

Regulation on Maldives Retirement Pension Scheme

Name and Introduction	1	<p>a) This Regulation is made under Clause 12 of Law No 8/2009 (Maldives Pension Act) to establish, implement and govern all the matters relating to Maldives Retirement Pension Scheme (Here in after “Retirement Pension Scheme”).</p> <p>b) The regulation is made in order, to register Employers in the Pension Office, and to enroll Employees in the Retirement Pension Scheme and to facilitate the process of making contributions to the Retirement Pension Scheme and to maintain the records of payments made to the Retirement Pension scheme and to govern other related issues relating to the Retirement Pension Scheme for the purpose of establishing and maintaining the Retirement Pension Scheme.</p> <p>c) This regulation shall be cited as “Regulation on Maldives Retirement Pension Scheme.”</p>
Authority to make the regulation	2	<p>a) This regulation is made pursuant to the powers given by clause 3, 6, 12, 14 of Law No 8/2009 (Maldives Pension Act) to establish, govern and issue guidelines relating to a retirement pension scheme established in the name of “Maldives Retirement Pension Scheme”, and maintained by the profits generated from investing the defined amount of money contributed by the Employer and Employee.</p>
Jurisdiction	3	<p>This Regulation shall apply to all the participants (Employers, Employees and Self Employed) of the Maldives Retirement Pension Scheme.</p>

Registering Employers and enrolling Employees in the Retirement Pension Scheme

- | | | |
|--|---|---|
| Registering Employer and enrolling Employees | 4 | <ul style="list-style-type: none">a) The Employer must enroll the Employees in the Retirement Pension Scheme and shall make contributions on behalf of the Employees of age between 16 and 65 years, for the purpose of providing Retirement Pension as provided for in Clause 12(b) of Maldives Pension Act. And the Employees must participate in the Retirement Pension Scheme.
b) Employees shall be enrolled in the Retirement Pension scheme and contributions shall start from the first month after an Employee has attained the age of 16 years.
c) Employees after attaining the age 65 years, shall not contribute to the Retirement Pension Scheme, even if he is employed afterwards.
d) In order to enroll Employees in the Retirement Pension Scheme as provided for in sub clause (a), all the Employers shall be registered in the Pension Office. And as provided for in this regulation, all Employees working in the organization shall be enrolled and contributions shall be made to the Retirement Pension Scheme on behalf of the Employees.
e) After registering the Employers as provided for in sub clause (d) and enrolling all the Employees working in that organization in the retirement pension scheme, failure to make contributions to the Retirement Pension Scheme as provided for in this regulation will constitute an offense under clause 12(b) of the Pension Act. The penalty for committing an offense under this clause is specified in clause 38 to clause 45 of this regulation.
f) When the Employer gets registered in the Pension Office and enroll the Employees in the Retirement Pension Scheme, it shall be deemed to constitute that the Employees are enrolled in the Retirement Pension Scheme as provided for in Clause 12 (b) of the Pension Act. |
|--|---|---|

g) The Employer shall, after filling the registration form made to enroll Employees in the Retirement Pension Scheme, submit the forms to the Pension Office. Employer shall provide the information specified below while submitting the forms to the Pension Office. This form shall be made available from the Pension Office and its website.

- 1 Name of the Employer
- 2 Address of the Employer
- 3 The pay date as provided for in the employment agreement
- 4 The following information of all the Employees working in the organization:
 - a) Name of the Employee
 - b) National ID card number (in case of foreigners, the work permit number and the information provided in the data page of the passport)
 - c) Date of Birth
 - d) Pensionable wage (as of the previous month)
 - e) The date of employment
- 5 In addition to this, any information which the Pension Office considers relevant to establish and maintain the pension scheme:

Submitting correct information

- 5 a) For the purpose of registering the Employer and enrolling the Employee in the scheme or for any other purpose, information provided to the Pension Office by the Employer under this regulation shall only be correct and complete information.
- b) Pension Office has the right to verify the information provided by the Employer to register the Employer and enroll the Employees in the scheme, or information provided for any other purpose with other government institutions.
- c) After checking the information and registering the Employer in the Pension Office as provided for in sub clause (a), a specific pension number shall be given to each Employer.
- d) The procedure for registering State Employers in the Pension

Office and enrolling State Employees in the Retirement Pension Scheme is provided in clause 51 of this regulation.

Employers established after the commencement of this regulation

- 6
- a) Employers established after the commencement of this regulation shall after registering in the Pension Office and enrolling the Employees in the pension scheme, make the pension contributions within 7 days excluding public holidays, starting from the date on which salaries are first paid as provided for in this regulation.
 - b) Employers existing at the commencement of this regulation shall register themselves in the Pension Office and enrolling the Employees in the pension scheme, shall make contributions to the pension scheme as provided for in clause 48 to 52 (Interim arrangements) of this regulation.
 - c) When an Employer after registering, submit the Employees to be enrolled, and if the requirements provided for in this regulation are met, a notice shall be served in writing, stating that the Employer has been registered and Employees are enrolled in the scheme. Notices served in this manner shall have the following information.
 - 1 The pension number of the Employer
 - 2 Brief information regarding the Employees
 - 3 Acceptance of the Employer's offer.
- 7
- The Pension Office shall make the arrangements to register the Employer and enroll Employees in the Retirement Pension Scheme and make arrangements for making pension contributions. By considering the number of Employees of a given Employer, adequate means could be provided. Detailed procedures determined in this manner shall be publicized before the dates specified below.
- 1 State Employers, before 1st April 2010
 - 2 Private Sector Employers and Self Employed, before 1st April 2011

Making contributions and checking if the right payment was made to the scheme

- 8 a) Contributions should be made to the Retirement Pension Scheme within the time frame provided in Clause 15(2) of the Pension Act. Irrespective of the number of Employees, all Employers shall make contributions to the Pension Scheme as provided for in this clause.
- b) The Employee shall make a contribution of 7% of the Pensionable wage of the Employee and the Employer shall make a contribution of 7% of the Pensionable wage of the Employee to the Pension Office, before the earlier date herein set forth.
 - 1 During 7 days excluding public holidays, starting from the pay date.
 - 2 During 7 days excluding public holidays from the date of salary specified, in Employment Law or any other law or regulation made pursuant to an Act.
- 9 a) The Employer shall provide the “Statement of Pension Contribution” (SPC) to the Pension Office, each time after the payment of salary. If the information provided in the Statement of Pension Contribution is incorrect, the Employer shall be subjected to the provisions of this regulation. The Statement of Pension Contribution provided in this manner shall have the following information.
 - 1 The date of Salary. (With respect to pension contributions)
 - 2 Changes that came to any of the information that has been submitted to the Pension Office earlier, including changes to the pensionable wage if any or increases in number of Employees or the details of any person who has resigned or fired.
 - 3 The mandated contribution amount to be paid to the scheme by the Employer and Employee as provided for in the Pension Act. Accordingly any amount paid by the Employer on behalf of the Employee, as provided for in Clause 14 of the Pension Act.
 - 4 Any voluntary contributions by the Employee in addition to the mandated contribution amount specified in the Pension

Act.

- 5 The amount paid by the Employer in addition to the amount paid as pension contribution.
 - 6 Any other information that MPAO determines necessary to ensure the accurate, timely remittance of contributions or the efficient administration of the Scheme.
-
- 10 a) The Employer shall calculate the pension contributions of the Employer and Employees separately and provide the information including the information in the Statement of Pension Contribution to the Pension Administration Office in a regular and consistent basis.
-
- 11 a) The Employer shall submit the Statement of Pension Contribution by electronic means or by any other means approved by the Pension Office. Pension Office has the right to verify the information submitted in this manner with the information previously submitted by the Employer.
 - b) The Pension Office shall, upon accepting the Statement of Pension Contribution from the Employer, issue in writing that the contributions have been received.
 - c) The pension administration office shall provide the means in which the Employer can fill and submit the Statement of Pension Contribution. Electronic mean in which the Employers can submit the statements should be established in a way suitable for both small and big Employers. Accordingly, the Pension Office shall announce before 1st April 2010 the procedures in which the State Employees shall make pension contributions and the Pension Office shall announce before 1st April 2011 the procedures in which the private sector Employers shall make pension contributions.
-
- 12 a) After making the contributions to the pension scheme, the information specified below shall be submitted to the Pension Office, within the duration specified in this regulation.
 - 1 Name of the Employer
 - 2 Employer ID Number

- 3 Tracking Number
 - 4 Detailed statement of the scheme's bank account.
 - 5 The amount that has to be paid from the Employer and all the Employees working in that institution for the pay period.
 - 6 Date of payment
- 13 a) The Pension Office has the right to determine the banks in which the pension contributions can be deposited. In this regard, the Pension Office should publicly announce and keep the information available to the public in the website of Pension Office.
- b) Pension contributions can be made via cash, bank cheque or electronic transfers (if the service is available). In addition to this, the Pension Office has the right to determine any other means in which contributions can be made to the retirement pension account after considering any new technological inventions.
- 14 The Pension Office can determine a more convenient procedure than the procedure provided for in clause 8 to 13 of this regulation to pay pension contributions for Employers who has less than five Employees. The procedure laid down accordingly shall be specified in the procedure laid down under article 7 of this regulation.

Amount that has to be paid to the Pension Scheme

- 15 a) Employers and Employees of age between 16 to 65 years shall both contribute 7% of the pensionable wage to the pension scheme, unless otherwise specified in this regulation.
- b) Pensionable wage is an amount which is determined by the Board of Pension Office with reference to the basic salary and other benefits of an Employee as provided for in the Pension Act.
- c) From the date of commencement of this regulation till 1st

May 2012, pensionable wage should be determined as provided for in clause 52 of this regulation. Pension Office shall review pensionable wage and determine a new pensionable wage in a regulation made after 1st May 2012.

- 16 a) Employer in its discretion has the right to contribute an amount to the scheme in addition to the mandatory 7% contribution of the pensionable wage, mandated by the Pension Act. Accordingly:
- 1 Employer in its discretion has the right to make contributions exceeding the minimum amount Employer has to pay, as provided for in clause 14 (a) of the Pension Act, but not in contravention with the procedure of determining the maximum amount of pension contribution payable as provided for in Clause 17 of this regulation.
 - 2 The Employer can, instead of deducting from the salary of the Employee, contribute the total amount or part of the total amount on behalf of the Employee, as provided for in clause 14 (e) of the Pension Act.
- 17 The Employer has the right to contribute to the pension scheme an amount exceeding the minimum amount as provided for in the Pension Act. However, the highest amount that could be contributed in this manner is specified in clause 28 of this regulation.
- 18 a) Pension Office has in its discretion the authority and the right to review and determine the highest amount that can be payable as contribution to the Retirement Pension scheme. While determining or reviewing the highest contribution amount, the following things shall be taken into account.
- 1 The possibility of taking undue advantages from the pension scheme.
 - 2 The amount of salary received by the Employee.
 - 3 The cost and economies of scale of making contributions to the pension scheme and other relevant transactions.
 - 4 The expenses borne by the Employer and Employees as a result of determining the highest contribution amount to the Retirement Pension Scheme.
 - 5 Anything else determined by the Pension Office to be relevant for effective administration of the scheme.

- b) As per the rights and discretion given to Pension Office, the maximum amount that can be paid as pension contribution to the pension scheme by an Employee is specified in clause 28 of this regulation and for self employed it is specified in clause 34 of this regulation.

Establishing the retirement saving account of Employees participating in the Pension fund

- 19 Separate retirement savings account shall be created upon receiving the information of the Employee as provided for in this regulation. Accordingly;
- 1 Among the participants of the Retirement Pension scheme, all Maldivians shall be identified using their National ID card number. And foreign workers shall be identified from their passport and work permit card number. A separate retirement savings account shall be created for Employees submitted by the Employers or people submitted by the Self Employed.
 - 2 Contributions made by the Employers shall be deposited to the retirement savings accounts of the Employees, as provided for in this regulation. If a member of the scheme is employed in more than one work place, then each Employer shall contribute to the scheme. And the money shall be deposited to the retirement savings account of the Employee. Even if the Employer has changed, the contributions shall be made to the existing retirement savings account of the individual.
 - 3 For the purpose of making contributions to the scheme, foreign workers shall be identified by their passport number or work permit number. Even if the Employer of the foreign worker has changed, contributions shall be made to the existing retirement savings account of the individual.
- 20 As per clauses 30 to 34 of this regulation, arrangements shall be made for self employed who are willing to contribute to the scheme on a voluntary basis.

Correcting information or the amount, after making the contribution

- 21 a) Due to incorrect information, if the Employer notices that an Employee is being overpaid or underpaid contrary to the mandated contribution, the Employer shall submit a correct Statement of Pension Contribution to the Pension Office requesting for revision.
- b) The Employer shall be notified upon receiving the request as provided for in sub clause (a) of this regulation. The notice should include whether it was rectified. If the Employee has been over paid or under paid, the amount will be rectified by adjusting the account.
- c) If an overpayment or an underpayment has been made, the Employer has the right to request within one year for the amount to be rectified, starting from the end of the year an overpayment or underpayment has been made.
- 22 If the Employer has to pay the remittance after making an underpayment and adjusting the account, the Employer shall pay the due amount to the Pension Office. The dates of making such payments are provided in clause 8 of this regulation.
- 23 a) After making an overpayment and adjusting it, if there is surplus amount owed, the Employer may request for the surplus amount. The request shall be made from a form provided by the Pension Office.
- b) The only amount recoverable to the Employer under sub clause (a) of this regulation shall be the surplus amount, even though contributions made accordingly generated profits on investments.
- 24 a) If the Employer makes an underpayment or an overpayment, it is the responsibility of the Employer to return the overpaid amount to the Employee or former Employee, or collect the

money from the Employees in case of underpayment.

- 25 a) Where and when issues specified below arises, the Employee shall communicate with the Employer and resolve the issues.
- 1 If the Employee believes that an underpayment has been made by the Employer by mistake.
 - 2 If the Employee believes that the deduction made from the pensionable wage is not contributed to the scheme.
 - 3 If the Employee believes that deduction made from the pensionable wage exceeds the mandated contribution amount.
- b) If the claim is not resolved by communicating with the Employer, the claim shall be referred to the Pension Office for reviewing. Upon receiving the complaint to the Pension Office, the relevant records must be checked to find any discrepancies and the Employer shall be notified to make the necessary corrections accordingly where the Employer is at fault. After reviewing the claim, if an underpayment or an overpayment is noticed, the necessary actions must be taken and the Employer shall be notified to adjust the account. Actions taken for such claims shall be notified to the person who submitted the claim.
- c) After making the contributions mandated upon the Employer and Employee to the pension scheme and after making any voluntary contributions from the Employee to the scheme, if the Employee believes that the conditions provided in sub clause (a) of this clause is met and wish the claim to be reviewed as provided for in sub clause (b), the Employee shall upon receiving the Employees account details (statement of account), submit the claim in writing to the Pension Office within 6 months.
- 26 a) An Employer must correct any underpayment of contributions upon discovery of the error. Regardless of time of discovery, the Employer remains required to remit the amount owed no later than seven (7) days after the date on which the relevant wages (upon which the contribution is based) were paid. Regardless of the time at which an underpayment has been noticed, fines will be calculated as

provided for in clause 40 of this regulation.

- b) If the Employer has not complied with the procedure of making contributions to the scheme as provided for in this regulation (in case of underpayments and overpayments) and if it is the result of negligence (gross negligence), or a deliberate act from the Employer, or present a pattern of carelessness or disregard for legal obligations, the Employer may be fined as provided for in clause 38 to clause 45 of this regulation.

Voluntarily contributions made to the Pension Scheme by the Employees

- 27 Should the Employee decide to make voluntary contributions in addition to the mandatory contribution, the contributions made accordingly shall be deposited to the retirement saving account of the individual.
- Highest contribution that can be paid to the scheme
 - 28 a) The highest contribution that can be paid voluntarily to the scheme in addition to the mandatory contribution specified in the Pension Act is not more than 14% of the yearly salary of the most highly paid State Employee.
 - b) The Pension Office shall provide administrative means to monitor the voluntary contributions made by the Employee.
- 29 a) An additional payment could be made in any of the following ways.
 - 1 The additional contribution amount can be deducted from the salary and deposited to the scheme with the duration of making mandated contributions provided for in this regulation and Pension Act, if the Employer agrees to the effect.
 - 2 By way of making contributions under the procedure for Self Employed as provided for in clause 30 to 34 of this Regulation.
 - 3 If the Employer agrees to act in the manner provided for in sub clause (a), contributions made accordingly shall be specified in the statement of pension contribution.

Participating self employed in the scheme

- 30 A Self-employed person may participate in the MRPS on a voluntary basis.
- 31 A Self-employed person seeking to participate in the Scheme shall enroll in the Scheme at the time that that person intends to make his or her first contribution to the Scheme as provided for in clause 30 of this regulation.
- 32 a) Self Employed who wish to register in the Maldives Retirement Pension Scheme shall submit the following information.
- 1 Full name
 - 2 Identity card number
 - 3 Phone number
 - 4 Permanent Address and current address
 - 5 Contribution amount paid to the Scheme
 - 6 In addition to this, any information Pension Office requires to establish and manage the scheme.
- 33 Self Employed who had been registered in the Maldives Retirement Pension Scheme before has the right to make contributions to the Pension Scheme under a procedure laid down by the Pension Office.
- Highest contribution a Self Employed can make to the scheme
- 34 a) A Self-employed person's total, annual voluntary contributions may not exceed the lesser of 14% of his or her annual pensionable wage and 28% of the Pensionable Wage of the highest paid public servant in the prior calendar year.
- b) For the purposes of this clause, "pensionable wage" should be defined in a regulation made by the Pension Office at a later date.

Record keeping by the Employer

- 35 a) Every Employer must maintain the following records for at least 6 years.
- 1 Salary sheet
 - 2 Statement of Pension Contribution and other reports sent to the Pension Office by the Employer under this regulation.
 - 3 Receipt notices
 - 4 Statement of Salary prepared as provided for in the Employment Act.
 - 5 Employment agreement of each Employee at least for 6 years since resignation.

Providing information to participants of the scheme

- Disclosing statement of account
- 36 Pension office shall disclose to the participants of the Maldives Retirement Pension scheme, information relating to the participant's retirement saving account (statement of account) at least once annually.
- 37 The Employer is obliged to disclose the statement of salary to every Employee under clause 53 of the Employment Act. And if any deductions have been made on the salary, the employer shall specify the details giving reasons for the deductions in the statement of salary. The Employer is obliged to state the contributions to the pension scheme (deduction of salary) in the statement of salary made under the Pension Act as provided for in clause 53 of the Employment Act.

Imposing fines and taking actions against employer for breach of law

- 38 a) The following actions shall be taken against the Employer, if the Employer is not registered or the Employee is not enrolled in the pension scheme
- 1 Any Employer, including any Employer to which the transition provisions at clause 48 apply, that fails to register and enroll Employees in accordance with the requirements of the Act and this regulation, or registers itself after the date required

under this regulation, or enrolls one or more of its Employees after the date required under this regulation, shall pay a fine to MPAO in accordance with Articles 12(b), 12(c) and 23(b) of the Act.

- 2 A Fine of MRf 500 (Rufiyaa Five Hundred) shall be imposed per month if the Employer fails to register as provided for in sub clause (a) (1).

39 a) If the Employer fails to submit the Statement of Pension Contribution to the Pension Office as provided for in this regulation, the following actions shall be taken.

- 1 If an individual required to submit the Statement of Pension Contribution under this regulation fails to submit the Statement of Pension Contribution, the person shall be fined as provided for in clause 23 (b) of Pension Act, and the fine shall be paid to the bank account of the Pension Office.
- 2 A fine of Rf100 (Rufiyaa One Hundred) shall be imposed each time for failure to make submissions as provided for in sub clause (a).

40 a) The following actions shall be taken for failure to Withhold Employee Contributions or failure to Make Timely Remittance of Contributions to the Scheme for whatever reason.

- 1 Under Article 15(2) of the Act, any Employer that fails to remit Employer or Employee contributions, in whole or in part, within the time limits prescribed in the Act and this regulation, is liable to pay a fine taking into account the arrears and the delay.
- 2 The fine shall equal to percent 0.5% of the delinquent contribution amount for each month of delinquency. The 0.5% fine shall accumulate monthly on a compounded basis, and, in the case of a partial month, shall be prorated. The fine shall be calculated from the date due under Section 8 of this regulation and, it shall be deposited in the account of the affected Employee(s).
- 3 Part of the mandatory contribution can only be made to the scheme, only in circumstance provided for in clause 42 of this regulation.

b) Fines imposed under sub clause (a) is a fine to be paid by the Employer in addition to the mandatory contribution specified

in clause 23 (a) of Pension Act.

- 41 a) If the records relating to pension scheme are not maintained by the Employer, the following actions shall be taken.
 - 1 If the Employer fails to keep records relating to Pension Scheme as provided for in this regulation, the Employer shall be fined for failing to comply with this regulation.
- b) Fines imposed under sub clause (a) (1) shall be, between 500/- (five hundred) Rufiyaa and 50,000/- (fifty thousand) Rufiyaa by considering the extent and consequences of failing to keep the records.

Making part of the contribution amount to the scheme

- 42 a) Pension Office in its discretion has the right to issue a new payment voucher on conditions determined by the Pension Office after discussing the matters with the Employers who fail to pay any amount of the mandated contribution to the scheme or Employers who constantly fails to make the payments specified in the payment voucher as provided for in this regulation, before filing the matter in a court of law.
- b) Regardless of how sub clause (a) is drafted, in no case will payment obligations be waived, and in no case will fines assessed under Section 40 be reduced or waived. And fines imposed under clause 40 of this regulation shall not be interpreted in a way to allow any pension contribution being waved or eased.
- c) Pension Office shall make a regulation at a later date stipulating the procedures and conditions in which changes can be brought to payment schedule.

Breach of this regulation by the fiduciaries

- 43 a) Contributions that are required to be remitted under the Act and this regulation are Pension Assets. Therefore an

Employer exercising discretionary authority and control over their disposition shall be obligated do so in a manner consistent with the standards established for Fiduciaries in Article 13 of the Pension Act.

b) Pension Office has the right to file both civil and criminal charges under clause 24 of Pension act for breach of sub clause (a).

44 Fines and penalties set forth in this regulation shall be applied cumulatively, and no violation of the Act or this regulation shall be considered a lesser violation included in, or subsumed under, or reduced by the imposition of, another.

45 a) If the employer fails to make the payments within the duration specified in Pension Act and this regulation, Pension Office shall send a notice of the breach to the Employer within 30 days without any further delay. Notices sent accordingly shall specify the breach of the Pension Act and this Regulation in detail, the date of breach, the contribution amount to be made under Pension Act and this regulation, and a caution specifying that if the demands are not met, legal action will be taken without further delay.

b) If the Employer has not acted in the manner specified and within the duration provided in a notice served under sub clause (a), Pension Office shall serve a second and a final notice demanding contributions and any fines to be paid within 60 days starting from the due date of payment to the pension scheme. Such a notice shall also notify that failure to comply with the notice will result in the matter to be filed in a court of law without further delay.

Employment Agreement

46 a) The Employer has a duty to ensure that the employment agreement entered into between the Employer and Employee contain a clause which states that pension contributions shall be made to Retirement Pension Scheme

and the procedure and amount that will be deducted from the salary specifying that the deducted amount will be deposited to the Employees' pension scheme as provided for in Pension Act and this regulation.

- b) Before making contributions to the pension scheme, the Employer has a duty to ensure that the employment agreement has been changed to facilitate the conditions provided in sub clause (a) of this clause as provided for in Pension Act and in this regulation.

Exemption of tax on contributions made to the pension scheme

- 47 Contributions made as provided for in this regulation to the pension scheme by Employers, Employees and Self Employed shall be exempted from income tax.

Interim matters and implementing dates

Contribution
commencing
dates

- 48 a) State Employers, State Employees, Employers other than the state (Private sector Employers) and Employees working in that organizations shall commence contributions to the pension scheme as provided for in Pension Act and in this regulation, starting from the dates specified below.
- 1 State Employers shall register in the Pension Office before 15th April 2010 and commence contributions from the salary paid effective from 1st May 2010.
 - 2 Employers other than the state shall participate in the pension scheme starting from the dates specified below
 - 2.1 State owned companies and public limited companies shall register in the Pension Office before 1st April 2011 and commence contributions from the salary paid effective from 1st May 2011.
 - 2.2 Employer other than state, excluding the Employers specified in sub clause (a) (2.1), shall register in the Pension Office before 15th April 2011 and commence contributions from the salary paid effective from 1st May 2011.
- 49 Self Employed has the right to participate and contribute to the scheme effective from 1st May 2011.

50 The employer can commence voluntarily contributing to the scheme effective from 1st May 2011.

51 State Employers shall also register in the pension scheme as provided for in clause 4 and 5 of this regulation and enroll the employees working in the organizations in the Retirement Pension Scheme as provided for in this regulation.

52 a) With reference to the salary given on 1st May 2012 “Pensionable wage” is referring to the basic salary. Basic salary is the salary specified in the employment agreement as the basic salary. For avoidance of any doubt, under the circumstances specified below, 7% of the contributions to be made from the basic salary should be calculated accordingly with the procedure stipulated below, after making any deductions from the basic salary.

- 1 Amount, after deducting late charges from the basic salary as provided for in the employment agreement, or
- 2 Amount, after deducting the charges for absent days from the basic salary, or
- 3 Amount, deducted from basic pension for days prior to the date of employment or for days after the employment term comes to an end.

b) If an amount other than the amount stipulated in sub clause (a) is deducted as provided for in employment contract, it shall be deducted from the basic salary after deducting the pension contribution.

c) “Pensionable wage” shall be determined with reference to the salary given after 1st May 2012 as provided for in clause 15 of this agreement.

Protecting pension rights of the existing pensioners

53 a) When retirement pension scheme commences (1st May 2010), people who have attained the age of 65 years shall receive the pension they have been previously for life.

- b) Pension given to people who have not attained the age of 65 by 1st May 2010 when the Retirement Pension Scheme commenced, shall continue to be given till they attain the age of 65 (sixty five) years.
- c) Accrued rights of State Employees who have not attained the age of 65 years at the commencement of the Pension Act (13th May 2009) shall be deposited to their retirement savings account as recognition bonds of the government as provided for in clause 25 (b) of the Pension Act.
- d) Recognition bonds deposited as provided for in sub clause (c) shall be a capital equivalent to the accrued pension rights he was receiving before the commencement of the Pension Act. Such capital shall earn interest under a regulation made by the Ministry of Finance and Treasury.

Making other regulations

- 54 a) After making the regulation regarding making contributions to the Maldives Retirement Pension Scheme and commencing contributions to the scheme as provided for in this regulation, Pension Office shall make public announcements.
- b) After making the regulation regarding the procedure of making voluntary contributions (Contributions in excess to the contribution mandated by the Pension Act), and the regulation specifying the procedure of making contributions by the Self Employed to the pension scheme, Pension Office shall make public announcements.

Meanings and Definitions

55 Unless otherwise specified, the words used in this regulation are used within the same meaning given to the words under the Pension Act.

“Pension number” is the number determined by the Pension Office when the Employer registers at the Pension Office and enrolls the Employees working in that organization in the scheme.

“Receipt Notice” is the notice given by the Pension Office when the Statement of Pension Contribution is submitted. This notice shall include the acceptance or non acceptance of the submission and the information of the Employer and the Employee and a payment voucher, if the submission requires payment to be made to the scheme.

14 February 2010

As amended on 2nd August 2010