PUBLIC SECTOR EMPLOYEES (PENSION FUND) BILL, 2024

EXPLANATORY NOTES

This Bill seeks to establish a contributory pension scheme for public sector employees; to provide for the establishment of a Fund from which the payment of pensions, gratuities and other allowances are to be paid to such employees; to provide for the establishment of a Board of Trustees to manage and administer the Fund, and to provide for other related matters.

This Bill is divided into **eight (8) parts** and contains **seventy-nine clauses**.

Part I of the Bill comprises **clauses 1-4** and provides for the Short title and commencement Clause and the Interpretation clause. The Interpretation Clause seeks to define certain words and phrases used throughout the Bill. Clause 3 contains the application provisions and clause 4 provides the general provisions relating to the payment of pensions, gratuities and other allowances, in accordance with the provisions of the Bill.

Part II of the Bill comprises **clauses 5 to 8**. Clause 5 provides for the establishment of the Public Sector Employees Pension Scheme and Clause 6 provides for the eligibility requirements for membership of said Scheme and the obligations of a member to make mandatory contributions to the Fund, which is established under clause 9. Clause 7 provides for an Employer to provide information in relation to an employee to the Board in accordance with section 11. Clause 8 provides for a member who is a member of the Scheme to designate one or more beneficiaries to benefit upon death of that member.

Part III of the Bill comprises **clauses 9-10** and provides for the establishment of the Public Sector Employees Pension Fund. Clause 9 provides for the establishment of the Fund and Clause 10 sets out the contributions to be paid into and out of the Fund.

Part IV of the Bill comprises **clauses 11 to 39** and provides for the establishment of the Board of Trustees, who shall be responsible for the management and administration of the Fund. Said Part also contains provisions which provide for the eligibility requirements for appointment as a Trustee. Clause 13 provides for the tenure of appointment. Clause 14 provides for the filling of vacancies. Clause 15 provides for the resignation of a Trustee, and Clause 16 provides for the revocation of the appointment of a Trustee respectively.

Clause 17 provides for the appointment of the Chairperson and Deputy Chairperson of the Board. Clause 18 provides for meetings of the Board and clause 19 provides for the appointment of committees to assist the Board in the carrying out of its functions.

Clause 20 provides for the disclosure of interest by a Trustee. Clause 21 provides for the protection from liability for any act or default of the Board, done or omitted to be done, in the carrying out of its functions. Clause 22 provides for the payment of remuneration to Trustees by way of salary, honorarium or fees and allowances as may be determined by the Minister.

Clause 23 sets out the functions of the Board, clause 24 authorises the Board to make investments in relation to the Fund, and clause 25 provides general rules relating to the investment transactions of the Fund. Clause 26 empowers the Board to establish a statement of investment policies, standards and procedures. By virtue of clause 27, the Board is required to ensure that actuarial valuations are carried out in respect of the Fund. Clause 28 empowers the Board to make investments with financial institutions that are licensed with or recognised by the Grenada Authority for the Regulation of Financial Institutions (GARFIN).

Clause 29 provides for the limit on exposures related to the Fund to be prescribed. Clause 30 empowers the Minister for Finance to review the operations of the Fund, and Clause 31 gives the Board the power to delegate its functions. Clause 32 makes provisions for the common seal of the Board, clause 33 provides for the financial year of the Fund, and clause 34 provides for the annual estimates of the Board.

Clause 35 provides for the annual audit of the Fund. Clause 36 provides for the establishment of an account by the Board to deal with administrative and other expenses. By virtue of clause 37, the Board has the power to appoint investment managers, to whom the Board may delegate any or all of its functions in relation to the investment of the Fund. Clause 38 provides for the appointment of an Administrator of the fund and clause 39 makes provisions for the duty of care of the Administrator.

Part V of the Bill comprises **clauses 40 to 46** and provides for the manner in which contributions are to be made to the Fund. Clauses 40 and 41 provide for the payment of mandatory contributions by a member and an Employer respectively. Clause 42 empowers a member, upon the approval by the Board, to make voluntary contributions to the Fund. Clause 43 makes provisions for the payment of past service credit contributions by an Employer, while clause 44 provides for the obligations of an Employer to remit contributions to the Fund.

Part VI of the Bill provides for the management and administration of the Fund Clause 47 sets out the functions of the Administrator. Clause 48 provides for all benefits from contributions made by the Employer to be vested in the member in accordance with Schedule III. By virtue of clause 50, a member who retires on attaining normal retirement age is to receive a lump sum cash payment of up to twenty-five percent of the combined amount contained in the members' contribution account, employer contribution account and the past service credit account, if any. Clauses 51 and 52 make provisions for payment of pensions

upon early retirement and late retirement respectively, and clause 53 speaks to retirement by reason of infirmity of body or mind. Clause 54 provides for re-employment after the age of sixty years. Clause 55 provides for resignation prior to retirement and clause 56 provides for dismissal prior to or after attaining early retirement age. Clause 57 provides for retirement under special circumstances.

Part VII provides for miscellaneous provisions and comprises **clauses 66 to 74**. Clause 66 provides for protection from liability, clause 67 speaks to exemption from stamp duty, and clause 68 provides that a copy of an entry in the Fund and other extracts from the records of the Board be received in any court as *prima facie* evidence. Clause 69 incorporates the confidentiality provisions, while clause 70 creates an offence for failing to discharge any functions required under the Act. Clause 71 creates the offence of misappropriation of assets of the Fund. Clause 72 provides for the Minister to make Regulations on the recommendation of the Board for the better carrying out of the provisions of the Act. Clause 73 provides for the Minister by Order, subject to affirmation resolution, to amend the Schedules to the Act. Clause 74 provides for the review of the Act.

Part VIII of the Bill comprises **clauses 75 to 79** and provides for consequential amendments, which repeal specific sections of the Pensions Act Cap. 233, the Police Pensions Act Cap. 245, the Pensions (School Teachers) Act Cap. 236, the Pensions (Prison Officers) Act Cap. 235, and the National Insurance Act Cap. 205.

The Bill also provides for three Schedules. Schedule I provides for a list of Statutory Bodies. Schedule II provides for the rates of contributions and Schedule III provides for the vesting of Employer contributions.

.....
Sen. the Hon. Claudette Joseph
ATTORNEY-GENERAL

PUBLIC SECTOR EMPLOYEES (PENSION FUND) BILL, 2024

ARRANGEMENT OF SECTIONS

PART I
PRELIMINARY

1. Short title and commencement
2. Interpretation
3. Scope and application of Act
4. Payment of pensions, gratuities and other allowances

PART II
ESTABLISHMENT AND MEMBERSHIP OF SCHEME

5. Establishment of Public Sector Employees Pension Scheme
6. Membership of Scheme
7. Information to be provided by Employer
8. Designation of beneficiary

PART III
ESTABLISHMENT OF PUBLIC SECTOR EMPLOYEES PENSION FUND

9. Establishment of Fund
10. Sources of Fund

PART IV
ESTABLISHMENT OF BOARD OF TRUSTEES

11. Board of Trustees
12. Ineligibility for appointment
13. Tenure of Appointment
14. Filling of vacancy
15. Resignation
16. Revocation of appointment
17. Appointment of Chairperson and Deputy Chairperson of the Board
18. Meetings of the Board
19. Appointment of committees
20. Disclosure
21. Protection from liability
22. Remuneration
23. Functions of the Board
24. Investments to be in the name of the Board
25. General rules relating to investment transactions of the Fund
26. Statement of investment policies, standards and procedures
27. Actuarial valuation of the Fund

28. Investment of Funds
29. Limit on exposures
30. Minister responsible for finance to review operations of the Fund
31. Delegation
32. Common seal of the Board
33. Financial year of the Fund
34. Annual estimates
35. Annual audit of Fund and Report
36. Establishment of account by the Board
37. Appointment of investment manager
38. Appointment of Administrator
39. Duty of care of Administrator

PART V
CONTRIBUTIONS TO THE FUND

40. Mandatory contributions by member
41. Mandatory contributions by Employer
42. Voluntary contributions
43. Past service credit contributions
44. Obligations of Employer to remit contributions to Fund
45. Change of Employer
46. Refund of excess contributions.

PART VI
MANAGEMENT AND ADMINISTRATION OF FUND AND CLAIMS AND BENEFITS

47. Functions of Administrator
48. Vesting of benefits
49. Withdrawal from retirement savings account and voluntary contribution account while employee
50. Normal retirement
51. Early retirement
52. Late retirement
53. Retirement by reason of infirmity of body or mind
54. Re-employment after normal retirement age
55. Resignation prior to retirement
56. Dismissal prior to or after attaining early retirement age
57. Retirement under special circumstances
58. Death of member or person specified under section 42 (2)
59. Board to provide information to member or person specified under section 42 (2) and beneficiary
60. No loss of rights
61. Benefits not assignable
62. Claims

63. Claims by beneficiary or person specified under section 42 (2)
64. Correction of mistakes
65. Repayment of benefit improperly received

PART VII
MISCELLANEOUS PROVISIONS

66. Protection from liability
67. Exemption from stamp duty
68. Evidence
69. Confidentiality
70. Failure to discharge functions
71. Misappropriation of assets of the Fund
72. Regulations
73. Power of Minister to amend Schedules by Order
74. Review of Act

PART VIII
CONSEQUENTIAL AMENDMENTS TO ACTS

75. Amendment of section 18 of the Pensions Act
76. Repeal and replacement of section 18 of the Police Pensions Act
77. Repeal and replacement of section 18 of the Pensions (School Teachers) Act
78. Amendment of Pensions (Prison Officers) Act
79. Repeal of section 47 of the National Insurance Act

SCHEDULE I - List of Statutory Bodies
SCHEDULE II - Rates of Contribution
SCHEDULE III - Vesting of Employer Contributions

PUBLIC SECTOR EMPLOYEES (PENSION FUND) BILL, 2024

GRENADA

ACT NO. OF 2024

AN ACT to establish a contributory pension scheme for public sector employees; to provide for the establishment of a Fund from which the payment of pensions, gratuities and other allowances are to be paid to such employees; to provide for the establishment of a Board of Trustees to manage and administer the Fund; and to provide for other related matters.

BE IT ENACTED by the King's Most Excellent Majesty, by and with the advice and consent of the Senate and the House of Representatives of Grenada, and by the authority of the same as follows—

PART I
PRELIMINARY

Short title and commencement

1. (1) This Act may be cited as the

PUBLIC SECTOR EMPLOYEES (PENSION FUND) ACT, 2024.

(2) This Act shall come into operation on a day to be appointed by the Minister by notice published in the Gazette and different days may be appointed in respect of different provisions of this Act.

Interpretation

2. In this Act, unless the context otherwise requires—

"**actuary**" means a person who—

(a) is a fellow of such professional organisation of actuaries as may be prescribed; and

(b) satisfies such other requirements as may be prescribed;

"**Administrator**" means a person appointed by the Board as such pursuant to section 38;

"**allocated investment earnings**" means, with respect to the contributions made by or on behalf of a member, the amount calculated by the Board, having regard to the following—

(a) changes in the value of assets of the Fund and the revenue; and

(b) other earnings accruing from the investment of assets of the Fund and allocated for the purpose of determining the amount standing to the credit of each member;

"**beneficiary**" means a person designated as such by—

(a) a member pursuant to section 8; or

(b) a person specified under section 42 (3), in accordance with subsection (5) of that section

to receive a benefit, upon the death of the member or the person specified under section 42 (3);

"**benefit**" means any pension, gratuity or allowance, paid to a member or a person specified under section 42 (3) or the beneficiary of a deceased member or a person specified under section 42 (3), in accordance with the provisions of this Act;

"**Board**" means the Public Sector Employees Pension Board of Trustees, established pursuant to section 11;

"**casual employee**" means an employee who is engaged on a very short term or on an occasional and intermittent basis, usually for a specific number of hours, days or weeks;

"**contribution**" means the amount payable by a member and an Employer into the Fund;

"**Eastern Caribbean Central Bank**" means the Bank established by the Agreement establishing the Eastern Caribbean Central Bank, done at Port of Spain on the 5th day of July 1983, the text of which is set out in the Schedule to the East Caribbean Central Bank Act, Chapter 85;

"**early retirement age**" means—

(a) in the case of an officer in the public service, a teacher, police officer or prison officer, the age specified in the relevant enactment for early retirement in respect of that officer, teacher, police officer or prison officer; or

(b) in the case of an employee of a statutory body, the age specified for early retirement of the employee, as determined

by the terms and conditions which govern the employment of that employee;

"**employee**" means a person under the employ of an Employer;

"**Employer**" means—

(a) the Government; or

(b) a statutory body participating in the Fund;

"**employer contribution account**" means the book-keeping account maintained in accordance with the provisions of this Act, which documents the total employer contributions made on behalf of a member, plus allocated investment earnings;

"**functions**" includes powers and duties;

"**Fund**" means the Public Sector Employees Pension Fund established pursuant to section 9;

"GARFIN" means the Grenada Authority for the Regulation of Financial Institutions established pursuant to section 3 of the Grenada Authority for the Regulation of Financial Institutions Act, Chapter 125A;

"**Government**" means the Government of Grenada;

"**investment manager**" means a person appointed by the Board as such pursuant to section 37;

"**member**" means a person who is a member of the Scheme pursuant to section 6;

"**member contribution account**" means the book-keeping account, established pursuant to section 47 (3) and maintained in accordance with the provisions of this Act, which documents the total mandatory member contributions made by the member, plus allocated investment earnings;

"**Minister**" means the Minister responsible for public administration;

"**new public sector employee**" means a person who is appointed as—

(a) a public officer;

(b) a teacher;

(c) a police officer;

(d) a prison officer; or

(e) an employee of a statutory body;

on or after the date of operation of this Act;

"**non-pensionable post**" has the meaning assigned to it under the Pensions Act, Chapter 233;

"**normal retirement age**" means—

(a) in the case of a member who is a public officer, police officer, teacher or prison officer, such age as is specified in the relevant enactment, for compulsory retirement in respect of that member;

(b) in the case of a member who is an employee of a statutory body, the age of normal retirement as is determined by the terms and conditions governing the employment of that member;

"**past service credit contribution account**" means the book-keeping account established pursuant to section 43, which documents the past service credit contributions made by an Employer on behalf of a member, in accordance with the provisions of this Act, plus allocated investment earnings;

"pensionable office" has the meaning assigned to it in the Pensions Act, Chapter 233;

"**established post**" means any post in the public service which is shown under an established sub-head in the Estimates of Revenue and Expenditure;

"police officer" has the meaning assigned to it under the Police Act, Chapter 244;

"prison officer" has the meaning assigned to it under the Pensions (Prison Officers) Act, Chapter 235;

"**public officer**" has the meaning assigned to it under section 111 of the Constitution;

"**public sector employee**" means an employee of—

(a) the Government; or

(b) a statutory body;

"**public service**" includes service as a teacher, police officer or a prison officer;

"redundancy benefit" means the amount of money which an employee, whose employment has been terminated on account of redundancy, is entitled to receive from his or her Employer;

"relevant enactment" means—

(a) the Pensions Act, Chapter 233;

(b) the Pensions (School Teachers) Act, Chapter 236;

(c) the Pensions (Prison Officers) Act, Chapter 235;

(d) the Police Pensions Act, Chapter 245; or

(e) any other enactment so declared by order of the Minister for the purposes of this Act;

"Scheme" means the Public Sector Pension Scheme established pursuant to section 5;

"**salary**" means basic salary, including allowances that are attached to an office held by a public sector employee;

"**statutory body**" means a statutory body listed in Schedule I;

"teacher" has the meaning assigned to it in the Pensions (School Teachers) Act Chapter 236;

"**temporary employee**" means an employee who is engaged only for a specific period of time, whether on projects or on task-based contracts as a seasonal worker, casual employee or day labourer, or whose employment contract specifies that the person is employed as a temporary employee or on a temporary basis;

"**Trustee**" means a trustee of the Board appointed pursuant to section 11;

"**voluntary contribution account**" means the book-keeping account maintained in accordance with the provisions of this Act, which

documents the voluntary contributions made by a member or a person specified under section 42 (3), plus allocated investment earnings.

Scope and application of Act

3. (1) Subject to the provisions of this section, as from the date of operation of this Act, the provisions of this Act shall apply to—

(a) all new public sector employees;

(b) all public sector employees who—

(i) hold non-pensionable offices by virtue of a relevant enactment; or

(ii) have neither attained the age of fifty years nor have been employed with the Government for a period exceeding fifteen years and are not eligible to receive a pension, gratuity or other allowance in accordance with a relevant enactment;

(c) all employees of the Government who are currently employed in the public service on a contractual basis and by virtue of the terms and conditions of their contract, are not eligible to receive a gratuity.

(2) The provisions of this Act shall not apply to—

(a) employees of the Government who are employed in the public service on a contractual basis, whether fixed term or otherwise, and who by virtue of the terms and conditions of their contract, are eligible to receive a gratuity;

(b) employees of the Government who are currently employed in the public service for a period exceeding fifteen years and are fifty years of age or older;

(c) temporary employees; and

(d) persons who are seconded from statutory bodies or agencies of Government that have their own pension arrangements.

(3) For the avoidance of doubt, the law to be applied with respect to the payment of pensions, gratuities and other allowances to—

(a) a public officer;

(b) a teacher;

(c) police officer; or

(d) prison officer,

who has been so employed, prior to the date of operation of this Act, and is eligible to receive a pension, gratuity or other allowance, shall be the relevant enactment which applies to such public officer, teacher, police officer or prison officer; save and except where such public officer, teacher, police officer or prison officer opts for the provisions of this Act to apply to them in this regard, in accordance with section 6 (3).

Payment of pensions, gratuities and other allowances

4. Subject to the provisions of this Act, all pensions, gratuities and other allowances shall be payable to members, in accordance with the provisions of this Act or any Regulations made pursuant to this Act, and any such pension, gratuity or other allowance granted under this Act shall be computed in accordance with the provisions herein and any Regulations made pursuant thereto.

PART II
ESTABLISHMENT AND MEMBERSHIP OF SCHEME

Establishment of Public Sector Employees Pension Scheme

5. (1) There is hereby established a defined contribution pension scheme to be known as the Public Sector Employees Pension Scheme, for the purpose of—

(a) paying retirement benefits to members;

(b) ensuring that every member receives his or her benefits as and when they become due;

(c) improving the income security of members by ensuring that the members save in order to better cater for their livelihood during their retirement; and

(d) establishing a uniform set of rules and standards for the administration and payment of benefits to members and beneficiaries.

Membership of Scheme

6. (1) As from the date of operation of this Act, a public sector employee to whom the provisions of this Act apply, by virtue of section 3 (1), shall be a member of the Scheme and shall be required to make mandatory contributions to the Fund and the Employer of the public sector employee shall transmit to the Board, in such time and manner as may be specified by the Board, by Notice

published in the *Gazette*, the following information in relation to the public sector employee—

(a) the full name, date of birth, sex, address and occupation of the public sector employee;

(b) the name of the person who the public sector employee has designated as a beneficiary; and

(c) such other information as may be required by the Board.

(2) A public sector employee who has been so employed for a period of three months or less, shall not be eligible for membership of the Scheme or be required to contribute to the Fund.

(3) A public officer, teacher, police officer or prison officer who is so employed on the date of operation of this Act and eligible to receive a pension, gratuity or other allowance in accordance with the provisions of any of the relevant enactments, may in the prescribed manner, within twelve months after the date of operation of this Act, opt to become a member of the Scheme by completing registration in the prescribed manner and, such option, once exercised and approved by the Board, shall not be rescinded and, thereafter, the provisions of the relevant enactment shall no longer apply to the public officer, teacher, police officer or prison officer in relation to the payment of pensions, gratuities and other allowances.

(4) An application under subsection (3) shall provide for the full name, date of birth, sex, address, and occupation of the member and shall include the name of any beneficiary and such other information as the Board may require.

(5) An application for membership made pursuant to subsection (3), shall be completed in part by the Employer.

(6) A member shall notify the Board of any change to the information that the member is required to furnish pursuant to subsection (4), within six months after the change occurs.

(7) The Board may require evidence to prove to its satisfaction, the accuracy of the information furnished under this section or section 7.

Information to be provided by Employer

7. (1) An Employer shall provide the Board with the following information in relation to an employee who is eligible to be a member of the Scheme—

(a) the full name, date of birth, sex and address of the employee;

(b) the intervals at which the contributions are to be made by the employee;

(c) the amount of remuneration of the employee, expressed by reference to the intervals specified in relation to the employee in accordance with paragraph (b);

(d) the normal retirement age and early retirement age of the employee;

(e) the date on which the employee commenced employment with the Employer; and

(f) such other information as the Board may require.

(2) The information required pursuant to subsection (1) shall be submitted by the Employer within fourteen days of the date of operation of this Act or within fourteen days after the date on which the person became an employee of the Employer.

(3) The obligation of an Employer to inform the Board of any fact shall be a continuing obligation, so that where any change occurs which makes any information previously provided to the Board no longer correct, the Employer shall inform the Board of such change.

Designation of beneficiary

8. (1) Every member shall, when enrolling in the Scheme, designate one or more beneficiaries for the purpose of receipt of any benefit upon the death of the member.

(2) Pursuant to subsection (1), the designation of a beneficiary—

(a) shall be in writing in such form as may be approved by the Board; and

(b) may be revoked by the member, by notice in writing to the Board, at any time before death of the member.

(3) Where a member designates more than one person as a beneficiary, the member shall specify the share to which each beneficiary shall be entitled.

(4) On the death of a member—

(a) if only one beneficiary is designated, that beneficiary shall be entitled to receive payment, as provided in this Act, of the amount standing to the credit of the member;

(b) if two or more beneficiaries are designated, each beneficiary shall be entitled to receive payment, as provided in this Act, of his or her respective share, as specified in the designation, of the amount standing to the credit of the member.

(5) Where upon the death of a member, the benefits are paid to a beneficiary designated under this section, no other person shall have any other claim to the benefits against the Fund.

(6) Where a dispute relating to a designation under this section arises, the Board shall have the absolute powers to consider the evidence presented and determine the rightful beneficiary.

PART III
ESTABLISHMENT OF PUBLIC SECTOR EMPLOYEES PENSION FUND

Establishment of Fund

9. (1) There is hereby established a Fund to be known as the Public Sector Employees Pension Fund.

(2) The purpose of the Fund is to establish a defined contribution pension plan to ensure that members receive a benefit in accordance with the provisions of this Act.

(3) The Fund shall be deemed to be an approved pension fund for the purposes of section 48 of the Income Tax Act, Chapter 149.

Sources of Fund

10. (1) There shall be paid into, or in the case of property other than money, transferred to the Fund—

(a) all contributions and any other payments required by this Act to be paid into the Fund;

(b) all contributions made by an undertaking in accordance with section 41 (7);

(c) moneys earned or arising from any investments acquired by or vested in the Fund;

(d) all other sums which may in any manner become payable to and any property vested in the Fund;

(e) such other sums as may be appropriated by Parliament for the purposes of the Fund.

(2) There shall be paid out of the Fund all the benefits and other payments required under this Act to be paid out of the Fund.

(3) No payments shall be made out of the Fund unless authorised by or under this Act.

(4) For the avoidance of doubt, it is hereby declared that the moneys and other property of the Fund shall, for the purpose of this Act, be held by the Board in trust for the members of the Scheme, to be administered by the Board in accordance with the provisions of this Act.

PART IV
ESTABLISHMENT OF BOARD OF TRUSTEES

Board of Trustees

11. (1) There is hereby established, a Board of Trustees, which shall be responsible for the management and administration of the Fund.

(2) The Board shall be a body corporate to which the provisions of section 49 of the Interpretation and General Provisions Act, Chapter 153, shall apply.

(3) All courts, Judges and persons acting judicially shall take judicial notice of the common seal of the Board affixed to any document or notice and shall presume that it was duly affixed.

(4) The Board shall consist of the following persons appointed as Trustees by the Governor-General, acting on the advice of the Minister—

(a) the permanent secretary with responsibility for public administration or his or her designate;

(b) the permanent secretary with responsibility for finance or his or her designate;

who shall be *ex officio* members; and

(c) the following other persons,

(i) an attorney-at-law who has been practising at the Bar for at least ten years;

(ii) an actuary or a person with actuarial qualifications or experience;

(iii) one person who has demonstrated knowledge and experience in finance;

(iv) one person who has at least five years of experience in human resource management;

(v) one person who has demonstrated knowledge and experience in investment;

(vi) one person after consultation with the trade unions representing public sector employees; and

(vii) one person after consultation with the statutory bodies.

(5) A person appointed as a Trustee pursuant to this section shall have, in addition to the duties specified under this Act, such duties and obligations of a trustee and be held accountable in accordance with the provisions of the Trustee Act, Chapter 329.

(6) The names of all Trustees as first constituted and every change in the membership thereof shall be published in the *Gazette*.

Ineligibility for appointment

12. (1) A person shall not be eligible for appointment as a Trustee in accordance with section 11 (4) (c), if the person—

(a) is a member of Parliament; or

(b) is not a fit and proper person having regard to the criteria specified in subsection (4).

(2) A person shall not be appointed as a Trustee under section 11 (4) (c), unless the person has forwarded to the Governor-General a voluntary declaration that he or she is not ineligible for appointment.

(3) An appointment made in contravention of this section shall be void.

(4) A person is a fit and proper person for the purposes of subsection (1) if—

(a) the person has not been convicted of an offence involving fraud, dishonesty or moral turpitude, or an offence under the Proceeds of Crime Act, 2012 or an offence in any other jurisdiction that is similar to any such offence;

(b) the person has not been adjudged or otherwise declared bankrupt or is insolvent, or having been adjudged or otherwise declared bankrupt or insolvent, has been rehabilitated or discharged;

(c) the person is in compliance with all tax and other statutory requirements imposed on the person; and

(d) the person is, in the opinion of the Minister—

(i) a person of sound probity and is able to exercise competence, diligence and sound judgment in fulfilling his or her functions as a Trustee;

(ii) the person possesses the knowledge, skills and expertise necessary for the functions required to be carried out by the person as a Trustee; and

(iii) the appointment of the person will not raise any issue of conflict of interest or undue influence.

(5) In the exercise of its powers and the performance of its functions under this Act, the Board—

(a) shall act impartially and fairly in the interest of the members; and

(b) shall have the power to do all such things as it considers necessary or expedient for the purpose of carrying out its functions.

Tenure of appointment

13. (1) A Trustee appointed pursuant to section 11 (4) (c), shall be appointed for a period not exceeding three years and the appointment shall be effected in such a manner that will ensure, as far as possible, the expiry in any one year of the term of office of not more than one-half of the said Trustees.

(2) Every Trustee appointed under section 11 (4) (c), shall be eligible for re-appointment.

Filling of vacancy

14. Whenever a vacancy occurs in the membership of the Board before the expiry of the term of office of a Trustee, the Governor-General shall, on the advice of the Minister, appoint a person similarly qualified to fill the vacant position for the remainder of the term.

Resignation

15. (1) Any Trustee appointed under section 11 (4) (c), other than the Chairperson, may resign membership of the Board by notice in writing thereof addressed to the Governor-General and submitted to the Chairperson, who shall transmit the notice to the Governor-General.

(2) The Chairperson may resign membership of the Board by notice thereof in writing submitted to the Governor-General.

(3) A resignation under this section shall take effect upon receipt by the Governor-General of the notice thereof.

Revocation of appointment

16. (1) The Governor-General, acting on the advice of the Minister may revoke the appointment of a Trustee appointed under section 11 (4) (c), if the Trustee—

(a) is, or becomes ineligible for appointment pursuant to section 12;

(b) engages in any activity that can reasonably be considered prejudicial to the interests of the Board; or

(c) has been absent from three consecutive meetings of the Board without leave from the Chairperson.

(2) Before taking any action under subsection (1), the Governor-General shall notify the Trustee in writing that he or she is entitled to be heard on the matter of the proposed revocation, within such time as shall be specified in the notice and shall give the member the opportunity to be heard accordingly.

Appointment of Chairperson and Deputy Chairperson of the Board

17. (1) The Governor-General, acting on the advice of the Minister, shall appoint a Chairperson and Deputy Chairperson of the Board from amongst the Trustees appointed under section 11 (4) (c).

(2) In the case where the Chairperson is unable to act, the Deputy Chairperson shall perform the functions of the Chairperson.

Meetings of the Board

18. (1) The Board shall hold such meetings which in the opinion of the Chairperson or at least three other Trustees, are necessary for carrying out its functions, save however that the Board shall meet at least once every six weeks.

(2) Subject to the provisions of this section, the Board may regulate its own proceedings.

(3) Notwithstanding the provisions of this section, the Chairperson may call a special meeting of the Board at any time and shall call a meeting within seven days after receiving a request for that purpose made by any three or more Trustees.

(4) The quorum of a meeting of the Board shall be five.

(5) The decisions of the Board shall be by a majority of the Trustees present and voting and, in the case where the voting is equal, the Trustee presiding as Chairperson shall have the casting vote.

(6) Minutes of each meeting of the Board shall be kept in proper form by a secretary who shall be appointed by the Board and such minutes shall be confirmed by the Board as soon as practicable at a subsequent meeting of the Board.

(7) A decision of the Board shall not be invalidated by any vacancy in the membership of the Board or any defect in the appointment of a Trustee.

(8) For the purpose of obtaining any assistance in the deliberation of any matter before the Board, the Board may invite any person to attend any of its meetings, save however that such person may take part in the discussions of the Board, but shall not vote on any decision of the Board.

Appointment of committees

19. (1) The Board may appoint committees for any purpose connected with its functions which, in the opinion of the Board, would be better regulated and managed by such committees.

(2) Each committee appointed pursuant to subsection (1) shall be chaired by a Trustee, and the membership of a committee may consist of Trustees and such other persons as the Board considers appropriate, having regard to the knowledge and expertise required in respect of the matter concerned.

(3) A member of a committee who is not a Trustee may be paid such fees, expenses and allowances as the Minister may determine, in respect of attendance at meetings of the committee or while engaged, with the approval of the Board, on the business of the Board.

(4) A committee shall make such inquiries and furnish to the Board such reports with respect to the matter in relation to which it has been appointed as the Board may direct.

Disclosure

20. (1) A Trustee who is directly or indirectly interested in any transaction made, or proposed to be made, or in any other matter being considered, by the Board—

(a) shall as soon as possible after that fact comes to the attention of the Trustee, disclose, either in person or by notice in writing, at a meeting of the Board the nature of the interest; and

(b) shall not be present during the deliberations of the Board, nor take part in any voting of the Board concerning any decision, in respect of the matter.

(2) The disclosure of the interest by a Trustee pursuant to this section shall be recorded in the minutes of the meeting at which the disclosure is made.

(3) Where a Trustee fails to disclose any interest specified in subsection (1) in accordance with this section, the Court may, on an application by the Board, set aside the transaction on such terms as it considers necessary.

(4) For the purposes of this section, "transaction" includes a contract, guarantee or an investment.

Protection from liability

21. (1) A Trustee shall not be personally liable for any act or default of the Board done, or omitted to be done, in good faith in the course of the functions of the Board.

(2) Where a Trustee is exempt from liability by virtue of subsection (1), the Board shall be liable to the extent that the Board will be liable if the Trustee were an employee of the Board.

Remuneration

22. There shall be paid to the Trustees such remuneration, whether by way of salary, honorarium or fees and allowances as the Minister may determine.

Functions of the Board

23. (1) The functions of the Board shall be to—

(a) collect the contributions of members and Employers;

(b) administer the Scheme and manage and control the Fund in accordance with the provisions of this Act;

(c) optimally invest the contributions collected;

(d) protect members' contributions;

(e) provide benefits to the members of the Scheme and their beneficiaries;

(f) advise the Minister on any necessary adjustments to the Scheme pursuant to its functions under paragraphs (a), (b) (c) and (d);

(g) take such steps as are necessary to inform members and Employers regarding the operation and management of the Fund;

(h) subject to section 26, on an annual basis, establish written investment policies, standards and procedures in relation to the Fund;

(i) establish codes of conduct for the Administrator, investment manager and persons appointed to committees;

(j) monitor the Administrator and investment manager and members of committees appointed by the Board to ensure compliance with the investment policies, standards and procedures established in accordance with paragraph (f); and

(k) perform such other functions as may be conferred on it by this Act or under any other enactment.

(2) In accordance with its functions, the Board shall—

(a) determine whether an investment will be able to provide an adequate return at an acceptable risk in order to achieve its objectives;

(b) give consideration to the impact of expenses on the return on investment by incurring costs to the Fund that are appropriate and reasonable in amount;

(c) ensure that appropriate due diligence is conducted on the issue of a security or borrower of a loan in order to ascertain financial credit worthiness, financial condition and strength, earnings potential and that their ability to meet any obligations is satisfactory, prior to making any investment;

(d) ensure that any collateral or security is of satisfactory quality and value; and

(e) avoid leaving monies belonging to the Fund idle, except to the extent that cash is required for payments.

(3) In the exercise of its functions, the Board shall be accountable to the Minister and the members of the Scheme.

(4) The Board shall have all the powers necessary for the proper performance of its functions under this Act and, in particular, the Board shall have the power to—

(a) control, supervise and administer the assets of the Fund in such manner as best promotes the purpose of providing benefits for members of the Scheme;

(b) determine the provisions to be made for capital and recurrent expenditure and for reserves of the Fund;

(c) receive contributions from members and authorise the custody, investment and administration of these contributions and the payment of benefits as provided under this Act;

(d) enter into association with such other bodies or organisations within or outside Grenada as the Board may consider desirable or appropriate and in furtherance of the purpose for which the Fund is established;

(e) subject to section 31, delegate any of its functions to a person or firm with proven experience in the particular function being delegated;

(f) give such direction as it may consider necessary to give effect to the provisions of this Act; and

(g) do such other things as are necessary to give effect to the provisions of this Act.

Investments to be in the name of the Board

24. All investments shall be in the name of the Board.

General rules relating to investment transactions of the Fund

25. The following rules shall govern all investment transactions of the Fund—

(a) no investment shall be made without the prior approval of the Board;

(b) all investment transactions shall be undertaken at arm's length and at prices comparable in the market for similar investment transactions; and

(c) all investment transactions shall have the authorisation of the Board and be consistent with the investment policies, standards and procedures established pursuant to section 23 (1) (f).

Statement of investment policies, standards and procedures

26. (1) Pursuant to section 23 (1) (f), the investment policies, standards and procedures established by the Board shall include the following—

(a) the rate of return objective for the Fund and the stated gross and net of investment expenses;

(b) an outline of the Fund's risks and level of risks that can be tolerated by the Fund;

(c) the outlook of the Fund's continuity and maturity profile of its assets and liabilities; and

(d) the Fund's target asset mix, in a manner that is consistent with risk-return expectations.

(2) In establishing the investment policies standards and procedures, the Board may take into account—

(a) the type of benefits and features of the Scheme;

(b) any management of interest, liquidity, credit, currency and other financial risks to which the Fund is exposed;

(c) the characteristics of the liabilities of the Fund;

(d) the age and other relevant demographic profiles of the members;

(e) the funding and solvency levels and requirements of the Fund;

(f) the prevailing economic conditions;

(g) any expenses;

(h) the diversification of investment portfolio by asset class and within asset classes; and

(i) any other matter relating to the Fund that would be relevant in the development and preparation of same.

Actuarial valuation of the Fund

27. (1) The first actuarial valuation of the Fund shall take place at the end of two years after the Fund is established and thereafter, the Fund shall be valued at intervals not exceeding five years by an actuary appointed by the Board.

(2) The actuary appointed pursuant to subsection (1) shall—

(a) prepare a report on the state of the Fund; and

(b) recommend any necessary action to be taken.

(3) A report submitted pursuant to subsection (2) shall be submitted by the actuary to the Board and the Board shall, within one month of receipt thereof, submit the report to the Minister responsible for public administration.

(4) Within two months of receipt of a report submitted pursuant to subsection (3), the Minister responsible for Finance shall cause the report to be laid before the Houses of Parliament.

(5) The Board shall, within six months of the receipt of such report, pay due regard to any recommendations made by the actuary and in so doing, may, after consultation with the Minister and the Minister responsible for Finance—

(a) increase or decrease the rates of contribution payable in respect of members; or

(b) take any other action recommended by the actuary.

Investment of Funds

28. (1) The Board shall make investments in the Fund in the following manner—

(a) with financial institutions that are licensed with or recognised by GARFIN;

(b) in securities governed in accordance with the Securities Act, Chapter 299A; and

shall place deposits in financial institutions that are licensed in accordance with the Banking Act, 2015.

(2) The Fund shall be invested by the Board in a manner that is consistent with—

(a) best-practice portfolio management;

(b) the Board's duty to avoid undue risk of loss or impairment pursuant to subsection (3);

(c) the Board's duties of care, diligence and skill pursuant to subsection (4); and

(d) the investment policies, standards and procedures established in accordance with section 23 (1) (f).

(3) The Board shall invest the Fund in such a manner so as to ensure that there is no undue risk of loss or impairment to the Fund, including by ensuring diversification of the investments of the Fund pursuant to the investment policies, standards and procedures established in accordance with section 23 (1) (f).

(4) The Board shall exercise the care, diligence and skill in the investment of the Fund that a person of ordinary prudence would exercise in dealing with the property of any other person.

(5) The Fund shall not hold, in aggregate, such amount as may be prescribed, of its fair value of its assets denominated in foreign currency without the prior approval of the Minister responsible for Finance, after consultation with the Eastern Caribbean Central Bank.

(6) For the purposes of this section—

"recognised jurisdictions" means any country so declared by GARFIN for the purposes of this section;

"recognised stock exchange" means any stock exchange that is qualified to operate as a stock exchange in any country so declared by GARFIN for the purposes of this Act.

Limit on exposures

29. (1) The Fund shall not, either by itself or in conjunction with any other person, hold or control in excess of the prescribed amount of—

(a) the voting shares in a body corporate;

(b) the ownership interest in any other entity; or

(c) the indebtedness of any entity.

(2) The Board shall not invest more than the prescribed percentage amount of the Fund in securities or loans to any single entity other than the Government or the Eastern Caribbean Central Bank.

Minister responsible for finance to review operations of the Fund

30. The Minister responsible for Finance shall—

(a) at the end of the financial year, cause to be conducted a review of the operations of the Fund with a view to determining whether the Fund has operated in accordance with its statement of investment policies standards and procedures established pursuant to section 23 (1) (h);

(b) at the end of the third financial year, with the assistance of an actuary, cause the operations of the Fund to be reviewed, with a view to determining whether the assets of the Fund are sufficient to meet the liabilities of the Fund.

Delegation

31. (1) The Board may, by resolution generally or in a particular case, delegate to any of its committees or any person, any of its functions under this Act, in such terms and conditions as the Board may determine, other than the power to delegate.

(2) Every delegation made under subsection (1) shall be revocable by the Board and shall not preclude the performance by the Board of any function it has delegated.

(3) A delegation of any function shall be revocable by the Board, in writing.

Common seal of the Board

32. (1) The common seal of the Board shall be kept in such custody as the Board may direct and shall not be used except by the order of the Board.

(2) The common seal shall, when affixed to a document and is duly authenticated, be judicially and officially noticed, and unless and until the contrary is proved, any necessary order or authorisation by the Board under this section shall be presumed to have been duly given.

Financial year of the Fund

33. The financial year of the Fund shall be the period of twelve months ending on December 31st of each year.

Annual estimates

34. (1) No later than three months before the end of each financial year, the Board shall cause to be prepared, estimates of revenue and expenditure of the Fund for the next following financial year under heads to be determined by the Board.

(2) The estimates of revenue and expenditure prepared pursuant to subsection (1), shall be submitted to the Minister for approval and after such approval, the Board shall not increase the annual estimates without the approval of such Minister.

(3) The annual estimates shall make provision for the estimated expenditure of the Fund for the financial year and in particular, shall provide for—

(a) the payment of salaries and other allowances in respect of the Trustees and the members of committees and such other persons contracted by the Board; and

(b) any other administrative costs to the Scheme.

(4) No expenses shall be incurred for the purposes of the Board except in accordance with the annual estimates approved under this section or in pursuance of a prior authorisation by the Minister responsible for finance.

Annual Audit of the Fund and Report

35. (1) The accounts of the Fund shall be audited by an auditor appointed by the Board and approved by the Director of Audit.

(2) The Board shall, within six months after the end of each financial year, cause to be made and transmitted to the Minister—

(a) a statement of the accounts of the Fund audited in accordance with subsection (1); and

(b) a report regarding the state of affairs, the business and the financial position of the Fund, the degree in which the purpose of the Fund has been furthered and of its activities during the last preceding year.

(2) The Minister shall cause a copy of the report together with the annual statement of accounts and auditor's report thereon to be laid on the respective tables of both Houses of Parliament.

Establishment of account by the Board

36. (1) The Board shall establish an account into which shall be paid—

(a) the initial take-off grant out of moneys provided by the Government for the expenditure incurred by the Board in the exercise of its powers or the performance of its functions under the Act;

(b) such moneys as may accrue to or vest in the Board in the course of the exercise of the powers of the Board;

(c) income from the investment of the monies held in the account; and

(d) all monies from any other source provided for or donated or lent to the Board.

(2) The Government shall be responsible to cover the administrative and operational costs of the Fund for the initial five years after the establishment of

the Fund and thereafter, at the end of this period, the Minster responsible for Finance shall cause a review to be conducted of the Fund so as to determine whether such costs may be borne by the Fund.

Appointment of investment manager

37. (1) The Board shall appoint one or more investment managers, to whom the Board may delegate any or all of its investment functions under this Act and such investment manager shall, subject to the provisions of this Act—

(a) develop an investment strategy for the Fund for the approval of the Board;

(b) invest and manage the moneys and assets of the Fund in accordance with the investment policies, standards, procedures and principles established by the Board and the other provisions of this Act;

(c) maintain books of accounts of all transactions relating to the Fund; and

(d) provide regular information, at such intervals as may be determined by the Board, on investment strategy, market returns and other performance indicators to the Board for the benefit of the members.

(2) A person appointed as an investment manager pursuant to subsection (1)—

(a) shall be a company or entity with sufficient equity capital and adequate guarantees and insurance against operational risks;

(b) shall, to the satisfaction of the Board, be of sound probity and able to exercise competence, diligence and sound judgement in fulfilling the functions of investment manager; and

(c) shall to the satisfaction of the Board, possess the knowledge, skills, and experience necessary for the functions required to be carried out as investment manager.

Appointment of Administrator

38. The Board shall appoint an Administrator of the Fund who shall, in accordance with the provisions of this Act, carry out such functions related to the management and administration of the Fund in accordance with section 47.

Duty of care of Administrator

39. The Administrator shall, as the case may require—

(a) ensure that the Scheme and the Fund are at all times managed in accordance with the provisions of this Act, any Regulations or guidelines made under this Act and any directions issued by the Board;

(b) take reasonable care to ensure that the management of the Scheme or safekeeping of the assets of the Fund is carried out in the best interests of the members;

(c) report to the Board, as soon as reasonably practicable, any unusual occurrence with respect to the Scheme and the Fund which, in their view, could adversely affect the rights of the members or beneficiaries;

(d) report to the Board, as soon as is reasonably practicable, if an Employer is in default of remittance of contributions and such remittance remains due for more than fifteen days.

PART V
CONTRIBUTIONS TO THE FUND

Mandatory contributions by member

40. (1) Each member shall make monthly contributions to the Fund at the rates set out in Part A of Schedule II, which shall be deducted from the salary of the member by the Employer.

(2) Where the Employer fails to deduct the member's contribution, the sum may be recovered in the subsequent months and any penalties payable thereon shall be paid by the Employer.

Mandatory contributions by Employer

41. (1) An Employer shall make monthly contributions in respect of each member as follows—

(a) where the Employer is the Government, contributions shall be made at the rates set out in Part B of Schedule II;

(b) where the Employer is a statutory body that is—

(i) receiving a subvention from the Government, contributions shall be made at the rates set out in Part B of Schedule II; or

(ii) not receiving a subvention from the Government, contributions may be made at rates to be determined, upon agreement of the statutory body and the member, which shall

not be lower than the rates applicable to sub-paragraph (i) but may be higher.

(2) Notwithstanding any contract to the contrary, an Employer shall not be entitled to deduct from the earnings of a member or otherwise to recover from such member, the Employer's contribution for that member or any penalty imposed for failure to pay a contribution for that member in accordance with this section.

(3) During any period in which a member is in receipt of or entitled to a gratuity, by virtue of being employed on a contractual basis, the Employer shall not be liable to make contributions pursuant to subsection (1) in relation to that member.

(4) During any period in which a member is not in receipt of a salary, the Employer shall not be liable to make contributions pursuant to subsection (1) for that member.

(5) During any period in which a member is in receipt of part salary, the Employer's contributions under subsection (1) shall abate proportionately.

(6) Where, after a period referred to in subsection (3) or (4), salary is paid to the member in respect of all or any part of that period, the Employer shall make contributions under subsection (1) in respect thereof, accordingly.

(7) Where a member is seconded in accordance with any enactment or otherwise, to an undertaking whose employees are not members of the Scheme, the member shall continue to be treated as a member for the purposes of this Act, and the undertaking to which he or she is seconded shall continue to deduct contributions from his or her salary in accordance with section 40 and such contributions shall be paid into the Fund.

(8) Subsection (7) shall not apply where a member is seconded on terms which entitle the member to be paid a gratuity by the undertaking to which he or she is seconded.

Voluntary contributions

42. (1) In addition to the mandatory contributions required under section 41, a member may, upon approval by the Board pursuant to an application made in the prescribed manner, make voluntary contributions to the Fund at a rate as may be determined by the member, save and except that such rate shall not exceed the rate as set out in Part C of Schedule III.

(2) Pursuant to subsection (1) voluntary contributions may be made by salary deductions or may be paid into the Fund from other sources of income; provided that said sources of income shall be declared in such manner as may be specified

by the Board and shall be in accordance with the relevant anti-money laundering legislation.

(3) A public officer, teacher, police officer or prison officer who is not a member of the Scheme may, upon approval by the Board, pursuant to an application made in the prescribed manner, make voluntary contributions to the Fund at a rate as may be determined by such public officer, teacher, police officer or prison officer, save and except that such rate shall not exceed the rate as is set out in Part C of Schedule III.

(4) Pursuant to subsections (1), and (3), the rate of contributions may be revised by the member or person specified under subsection (2), once in every six months.

(5) An application made pursuant to this section shall provide for the full name, date of birth, sex, address and occupation of the member or the person specified under subsection (3) and shall include the name of any beneficiary and such other information as the Board may require.

(6) Pursuant to the provisions of this section, where a member or a person specified under subsection (3) receives approval from the Board to make voluntary contributions to the Fund, the member or the person so specified under subsection (3), shall, in the case where the source of income is the salary of the member or the person so specified, give to his or her Employer written notice to have the voluntary contributions deducted from his or her salary.

(7) Pursuant to subsection (6), a deduction of voluntary contributions from a member or a person specified under subsection (3), shall continue until such time, not being less than six months from the giving of the previous notice, as the member or the person so specified gives further notice of the desire to cease to have the voluntary contributions deducted.

Past service credit contributions

43. (1) Subject to the provisions of this section, an Employer shall pay into the Fund, in respect of an employee who is a member of the Scheme at the date of operation of this Act by virtue of section 3 (1) (b) or (c), past service credit contributions calculated in accordance with Part D of Schedule II.

(2) The payment of any past service credit contributions into the Fund by an Employer pursuant to subsection (1) may be phased in over the first five years after the date of operation of this Act, in such manner as may be specified by the Employer, until the amount is fully paid.

(3) Payment shall not be made by an Employer under subsection (1) for any member for past service—

(a) while the member was on probation, unless immediately following that period of probation, the member was confirmed in his or her appointment;

(b) while the member was on contract for which a gratuity was paid or is payable;

(c) while the member was absent from duty on leave without salary, unless such leave was granted on grounds of public policy;

(d) while the member was part of an existing or former pension plan of his or her current Employer.

(4) For the purposes of this section, "past service" means the period of continuous employment with an Employer prior to the member's enrolment in the Scheme.

(5) For the avoidance of doubt—

(a) in any case where an employee has ceased to be employed by his or her Employer and is subsequently re-employed by that Employer, no account shall be taken of the service prior to re-employment for the purposes of computing past service credit; and

(b) for the purposes of computing past service credit in relation to an employee, a period of absence from employment—

(i) for study purposes;

(ii) as a result of ill-health, subject to medical evidence to the satisfaction of the Board; or

(iii) as a result of an administrative delay in the continuation of the employment of the employee,

shall be taken into account.

Obligations of Employer to remit contributions to Fund

44. (1) An Employer shall—

(a) deduct a member's mandatory contribution and voluntary contribution, if any, from the member's monthly salary;

(b) set aside the Employer's monthly contribution for each member; and

(c) not later than fifteen days after the end of the month in which the contributions are due, remit an amount comprising the member's and the Employer's contribution to the Fund, through the Administrator.

(2) Where an Employer fails to remit contributions to the Fund in the manner specified under subsection (1), the Employer shall pay, in addition to the outstanding contributions, the amount determined by the Board, that is required to ensure that the amount standing to the credit of the member or the person specified under section 42 (3), is not less than it would have been if the contributions were remitted in accordance with this section.

Change of Employer

45. (1) Where a member changes employment from one Employer to another Employer or to an employer who does not contribute to the Fund, the same retirement savings account shall be maintained for the member.

(2) Where a member or a person specified under section 42 (3) is no longer employed by a participating Employer, the member shall be eligible to make voluntary contributions to the Fund in accordance with the provisions of this Act.

Refund of excess contributions

46. (1) Any moneys paid into the Fund in excess of the amount for which any Employer is liable in respect of a member may be refunded to the Employer in such manner as the Board may determine.

(2) Any moneys paid into the Fund in excess of the contribution payable by a member may be refunded to the member in such manner as the Board may determine.

PART VI
MANAGEMENT AND ADMINISTRATION OF FUND AND CLAIMS AND BENEFITS

Functions of Administrator

47. (1) Pursuant to section 38, the Administrator shall—

(a) establish and maintain a retirement savings account for every member, in the name of the member;

(b) credit the member's retirement savings account with the contributions made by the member and the Employer each month;

(c) establish and maintain a voluntary savings account, where required by a member or a person specified under section 42 (3) and credit

the account with the voluntary contributions made by a member or a person so specified under section 42 (3);

(d) inform the Employer where a member's contribution details differ from the expected;

(e) provide customer service support to members or persons specified under section 42 (3), including access to account balances and statements on demand;

(f) cause benefits to be paid to members and persons so specified under section 42 (2) in accordance with the provisions of this Act;

(g) be responsible for all calculations relating to benefits; and

(h) carry out any other functions as may be directed by the Board from time to time.

(2) The Administrator shall ensure that all income earned from the investment of the Fund is distributed to the credit of—

(a) the members' retirement savings accounts, and;

(b) the voluntary savings accounts, to the extent of the contributions made therein,

save and except for clearly defined and reasonable fees, charges, costs and expenses of transactions approved by the Board.

(3) Pursuant to subsection (1)(a), the retirement savings account that is established for each member shall continue for so long as the Fund maintains an obligation to pay a benefit to, or on behalf of, the member under this Act, in the following sub-accounts—

(a) a member contribution account;

(b) an Employer contribution account;

(c) a past service credit contribution account, if applicable; and

(d) such other sub-accounts which the Administrator deems appropriate.

(4) Pursuant to section 42, a voluntary contribution account shall be established for a member or a person specified under subsection (3) of that section and shall continue for as long as the Fund maintains an obligation to pay a benefit to, or on behalf of, a member such person so specified thereunder.

(5) No person shall have access to the Funds held in his or her member's retirement savings account or voluntary contribution account or have any dealing with respect such accounts, except through the Administrator.

Vesting of benefits

48. (1) All the benefits derived from contributions made by the Employer pursuant to section 41 shall be vested in the member in accordance with Schedule III.

(2) Notwithstanding subsection (1), all the benefits derived from contributions made by the Employer pursuant to section 41 shall be immediately fully vested in the member upon—

(a) the member attaining normal retirement age;

(b) the death of the member; or

(c) the member retiring by reason of infirmity of body or mind pursuant to section 53.

Withdrawal from retirement savings account and voluntary contribution account while employee

49. (1) Subject to subsection (2), an employee shall not be entitled to withdraw the balance in his or her retirement savings account or voluntary savings account before the employee retires, save and except in the manner specified in section 53 (2).

(2) Notwithstanding subsection (1), an employee may withdraw twice a year, from his or her voluntary contribution account, a minimum of two thousand dollars per withdrawal.

Normal retirement

50. (1) A member who retires on attaining normal retirement age, shall be entitled to a lump sum cash payment of up to twenty-five percent of the combined amount contained in the member's contribution account, the employer contribution account and the past service credit account, if any.

(2) The remaining amount shall be available to the member in—

(a) monthly or quarterly instalments or withdrawals over a minimum period of four years; or

(b) a monthly annuity for life purchased from a life insurance company selected by the member.

(3) An annuity under subsection (2) (b) may include a provision for benefits to be payable to beneficiaries upon the death of a member.

(4) Where the amount remaining after payment under subsection (1) is less than twenty-four thousand dollars, the member may withdraw the balance at the member's discretion.

(5) A member may withdraw at his or her discretion, any amount in his or her member voluntary contribution account.

Early retirement

51. (1) A member who retires on attaining early retirement age, shall be entitled to a lump sum cash payment of up to twenty-five percent of the combined amount contained in—

(a) the member contribution account; and

(b) the past service credit contribution account of the member where such account has been so established pursuant to section 44.

(2) The amount in the Employer contribution account and the remaining amounts in the member contribution account and past service credit account, if any, shall be available to the member in the same manner as specified in section 50 (2), if the member has attained the age of early retirement specified in the relevant enactment related to the member and is no longer employed by an Employer.

(3) Where the amount, at the time specified in subsection (2), is less than twenty-four thousand dollars, the member may withdraw the balance at the member's discretion.

(4) A member may withdraw at his or her discretion, the amounts in the member voluntary contribution account of the member.

Late retirement

52. Where a member continues employment with an Employer after attaining normal retirement age, both the member and his or her Employer shall continue to pay contributions into the Fund, but no benefit shall be available to the member until the member ceases employment, whereupon the member shall be paid benefits in accordance with section 50.

Retirement by reason of infirmity of body or mind

53. (1) A member who is incapable of continuing his or her employment by reason of some infirmity of mind or body shall, pursuant to the provisions of the relevant enactment related to that member and the certification of the Board, be

eligible to retire and be entitled to a lump sum cash payment of up to one hundred percent of the combined amount contained in—

(a) the member contribution account of the member; and

(b) the past service credit contribution account of the member, where such account has been so established pursuant to section 43.

(2) The remaining amount shall be paid to the member in accordance with section 50 (2) and (3).

(3) A member may withdraw at his or her discretion any amount in the voluntary contribution account of the member.

Re-employment after normal retirement age

54. (1) A member who—

(a) reached the normal retirement age;

(b) is entitled to withdraw a benefit from the Fund; and

(c) is re-employed by a participating Employer;

shall continue to be entitled to access his or her benefits, without interruption.

(2) In relation to the period of re-employment of the member pursuant to subsection (1)(a), both the member and his or her Employer, shall pay contributions into the Fund and no withdrawal shall be permitted in relation to said contributions until the period for which the member is re-employed comes to an end.

Resignation prior to retirement

55. (1) If a member resigns prior to becoming eligible to retire, the member shall be entitled to a lump sum cash payment of up to fifty percent of the combined amount contained in—

(a) the member contribution account of the member; and

(b) the past service credit contribution account of the member, where such account has been so established pursuant to section 43.

(2) Pursuant to subsection (1), the amount in the Employer contribution account and the remaining amounts in the member contribution account and the past service credit contribution account of the member, if any, shall be available to the member in the same manner as specified in section 50 (2), if the

member has attained the normal retirement age and is not re-employed by an Employer.

(3) Where the amount, to be paid pursuant to subsection (2), is less than twenty-four thousand dollars, the member may withdraw the balance at the member's discretion.

(4) For the avoidance of doubt, if a member resigns after attaining early retirement age, the member shall be entitled to benefits in accordance with section 51.

(5) A member may withdraw at his or her discretion the amounts in the member voluntary contribution account of the member.

Dismissal prior to or after attaining early retirement age

56. (1) If a member is dismissed by his or her Employer prior to attaining early retirement age, the member shall be entitled to a lump sum cash payment of up to fifty percent of the amount contained in the combined amount contained in—

(a) the member contribution account of the member; and

(b) the past service credit contribution account of the member, where such account has been so established pursuant to section 43.

(2) The amount in the Employer contribution account and the remaining amounts in the member contribution account and past service credit account, if any, shall be available to the member in the same manner as specified in section 50 (2) when the member reaches the age of compulsory retirement as is specified in the relevant enactment which applies to the member, and is no longer employed by a participating Employer.

(3) Where the amount, at the time specified in subsection (2), is less than twenty-four thousand dollars, the member may withdraw the balance at his or her discretion.

(4) If a member is dismissed by his or her Employer after attaining early retirement age, the member shall be entitled to benefits in accordance with section 51.

(5) A member may withdraw at his or her discretion, the amounts contained in the member voluntary contribution account.

Retirement under special circumstances

57. (1) If a member's employment is terminated prior to the member attaining the normal retirement age the following circumstances, that is to say—

(a) on the abolition of his or her office; or

(b) on compulsory retirement for the purpose of facilitating improvement in the organisation of the department to which he or she belonged, by which greater efficiency or economy may be effected;

the member shall, if he or she was paid redundancy benefit, be entitled to benefits in accordance with section 50, where the member attains the normal retirement age and is not re-employed by an Employer.

(2) Where no redundancy benefit was paid, the member shall be entitled to benefits in accordance with section 56.

Death of member or person specified under section 42 (3)

58. On the death of a member or a person specified under section 42 (3), a lump sum cash payment of the amount standing to the credit of the member or such person so specified at the date of death, shall be payable to the beneficiary of the deceased member or the person so specified, or in the absence of such beneficiary, to the executor of the estate of the deceased member or the person so specified.

Board to provide information to member or person specified under section 42 (3) and beneficiary

59. The Board shall provide in writing, to each member or person specified under section 42 (3) or, in the case of the death of the member or person so specified, to the beneficiary of the member or the person so specified, as the case may require, the following—

(a) a handbook summarising the provisions of the Fund;

(b) an annual benefit statement showing—

(i) the aggregate amount contained in the member contribution account of the member;

(ii) the aggregate amount contained in the voluntary contribution account of the member or person so specified, where such account exists;

(iii) the aggregate amount contained in the Employer contribution account relating to the member;

(iv) the aggregate amount contained in the past service credit contribution account of the member, where such account has been so established pursuant to section 43;

(c) a statement of benefits at retirement;

(d) a statement of vested benefits at resignation;

(e) a death benefit statement at the time of death of the member or person so specified; and

(f) any other information as may be prescribed.

No loss of rights

60. (1) A member or person specified under section 42 (3), shall not lose his or her right to a benefit as a result of the fact that the member or person so specified—

(a) has been adjudged or otherwise declared bankrupt or insolvent and has not been rehabilitated or discharged; or

(b) is sentenced to a term of imprisonment by a competent court for any offence.

(2) A benefit granted under this Act shall be exempt from any execution, seizure, attachment or other process in respect of any debt or claim of a creditor, except for the purposes specified in section 61 (1)(a) and (b).

Benefits not assignable

61. (1) Notwithstanding anything to the contrary in any other enactment, no amount standing to the credit of a member or a person specified under section 42 (3), and no benefit standing to the credit of a member or person so specified, shall be transferred, assigned, charged, seized, attached, given as security or surrendered, except for the purpose of satisfying—

(a) a debt due to the Government or an Employer; or

(b) an order of any court for the payment of periodical sums of money towards the maintenance of a spouse, former spouse or minor child of the member.

(2) Where an amount is to be disposed of in any manner specified in subsection (1), the Board shall deduct from the amount standing to the credit of the member or the person so specified—

(a) the cost of so doing, which shall be calculated in the prescribed manner; and

(b) the amount to be deposited.

(3) Where an amount has been disposed pursuant to subsection (1)—

(a) the member or the person so specified shall have no further claim or entitlement to any benefit pursuant to the Fund in relation to the amount disposed;

(b) the amount standing to the credit of the member or person so specified shall be reduced by the amount deducted pursuant to subsection (2); and

(c) neither the Board nor the Fund shall be liable to any person by reason of having made payment pursuant to a disposal made in a manner specified in subsection (1).

Claims

62. (1) A person who is eligible to receive a benefit from the Board shall make a claim to the Board in such form and manner as may be prescribed.

(2) Pursuant to the making of a claim under subsection (1), the Board may require satisfactory proof of the right of any person or his or her beneficiary to any benefit and shall not be obliged to pay any benefit to such person or his or her beneficiary until such proof has been submitted to the Board.

Claims by beneficiary or person specified under section 42 (3)

63. On the death of a member or a person specified under section 42 (3), a beneficiary shall provide the Board with the following documents, in order to establish the beneficiary's entitlement under this Act—

(a) a notarised copy of the death certificate of the member or the person so specified;

(b) a declaration setting out the facts establishing the identity of the beneficiary and his or her relationship with the beneficiary or person so specified, along with any supporting documents;

(c) such other documents as may be prescribed.

Correction of mistakes

64. The Board shall establish a procedure which enables any person to bring to the Board's attention the failure of any administrative process which has

prevented a benefit from being paid or has resulted in the incorrect calculation of the amount of a benefit.

Repayment of benefit improperly received

65. (1) Without prejudice to any other provision of this Act, any person who, whether by reason of non-disclosure or misrepresentation of a material fact, receives any sum by way of a benefit to which that person was not entitled, shall be liable to repay the sum so received.

(2) Subsection (1) shall apply whether or not the non-disclosure or misrepresentation was fraudulent.

(3) Where a person is liable to repay any sum received by him or her pursuant to subsection (1), such sum may, unless that person shows that it was received in good faith and without knowledge that he or she was not so entitled, be recovered without prejudice to any other remedy by means of deductions from any benefit to which the person thereafter becomes entitled.

PART VII
MISCELLANEOUS PROVISIONS

Protection from liability

66. A Trustee or an employee of the Board shall not be personally liable for any act or default of the Board done, or omitted to be done, in good faith in the course of the functions of the Board and the management and operation of the Fund.

Exemption from stamp duty

67. Stamp duty shall not be chargeable upon any draft or order, or receipt given in respect of a benefit or upon any receipt given in respect of any other payment out of the Fund or upon any receipt given by the Board for or in respect of any sum payable into the Fund.

Evidence

68. A copy of an entry in the accounts of the Fund and of other extracts from the records of the Board shall, when certified under the hand of the Chairperson, be received in any court as *prima facie* evidence of such entry or record having been made and of the truth of its contents.

Confidentiality

69. (1) Subject to the provisions of this Act, every person having an official duty under this Act or being employed or otherwise concerned in the administration of this Act, (hereinafter called a “concerned person”) shall regard and deal with as secret and confidential, any information and all other matters relating to the Scheme and the Fund.

(2) Every concerned person who is required under subsection (1) to deal with matters specified therein as secret and confidential, who at any time communicates or attempts to communicate any such information, to any person—

(a) other than a person to whom he or she is authorised to communicate; or

(b) otherwise, than for the purpose of this Act,

commits and offence and shall be liable on summary conviction to a fine not exceeding ten thousand dollars or to imprisonment for a term not exceeding three months.

(2) Any person who contravenes subsection (1) commits an offence and shall be is liable on summary conviction to a fine not exceeding ten thousand dollars or to imprisonment for a term not exceeding twelve months, or to both.

Failure to discharge functions

70. (1) Any person who fails to discharge any duty or obligation required by the person under this Act commits an offence and shall be liable on summary conviction, to a fine not exceeding ten thousand or to imprisonment for a term not exceeding twelve months.

(2) Where a person who commits an offence under subsection (1) is a body corporate, such body corporate and every director and officer who had knowledge of the duty or obligation and did not exercise due diligence to ensure execution of the duty or obligation as stipulated under this Act, commits an offence and shall be liable on conviction by a Judge of the Supreme Court to a fine not exceeding twenty thousand dollars or to imprisonment for a term not exceeding twelve months.

Misappropriation of assets of the Fund

71. Any—

(a) Trustee;

(b) employee of the Board;

(c) Administrator; or

(d) investment manager,

who misappropriates the assets of the Fund, commits an offence and shall be liable on conviction by a Judge of the Supreme Court, to a fine of an amount

equal to five times the equivalent of the amount misappropriated or to imprisonment for a term not exceeding three years.

Regulations

72. (1) The Minister may, on the recommendation of the Board make Regulations generally for the better carrying out of the provisions of this Act.

(2) Without prejudice to the generality of subsection (1), Regulations made under that subsection may provide for—

(a) prescribing the particulars, information, proof of evidence to be furnished on any question or matter arising under this Act, including any question or matter relevant to the making or validity of any claim or application for the payment of a benefit under this Act;

(b) the management, control and administration of the Fund;

(c) the manner of payment and collection of contributions;

(d) the procedure for dealing with unclaimed moneys under the Fund; and

(e) prescribing, in respect of any action required or permitted to be taken under this Act, the time and manner of taking that action, the procedure to be followed, and the forms to be used.

Power of Minister to amend Schedules by Order

73. The Minister may by Order, subject to affirmative resolution, amend the Schedules.

Review of Act

74. This Act shall be reviewed from time to time by Parliament, and the first such review shall take place after the expiration of three years from the date of operation of this Act.

PART VIII
CONSEQUENTIAL AMENDMENTS TO ACTS

Amendment of section 18 of the Pensions Act

75. Section 18 of the Pensions Act is hereby amended as follows—

(a) by deleting the heading and substituting therefor the following—

"**Application of Part**";

(b) by deleting subsection (2)(a)(i) and substituting therefor the following—

"(a) after the appointed day; or;";

(c) by deleting subsection (4) and substituting therefor the following—

"(4) The provisions of this Act shall not apply to—

(a) an officer in the public service who, on the coming into operation of the Public Sector Employees Pension Fund Act, is eligible to receive a pension, gratuity or other allowance in accordance with the provisions of that Act;

(b) a person who joins the public service on or after the date of operation of the Public Sector Employees Pension Fund Act, or

(c) an officer in the public service who is eligible to receive a pension, gratuity or other allowance in accordance with the provisions of this Act, but elects, within such period as may be specified in the Public Sector Employees Pension Fund Act, to have the provisions of Public Sector Employees Pension Fund Act apply to him or her.".

Repeal and replacement of section 18 of the Police Pensions Act

76. Section 18 of the Police Pensions Act is hereby repealed and replaced as follows—

"Non-application of Act

18. The provisions of this Act shall not apply to—

(a) a constable or a non-commissioned officer who, at the coming into operation of the Public Sector Employees Pension Fund Act, is member of the Force and entitled to a pension, gratuity or other allowance in accordance with the provisions of that Act;

(b) a constable or non-commissioned officer who becomes a member of the Force on or after the date of operation of the Public Sector Employees Pension Fund Act; or

(c) a constable or non-commissioned officer who, being a member of the Force and eligible to receive a pension, gratuity or other

allowance in accordance with the provisions of this Act, elects, within such period as may be specified in the Public Sector Employees Pension Fund Act, to have the provisions of Public Sector Employees Pension Fund Act apply to him or her.".

Repeal and replacement of section 18 of the Pensions (School Teachers) Act

77. Section 18 of the Pensions (School Teachers) Act is hereby repealed and replaced as follows—

"Non-application of Act

18. The provisions of this Act shall not apply to—

(a) person who on the coming into operation of the Public Sector Employees Pension Fund Act, occupies the position of a teacher and is eligible to receive a pension, gratuity or other allowance, in accordance with the provisions of that Act;

(b) a person who is appointed as a teacher on or after the date of operation of the Public Sector Employees Pension Fund Act, or

(c) a person who occupies the position of teacher at the coming into operation of the Public Sector Employees Pension Fund Act and is eligible to receive a pension, gratuity or other allowance, in accordance with the provisions of this Act, but elects, within such period as may be specified under the Public Sector Employees Pension Fund Act, to have the provisions of the Public Sector Employees Pension Fund Act apply to him or her.".

Amendment of the Pensions (Prison Officers) Act

78. The Pensions (Prison Officers) Act is hereby amended as follows—

(2) in section 18 by renumbering the section as section 18 (1) and inserting after the proviso to subsection (1) as renumbered, the following new subsection—

"(2) The provisions of this Act shall not apply to—

(a) prison officer who, on the coming into operation of the Public Sector Employees Pension Fund Act, serves on the prison staff and is eligible to receive a pension, gratuity or other allowance in accordance with the provisions of that Act;

(b) a person who is appointed to serve on the prison staff on or after the date of operation of the Public Sector Employees Pension Fund Act, or

(c) a person who is serving on the prison staff on the coming into operation of the Public Sector Employees Pension Fund Act, and is eligible to receive a pension, gratuity or other allowance in accordance with the provisions of this Act, and elects within such period as may be specified under the Public Sector Employees Pension Fund Act, to have the provisions of Public Sector Employees Pension Fund Act apply to him or her.";

(b) by deleting section 20.

Repeal of section 47 of the National Insurance Act

79. Section 47 of the National Insurance Act is hereby repealed.

SCHEDULE I

LIST OF STATUTORY BODIES

(Section 2)

1. Grenada Food and Nutrition Council
2. Grenada Tourism Authority
3. Public Utilities Regulatory Commission
4. Child Protection Authority
5. Financial Complex Limited

SCHEDULE II

RATES OF CONTRIBUTIONS

(Sections 40, 41, 42 and 43)

PART A
MEMBER CONTRIBUTIONS

Column 1 Item No.	Column 2 Applicable Salary of Member	Column 3 Rate of Contributions
1.	Salary not exceeding the maximum insurable earnings as defined pursuant to Part III of the Schedule to the National Insurance (Collection of Contributions) Regulations, Chapter 205	3%
2.	Salary exceeding the maximum insurable earnings as defined pursuant to Part III of the Schedule to the National Insurance (Collection of Contributions) Regulations, Chapter 205	6%

PART B
EMPLOYER CONTRIBUTIONS

Column 1 Item No.	Column 2 Applicable Salary of Member	Column 3 Rate of Contributions
1.	Salary not exceeding the maximum insurable earnings as defined pursuant to Part III of the Schedule to the National Insurance (Collection of Contributions) Regulations, Chapter 205	3%

2.	Salary exceeding the maximum insurable earnings as defined pursuant to Part III of the Schedule to the National Insurance (Collection of Contributions) Regulations, Chapter 205	6%

PART C
VOLUNTARY CONTRIBUTIONS

Column 1 **Voluntary Contributions**	**Column 2** **Rate**
Maximum rate of voluntary contributions by member	10% of member's salary

PART D
PAST SERVICE CREDIT CONTRIBUTIONS

"3% x annual salary up to $60,000 +
6% of annual salary in excess of $60,000] x number of years of past service."

SCHEDULE III

VESTING OF EMPLOYER CONTRIBUTIONS

(Section 48)

Column 1 **Item No.**	**Column 2** **Number of Years of Continuous Service**	**Column 3** **Percentage of Contributions Vested**
1.	Less than 2 years	0%
2.	At least 2 years but less than 3 years	25%
3.	At least 3 years but less than 4 years	50%
4.	At least 4 years but less than 5 years	75%
5.	At least 5 years	100%

Passed by the House of Representatives this 18th day of December, 2024.

.....

Clerk to the House of Representatives

Passed by the Senate this day of , 2024.

.....

Clerk to the Senate