is held in unit administration offices and is available on the MOD intranet and internet. (See addresses on page 2.) The **"Re-employment – MMP/116"** booklet also provides more information on repayment of EDP lump sums.

# BONUS ARRANGEMENTS

***Personnel in certain specialisations (eg Doctors and Dentists) are on bonus arrangements, which replace the entitlement to EDP.***

Bonus arrangements have been introduced to improve the recruitment and retention of personnel in certain specialisations. Bonuses are taxable and non-pensionable.

These bonus payments are paid primarily at key career milestones, such as 'change of commission/engagement' points, and require a specified return of service. The size and timing of bonus payments and the return of service may vary from specialisation to specialisation.

If you receive a bonus payment and do not give the required return of service you will be liable to repay the whole of the bonus payment. If, however, you leave the Armed Forces for medical reasons or due to personnel surpluses, recovery of the bonus will be waived providing you have not reached the **EDP** 18/40 Point. If you have reached the EDP 18/40 Point, the bonus will be offset against the value of the EDP lump sum.

The groups to whom bonus arrangements apply may change from time to time to respond to manning needs, but a list is available in JSP 754.

Further information on the bonus structure for Medical and Dental Officers is in JSP 764, Part 4, Chapter 7.

# ILL-HEALTH BENEFITS

If you leave the Armed Forces early because you suffer ill-health or become injured and are medically discharged, you may be entitled to an ill-health pension and lump sum under **AFPS 05** arrangements. If your condition is mainly due to or worsened by your service in the Armed Forces you may be entitled to additional benefits (called **attributable benefits**).

Attributable benefits are paid under the Armed Forces Compensation Scheme (**AFCS**) for conditions arising on or after 6 April 2005, whose main cause is due to service. For conditions arising before 6 April 2005, attributable top-up benefits may be payable under **AFAB** and the War Pensions Scheme. See the booklets "**Armed Forces Compensation Scheme**" – **MMP/125**, and [www.armedforcespensions.mod.uk](http://www.armedforcespensions.mod.uk) for further details.

## ILL-HEALTH PENSIONS

If you have less than two years' **reckonable service**, you will have no entitlement to an ill-health pension. Arrangements will be made for you to be contracted back into the State Second Pension Scheme. This means that your service in the Armed Forces may qualify you for certain State benefits. Alternatively, in certain circumstances you may opt to transfer this value to another occupational or personal pension arrangement.

If you are medically discharged from the Services with reckonable service of at least two years you may be awarded an ill-health pension, a tax-free lump sum or both. The benefits will be calculated according to the degree of your ill-health, your length of reckonable service and your final **pensionable pay**. Ill-health pensions are increased annually in line with RPI and are taxable, unless your ill-health is deemed attributable then your pension becomes tax-free. The ill-health categories are split into three tiers.

These tiers are linked to the **AFCS** Tariff tables.

- **AFPS 05** Tier 1 = **AFCS** Tariff levels 12 - 15
- **AFPS 05** Tier 2 = **AFCS** Tariff levels 7 - 11
- **AFPS 05** Tier 3 = **AFCS** Tariff levels 1 - 6

The **AFCS** tariff tables which show the link to **AFPS 05** are in JSP 764, Part 4.

### Tier 1

If you are medically discharged from the Armed Forces because you are unable to do your service job, but your ability to get gainful employment is not deemed to be significantly impaired, you will be awarded a tax-free lump sum to help you adjust to your new circumstances. The payment will be calculated on the basis of  $\frac{1}{8}$ <sup>th</sup> of your pensionable pay multiplied by the length of your reckonable service, subject to a minimum of six months' pensionable pay and a maximum of two years' pensionable pay. In these circumstances, your pension benefits will be preserved until age 65.

If you have passed the **EDP** 18/40 Point, you will receive an EDP lump sum and income payments instead (see page 11), until age 65 when your **preserved pension** comes into payment.

### Examples of lump sum calculation

An individual joins at age 20 but is medically discharged after two years' service. Final pensionable pay is £16,000. The ill-health lump sum is calculated as:  
 $\frac{1}{8} \times £16,000 \times 2 = £4,000$ .

As £4,000 is less than the minimum of six months' pay, the lump sum is increased to £8,000.

An individual joins at age 20 but is medically discharged after 10 years' service. Final pensionable pay is £32,000. The ill-health lump sum is calculated as:  
 $\frac{1}{8} \times £32,000 \times 10 = £40,000$ .



An individual joins at age 20 but is medically discharged after 17 years' service. Final pensionable pay is £40,000. The ill-health lump sum is calculated as:  $\frac{1}{8} \times £40,000 \times 17 = £85,000$ .

As this exceeds the maximum of two years' pay, the lump sum award is reduced to £80,000.

## Tier 2

If you are discharged with a condition that is not deemed to leave you permanently incapable of gainful employment, although your employment prospects are deemed to be significantly impaired, then you will be awarded a **pension lump sum** (normally tax-free) and a taxable ill-health pension. Your pension will be based on your service plus one-third of the time remaining up to the normal retirement age of 55; your pension lump sum will be three times your annual pension. Because this is more generous than the **EDP**, it replaces the EDP for those serving beyond the EDP 18/40 Point. No further pension benefits are payable at age 65.

### Example of Tier 2 pension calculation

A person aged 25 with final pensionable pay of £28,000 who is medically discharged under Tier 2 after eight years' reckonable service would receive a taxable ill-health pension based on 18 years' service (eight years' actual service + one-third of the 30 years remaining until the normal retirement age of 55).

	Before enhancement	After enhancement
Pension	£3,200	£7,200
Lump sum	£9,600	£21,600

## Tier 3

If you are discharged with a serious disability which it is deemed leaves you permanently incapable of any further full-time employment, you will be awarded a taxable ill-health pension based on your service plus half the time remaining to the normal retirement age of 55, with a minimum pension based on 20 years' service. You will also receive a pension lump sum (normally tax-free) of three times your annual pension. Because this is more generous than the EDP, it replaces the EDP for those serving beyond the EDP 18/40 Point. No further pension benefits are payable at age 65.

### Examples of Tier 3 pension calculation

A person aged 24 with final pensionable pay of £21,000 who is medically discharged under Tier 3 after four years' reckonable service will receive a taxable pension based on 20 years. The formula delivers a total of 19½ years' service (four years' actual service + half of the 31 years remaining until age 55) but as this is below the guaranteed minimum, 20 years is used in the calculation.

	Before enhancement	After enhancement
Pension	£1,200	£6,000
Lump sum	£3,600	£18,000

A person aged 39 with final pensionable pay of £49,000 who is medically discharged after 20 years' reckonable service will receive a taxable pension based on 28 years' service (20 years' actual service + half of 16 years remaining until age 55).

	Before enhancement	After enhancement
Pension	£14,000	£19,600
Lump sum	£42,000	£58,800

# DEPENDANTS' BENEFITS

## BENEFITS

The following benefits are available only to the **dependants** of members of **AFPS 05**.

Where pensions are expressed in relation to your pension entitlement you need to remember that your entitlement and that of your dependants will be worked out in relation to your **reckonable service**, if you die after leaving the service. If you die whilst still in service, your pension entitlement will be increased as for an ill-health Tier 3 award. (See page 15.)

## PENSIONS

Dependants' pensions are only payable if you have two years' or more reckonable service. If at the time of your death you have a **spouse** or **civil partner**, they will be eligible to receive a pension. A former spouse, from whom you have divorced, or former civil partner, if you have legally dissolved the civil partnership, is not eligible to receive a pension.

If the marriage or civil partnership ceremony took place within six months of your death, the award of a pension will not be automatic. The circumstances will be examined by **SPVA** to ensure that the marriage or civil partnership has not been entered into purely for financial gain.

Partners, other than civil partners, are also eligible to receive a pension, providing that it can be demonstrated that a **substantial relationship** existed and there is no spouse or civil partner. These examinations will be conducted with sensitivity so far as possible.

Your spouse, civil partner or **eligible partner** will receive an **index-linked** pension worth  $\frac{1}{112}$ <sup>ths</sup> of

**pensionable pay** for each year of service you are entitled to count towards pension, up to a maximum of 37.33 years. This gives a pension of up to 62.5% of your pension entitlement, which is payable for life, irrespective of remarriage or cohabitation.

In certain circumstances the pension may be less than 62.5%. In particular, if your spouse, civil partner or eligible partner is more than 12 years younger than you, his or her pension will be reduced by 2.5% for every complete year over 12 years he or she is younger than you, subject to a maximum reduction of 50%. If a widow is 15 years younger than her late husband, her pension will be reduced by 7.5% (3 x 2.5%). This reduction recognises that the pension can be expected to be paid for a longer period. It is the policy for many Public Service pension schemes that it is unreasonable for the scheme to bear this entire cost.

If you have a Pension Sharing Order (PSO) in place your current spouse, civil partner or eligible partner pension will be calculated in the normal way but will then be reduced by the value of the PSO.

## CHILDREN'S PENSIONS

These pensions may be payable in respect of natural, adopted or stepchildren and any other children who are financially dependent upon you. This includes children who are born or become eligible after you leave the Armed Forces. (See **eligible child** on page 4.)

## CHILDREN'S PENSIONS CALCULATION

The amount of your pension entitlement available for children's pensions is normally the balance of the pension remaining after the payment of any **spouse's**, **civil partner's** or **eligible partner's** pension.

Spouse's, civil partner's, and eligible partner's pensions are normally 62.5% of the pension the member would have been entitled to but, if you have more than 37.33 years' service, the percentage will be slightly lower, leaving slightly more to be shared by the children. Any reduction in the spouse's, civil partner's or eligible partner's pension which arises from them being more than 12 years younger than you is not available for children's pensions.

Where a pension is payable to a spouse, civil partner, or eligible partner:

- an only child will be eligible to 25% of your pension entitlement;
- two or more **eligible children** would normally share equally the balance of your pension entitlement after spouse's, civil partner's or eligible partner's pensions are paid.

Where a pension is **NOT** payable to a spouse, civil partner or eligible partner, an amount equal to your pension entitlement will be divided equally among your eligible children, with no child receiving more than one-third of your entitlement.

If a spouse, civil partner or eligible partner in receipt of a pension dies whilst children's pensions are in payment, the children's pensions will be recalculated, subject to the maximum described above.

## PENSION LUMP SUM

You can nominate more than one person or organisation to receive your **pension lump sum**. If you die and you have not made a valid nomination, your pension lump sum will normally be paid to your spouse, civil partner, eligible partner or, if you have no **dependants**, to your estate. Nomination forms are in JSP Part 4, Chapter 5, available on the Defence Intranet or Internet (addresses at page 2) or available from your Unit Admin Office.

## DEATH-IN-SERVICE

If you die in service, a tax-free lump sum payment of four times **pensionable pay** will be made to your nominee. As a Death In Service lump sum is paid there will be no preserved pension lump sum payable. In addition, your spouse, civil partner or eligible partner will normally receive a pension which will be calculated as if you had been medically discharged on the date of your death at Tier 3 (pension enhanced by half your remaining service, based upon the normal pension age of 55) or, if greater, your actual pensionable service up to 37.33 years, subject to a minimum pension based on 20 years' service.

### Example

If an individual died in service at age 23 having completed five years' service, the dependant's pension would be based on 21 years' service (five years of actual service + half of the 32 years between age 23 and 55).

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## DEATH IN DEFERMENT

If you leave the Armed Forces with a **preserved pension** and subsequently die before the pension comes into payment, this is called a death in **deferment**. In these circumstances, your preserved lump sum, uprated by pensions increases, will be payable to your nominee. This is also payable if you were in receipt of **EDP** before your death. Your **spouse's, civil partner's** or **eligible partner's** pension will be based on your actual service.

## DEATH WITHIN FIVE YEARS OF PENSION COMING INTO PAYMENT

If you die within five years of the pension coming into payment, a tax-free lump sum payment equivalent to the balance of five years' worth of pension will be payable to your spouse, civil partner or eligible partner. In calculating the amount payable, the lump sum already paid will be taken into account. Their pension will be based on the pensionable service used to calculate your pension. (This is not payable if you were in receipt of EDP as this is classed as 'death in deferment – see para above.)

Further information about death benefits can be found in the booklet **"Family Pension Benefits" – MMP/126**.

# INCREASING YOUR BENEFITS

## BACKGROUND

Occupational pension schemes like **AFPS 05** provide pension benefits in addition to those provided by the State pension, to ensure that members have an adequate income in retirement. Her Majesty's Revenue and Customs (HMRC) allow certain tax concessions to pension schemes which are not available to other forms of retirement savings. Full details may be found on their website: [www.hmrc.gov.uk](http://www.hmrc.gov.uk).

## ADDED YEARS

The purchase of Added Years is a defined benefit within the Scheme and the Scheme limit on contributions towards the purchase of Added Years is 15% of pensionable pay. Added Years can be bought as whole or part years by regular contribution. If you decide to stop contributing, you will not be given a refund for the contributions paid to date but you will receive a pro-rata credit for the reckonable service already purchased. You can have more than one Added Years contract provided you stay within the 15% limit that the Scheme imposes. Contribution tables and the application form are in JSP 764, Part 4, Chapter 4 or available on the Defence Internet or Intranet (see addresses on page 2).

## STAKEHOLDER PENSIONS

The Stakeholder Pension is a flexible, low cost, private pension that was introduced by the Government to help people save for their retirement.

Stakeholder pensions are money purchase arrangements under which contributions are invested to

provide a fund at retirement. They do not top up benefits under **AFPS 75**, **AFPS 05** or **RFPS** but are in addition to and separate from those provided by these occupational pension schemes.

Prior to 6 April 2006, eligibility for members of occupational pension schemes to contribute additionally to a Stakeholder Pension was limited to those earning £30,000 pa or less (before tax): this limit no longer applies. When considering whether to take out a stakeholder pension, you need to take care that your total pension provision (from all pension funds – AFPS, AVC and stakeholder) does not exceed the Life Time Allowance (LTA) or Annual Allowance (AA). See the booklet **“Increasing Benefits” – MMP/128** for more information. As with other money purchase arrangements, the pension provided at retirement is not guaranteed as it depends on the amount of money saved, the investment return on these savings, the age at which retirement benefits are drawn and the annuity rates at the time of retirement. Scottish Widows has been designated as the preferred provider of stakeholder pensions to the Armed Forces. Their contact details are:

Scottish Widows  
Direct Sales,  
69 Morrison Street,  
Edinburgh  
EH3 0BR

Telephone: 0845 608 0376 or  
+44 131 655 6600

Email: [armedforces@scottishwidows.co.uk](mailto:armedforces@scottishwidows.co.uk)

The administrative charge for handling a stakeholder pension is capped at a maximum of 1% of the fund.

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**NOTE:** You should take independent financial advice about the purchase of additional benefits, to avoid obtaining anything other than a legal product which is right for you. Information about independent financial advisers accredited by the Services Insurance and Investment Advisory Panel is contained in a Joint Service Defence Instructions and Notices, published regularly, although you are free to use any independent financial adviser you wish. You can obtain further information about increasing your benefits from the MOD internet and intranet sites. (See addresses on page 2.) Additionally, the Financial Services Authority can advise you on many issues, including how to find a financial adviser. There is a consumer helpline on **0845 606 1234** or information online at [www.fsa.gov.uk/consumer](http://www.fsa.gov.uk/consumer).

For more information on the LTA and increasing benefits see the booklet **“Increasing Benefits” – MMP/128**.

# TRANSFERRING YOUR BENEFITS

If you were a member of an occupational pension scheme before entering the Armed Forces, or you have a personal pension plan, you may be able to transfer benefits into **AFPS 05**. The transfer of the value of the benefits you bought or earned under another pension scheme involves crediting you with an amount of **reckonable service** equal in value to the **transfer value** paid by the previous scheme. Service transferred into **AFPS 05** will count towards the two-year qualifying period for pension benefits, but it will not count towards the **EDP** 18/40 Point or towards the qualifying period for a Resettlement Grant.

Similarly, if you leave the Armed Forces before your pension is payable and take up new employment where an occupational pension scheme is available, you can transfer the value of the **preserved pension** benefits you have earned from **AFPS 05** into that scheme. You cannot transfer once your pension has come into payment. (See page 25 for time limits.)

Alternatively, you can transfer your preserved pension rights into a personal pension scheme or an approved insurance scheme.

You are advised to seek independent financial advice before transferring pension benefits. Further guidance is available in the booklet **“Transferring Benefits” – MMP/129**.

Transfer values are published in JSP 764, Part 4, Chapter 4 and also available on the Defence Internet and Intranet (addresses on page 2).

If you leave the Armed Forces with less than two years' reckonable service, you will not qualify for a preserved pension. However, you may be able to transfer the notional value of benefits to another pension scheme. If you do not apply to do so, **SPVA** will arrange for you to be contracted back into the State Scheme for the period of your service in the Armed Forces.

In certain circumstances, trivial benefits may be commuted and paid as a one-off lump sum payment. This can be done only if the value of your benefit entitlement under all registered pension schemes, along with all rights that have previously crystallised for lifetime allowance purposes (including any pensions in payment on 5 April 2006), do not exceed a maximum value (the commutation limit) as valued on a specific date (the nominated date). The commutation limit is 1% of LTA and tax will be due on the 75% of the lump sum paid.

## RE-EMPLOYMENT IN THE ARMED FORCES

If you rejoin the Armed Forces and have preserved awards in **AFPS 75** or **AFPS 05** you are entitled to aggregate them, that is, add them together. Although if you have more than one period of previous AFPS 75 service, you can only aggregate the last period with your **AFPS 05** service.

If you have a pension in payment, it may be suspended or reduced to ensure that your pension and your new rate of pay do not exceed your old rate of pay (adjusted for inflation). This is known as abatement. If a pension is in payment it cannot be aggregated or transferred.

See page 12 for the effect on EDP lump sum and EDP income of rejoining the Armed Forces.

If you join the FTRS or ADC, any pension may be suspended or reduced in line with the abatement principle above, as such appointments may rely on your previous Armed Forces service.

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If you are re-employed in the Armed Forces after receiving a Special Capital Payment or Compensation Lump Sum on redundancy, you may have to repay part of it on re-entry.

See booklet **“Re-employment” – MMP/116** or **“The Armed Forces Redundancy Schemes” – MMP/138** for further details.



# HOW DIVORCE CAN AFFECT YOUR PENSION

## EARMARKING ORDERS ON DIVORCE

If you divorce or are judicially separated, a court can order the **scheme managers** to pay all or part of your pension and lump sum to your former **spouse** or **civil partner** as part of a divorce or legal settlement. This will happen at the point in the future when these benefits become payable. This type of order is known as an **Earmarking Order**. The court can also make an order earmarking the lump sum payable to your estate in the event of your death in service.

**NOTE: SPVA will only make payments to your former spouse or civil partner when a court order has specifically instructed them to do so.**

Without such an order SPVA will continue to make payments only to you.

If you die before your former spouse or civil partner, he or she will not receive any payments in respect of your pension after the date of your death. Your death, however, will not normally affect the part of a divorce order that earmarks a lump sum, although it would reduce the level of benefits payable to a current spouse, civil partner or eligible partner.

## PENSION SHARING ON DIVORCE

In legal proceedings begun on or after 1 December 2000, courts have had the additional option of making **Pension Sharing Orders (PSOs)** on divorce. This allows pension rights to be treated like other assets and part or the whole of their value to be transferred from the **member** to the former spouse or civil partner. The payment of the pension is direct to the former spouse or civil partner and is not affected by changes in the circumstances of the member or former spouse or civil partner after the PSO. In this way, the two parties are helped to make a financial “clean break”.

Under a PSO, a court may order that a percentage of the value of your benefits are transferred permanently to your former spouse and they become a pension credit member. These benefits are payable when the former spouse or civil partner reaches the age of 65 or later if the PSO or provision is made later.

If you have a PSO in place your current spouse, civil partner or eligible partner’s pension will be calculated in the normal way but will then be reduced by the value of the PSO.

**NOTE:** Because **AFPS 05** is an unfunded public service pension scheme, your former spouse or civil partner is not allowed to transfer his/her pension credit rights out of **AFPS 05** and into another pension arrangement. Further information on pension entitlement following divorce can be obtained from the booklet

**“Pension Benefits on Divorce” – MMP/131.**

# DISPUTE AND COMPLAINTS PROCEDURES

## INTERNAL DISPUTE RESOLUTION PROCEDURES (IDRP)

IDRP is a formal procedure set up to resolve disagreements between the **scheme administrators** and individuals who have an interest in the scheme, such as members, **spouses** or **dependants**, prospective members of the scheme and others.

This provides the opportunity to complain to the scheme administrators about matters in relation to the scheme and maximise the opportunity to resolve the disagreement internally.

The IDRP process consists of two stages. Under the first stage, you have the right to complain to the scheme administrators. Under the second stage, you have the right of appeal to a higher level against the decision made on your first stage complaint.

If your complaint remains unresolved, you may then take it to the Pensions Ombudsman through The Pensions Advisory Service (TPAS).

Further information on IDRP can be obtained from the booklet **“Internal Disputes Resolution Procedures” – MMP/130**.

## THE PENSIONS ADVISORY SERVICE (TPAS)

TPAS is an independent body which is financed in part by the Department of Work and Pensions. It is available at any time to assist members of occupational pension schemes and their dependants to resolve any difficulties they have failed to resolve with the administrators of the scheme. Contact details are:

### TPAS

11 Belgrave Road, London SW1V 1RB

Tel: 0845 6012923

Email: [enquiries@pensionsadvisoryservice.org.uk](mailto:enquiries@pensionsadvisoryservice.org.uk)

Web: [www.pensionsadvisoryservice.org.uk](http://www.pensionsadvisoryservice.org.uk)

## PENSIONS OMBUDSMAN

The Ombudsman has the power to investigate any complaints and settle disputes between a pension scheme and a complainant. He/she will usually only become involved if IDRP and TPAS have been unable to sort out the problem. Complaints must normally go to the Ombudsman within three years of whatever event caused the dispute. The Ombudsman cannot investigate a dispute once formal legal proceedings have been started. The Pension Ombudsman's address is:

### The Pensions Ombudsman

11 Belgrave Road, London SW1V 1RB

Tel: 0207 834 9144

Email: [enquiries@pensions-ombudsman.org.uk](mailto:enquiries@pensions-ombudsman.org.uk)

Web: [www.pensions-ombudsman.org.uk/powers](http://www.pensions-ombudsman.org.uk/powers)

## THE PENSIONS REGULATOR

The Pensions Regulator is able to intervene in the running of pension schemes where their trustees or managers have failed to comply with the law. The address is:

### The Pensions Regulator

Invicta House, Trafalgar Place, Brighton BN1 4DW

Tel: 0870 606 3636

Email:

[customersupport@thepensionsregulator.gov.uk](mailto:customersupport@thepensionsregulator.gov.uk)

Web: [www.thepensionsregulator.gov.uk](http://www.thepensionsregulator.gov.uk)

## MAKING THE MOST OF YOUR MEMBERSHIP

Some of the actions you might wish to take are time-limited. There is no time limit for opting out of **AFPS 05**.

Please make sure you do not miss out by exceeding these limits.

Action	Time Limit
Making a <b>transfer</b> of pension rights from previous employment under Public Sector transfer arrangements (Page 21)	You must apply within 12 months of joining <b>AFPS 05</b>
<b>Inverse Commutation</b> (Page 10)	You must apply within the six months before drawing your pension
Making a transfer of <b>AFPS 05 preserved pension</b> rights (Page 21)	For transfers under the Public Sector transfer arrangements the application must be within one year of joining the new pension scheme <b>and</b> before the age of 64 or within six months of the end of pensionable employment with the Armed Forces, if later. Other occupational pension schemes may have their own time limits set.
Making a transfer (in or out of <b>AFPS 05</b> ) of pension rights after leaving with less than two years' <b>reckonable service</b> (Page 21)	You must apply within six months of leaving the Armed Forces and before pension age
Claim preserved pension (Page 9)	There is no limit but you need to submit your claim to <b>SPVA</b> at age 64 ready for payment at age 65 (No requirement to claim if in receipt of <b>EDP</b> )

