

**CYPRUS**

**GOVERNMENT EMPLOYEES  
PROVIDENT FUND**

**CHAPTER 308 OF THE LAWS**

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1959

## CHAPTER 308.

## GOVERNMENT EMPLOYEES PROVIDENT FUND.

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A LAW TO ESTABLISH A PROVIDENT FUND FOR NON-PENSIONABLE EMPLOYEES OF THE GOVERNMENT.

[1st July, 1945.]

Short title.

1. This Law may be cited as the Government Employees Provident Fund Law.

Interpretation.  
2 of 4/47.

2. (1) In this Law—

“the Board” means the Board of Management appointed under this Law;

“depositor” means a person who is making deposits in the Fund;

2 of 11/56.

“oversea allowance” means a special addition to the salary which is granted in accordance with the general regulations of the Government governing such allowance;

“the Fund” means the Non-Pensionable Employees Provident Fund established under this Law;

2 of 26/48.

“non-pensionable employee” means a person in the permanent service of the Government of Cyprus holding an office, not being an office declared to be a

pensionable office under any Law relating to pensions in force for the time being, but does not include any person, other than a member of the Police Force of or below the rank of sergeant-major, serving on contract or under an agreement for a specified period; 2 of 5/54.

“ personal allowance ” means a special addition to salary granted personally to the holder for the time being of the office;

“ prescribed ” means prescribed by Regulations made under this Law;

“ salary ” includes any expatriation allowance and any personal allowance but no other payment or allowance whatsoever.

(2) For the purposes of this Law a depositor's family shall be deemed to include his mother, father, wife and children, but no other person:

Provided that where the law governing the personal status of a depositor allows him to have more than one wife, every such wife shall be deemed to be included in the family of such depositor.

3. (1) There shall be established a Fund to be known as the Non-Pensionable Employees Provident Fund.

Establishment and management of the Fund.

(2) The Governor shall appoint a Board of Management who shall be responsible for the control and management of the Fund in accordance with the provisions of this Law and of any Regulations made hereunder. The Accountant-General shall be chairman of the Board.

(3) The expenses of management and administration of the Fund shall be paid out of the Fund.

(4) The moneys paid into the Fund shall, so far as practicable, be invested by the Accountant-General on behalf of the Fund in such security or securities yielding interest as the Board shall approve.

(5) The Accountant-General shall keep a separate account for the moneys of the Fund.

(6) The Board shall submit to the Governor as soon as practicable after the thirty-first day of December in each year a full statement showing the working of the Fund and all claims thereon, and containing full particulars of all transactions connected with the working of the Fund. The accounts of the Fund shall be audited by the Director of Audit.

Who shall  
become a  
depositor.

4. (1) Every person who shall have been appointed a non-pensionable employee, either after the commencement of this Law or on terms which so require, shall become a depositor from the date on which he begins to draw any of the salary of the post to which he is so appointed or from the commencement of this Law, whichever shall be the later.

(2) Every non-pensionable employee to whom the preceding subsection does not apply, who does not elect under section 5 of this Law to become a depositor, and is appointed to the service of the Government after the commencement of this Law upon terms which constitute a re-appointment or re-engagement in the service of the Government, shall become a depositor as from the date of such re-appointment or re-engagement.

Who may  
become a  
depositor.

5. Every non-pensionable employee who is not required by section 4 of this Law to become a depositor may, by a written notice addressed to the Head of his Department within three months of the first day of July, 1945, or within such extended time as the Governor in Council may in any particular case allow, elect to become a depositor, and, if he so elects, he shall become a depositor as from the commencement of this Law.

Deposits.

6. (1) Every depositor shall deposit in the Fund monthly an amount equal to one-twentieth of his monthly salary, until the termination of his service with the Government. The Accountant-General shall deduct the deposit from the salaries of depositors:

3 of 11/56.\*

Provided that monthly deposits shall be calculated to the nearest multiple of five mils.

(2) Such deposit shall be calculated on full salary whether the depositor is on full, half, or no salary:

Provided that, when a depositor is on half salary or no salary for a period exceeding two months continuously, he may elect to contribute in respect of the excess over two months at the rate of one-twentieth of any salary which he receives.

Bonuses.

7. (1) A sum equal to each deposit shall, on the date when the deposit is made, be paid out of the revenues of the Colony into the Fund for the credit of the depositor.

(2) Every sum so credited shall be called a "bonus."

\* Came into operation on the 1st January, 1956.

8. Interest shall be credited separately on deposits and bonuses at a rate to be fixed each year by the Governor in Council and shall be calculated on the total amounts of deposits and bonuses standing to the credit of each depositor on the first day of the year in respect of which the interest is payable irrespective of any amounts withdrawn. Subject to the provisions of this Law, it shall be calculated to the thirty-first day of December in each year and shall then be added to and become part of the principal and be deemed for the purposes of this Law to be deposit or bonus, as the case may be.

Interest.  
2 of 26/54.\*

9. The Accountant-General when requested by any depositor shall inform him of the total amount standing to his credit in the Fund on the thirty-first day of December immediately preceding the request.

Information  
to  
depositors.

10. (1) Any non-pensionable employee who shall have had at least one year's continuous service immediately before the commencement of this Law and who, being an officer to whom section 5 of this Law applies, elects under that section to become a depositor, may, if he thinks fit—

Deposits in  
respect of  
previous  
service.

(a) within a period of two years after the commencement of this Law, deposit in the Fund in respect of each completed year of such previous service an amount not exceeding one-twentieth of his salary as at the commencement of this Law; or

(b) increase his deposits under section 6 of this Law by fifty per centum for a period not exceeding his completed years' continuous service prior to the commencement of this Law.

(2) All amounts deposited under the provisions of this section shall be treated in all respects as deposits and the provisions of section 7 shall apply accordingly.

(3) In this section the word "service" means service which would, if this Law had been in force, have been service as a non-pensionable employee.

11. Subject to the provisions of this Law, no deposit, bonus or interest on any such deposit or bonus shall be assignable or transferable or liable to be attached, sequestered or levied upon for, or in respect of, any debt or claim whatsoever.

Deposits,  
etc., not to  
be assigned  
or attached.

\* Came into operation on the 1st January, 1955.

Withdrawal  
of deposits.

12. A depositor may withdraw any deposit—

- (a) with the approval of the Board; or
- (b) with the permission of the Accountant-General if the Accountant-General is satisfied that withdrawal is desirable and that it is required for any one or more of the following purposes:—
  - (i) to pay the passage of any member of the depositor's family or the depositor's brother or sister coming from abroad, or leaving the territory on medical advice or for other good cause, such person being wholly or mainly dependent upon, or ordinarily resident with, the depositor;
  - (ii) to pay the funeral expenses of any member of the depositor's family;
  - (iii) to pay hospital or other expenses incurred through the illness of the depositor or any members of his family.

Repayment  
of with-  
drawal.

13. Any sum withdrawn from any deposit under section 12 of this Law shall be repaid by the depositor in not more than twelve equal monthly instalments, commencing in the month following the withdrawal, which may be deducted from his salary.

Closing of  
accounts.  
2 of 26/54.\*

14. (1) On the termination of the depositor's service with the Government or on the death of a depositor, interest up to and including the day immediately preceding the date of such termination of service or death, at the rate fixed for the previous year, shall be credited to his account, which shall then be closed.

(2) Notice of such closure shall thereupon be given—

- (a) if the depositor is living, to the depositor; or
- (b) if the depositor is dead, to such person or persons mentioned in section 19 of this Law to whom it shall appear to the Accountant-General that notice should properly be given,

and in either case to such other persons as shall, or may in the opinion of the Accountant-General, reasonably require such notice.

\* Came into operation on the 1st January, 1955.

15. Subject to the provisions of this Law, if a depositor dies while in the service of the Government or leaves the service in any of the following circumstances, that is to say—

Death or termination of service.

- (a) retirement on medical evidence to the satisfaction of the Governor in Council that he is incapable by reason of some infirmity of mind or body of discharging the duties of his office;
- (b) satisfactory completion of contract;
- (c) abolition of office;
- (d) reaching the prescribed age of retirement;
- (e) determination of contract by, or with the consent of, the Government otherwise than by dismissal;
- (f) in the case of a female depositor, retirement with a view to, or in consequence of, marriage after not less than three years' service (subject to the production of evidence of marriage within such period after retirement as the Board may in any case prescribe),

the amount standing to his or her credit in the Fund at the closing of such account shall be paid out of the Fund to the depositor or any other person to whom by virtue of this Law or otherwise payment may lawfully be made:

Provided that, in the case of a female depositor who retires with a view to, or in consequence of, marriage after not less than eight years' service, there shall also be paid to such depositor, out of the revenues of the Colony (subject to the production of evidence of marriage within such period after retirement as the Board may in any case prescribe) a gratuity calculated on one day's salary for each complete month of service.

3 of 4/47.

16. (1) Subject to the provisions of this Law, if a depositor shall be dismissed, or resign, or leave the service of the Government without permission without completing the period prescribed by any contract under which he may be serving—

Resignation or dismissal.

- (a) the amount of his deposits and interest credited thereon under subsection (1) of section 14 of this Law shall be paid out of the Fund to the depositor; and
- (b) such part, if any, of the bonuses credited to the depositor and interest credited as aforesaid, as

the Board with the approval of the Governor shall determine, may be so paid.

2 of 26/54.

(2) Any part of such bonuses and interest not paid as aforesaid shall remain in the Fund and shall accrue for the benefit of other depositors therein.†

Transfer to pensionable office. Cap. 311.

17. (1) If a depositor is transferred to a post which is a pensionable office under the Pensions Law, or any other Law, the provisions of section 14 of this Law shall apply as if the service of the depositor with the Government had terminated in circumstances in which section 15 of this Law applies.

Provided that interest shall continue to be credited to his account, in accordance with the provisions of section 8 and subsection (1) of section 14 of this Law.

(2) Subject to the provisions of this Law, upon his subsequently leaving the service of the Colony in any circumstances or upon his dying in the service, the amount then standing to the credit of such depositor shall be paid out of the Fund to him or to any other person to whom by virtue of this Law or otherwise payment may lawfully be made.

(3) A depositor who is so transferred may elect at the time of transfer to continue while serving in such post to remain subject to the provisions of this Law, and shall thereupon be deemed to be a depositor as defined in subsection (1) of section 2 of this Law while serving in a pensionable post or posts:

Provided that in the event of his being at any time confirmed in a pensionable post, the provisions of subsections (1) and (2) of this section shall apply to him as from the date of such confirmation.

Any election under this subsection shall be made in writing to the Board and shall be irrevocable.

Option for depositor transferred to and confirmed in pensionable post. 4 of 11/56.‡ Cap. 311.

18. (1) A depositor who is transferred to a post which is a pensionable office under the Pensions Law, or any other Law, and who is confirmed in such post may, before the thirtieth day of June, 1956, or within three months of such confirmation, or within such further period as the Governor may in any special case allow, elect—

(a) to have the period of his service prior to his transfer and during which he was a depositor taken into

† Came into operation on the 1st March, 1954.

‡ Came into operation on the 1st July, 1945.



account as pensionable service under the Pensions Regulations, in which case there shall, upon his so electing, be paid out of the Fund to him or to any other person to whom by virtue of this Law or otherwise payment may lawfully be made, the total amount of his deposits together with the interest credited thereon calculated up to the end of the month previous to the date of his election; or

(b) to have the period of his service prior to his transfer and during which he was a depositor taken into account only as qualifying service (that is to say, service which may be taken into account in determining whether he is eligible by length of service for pension, gratuity or other allowance under the Pensions Law), in which case subsection (2) of section 17 of this Law shall apply to him.

Cap. 311.

(2) Any election under this subsection shall be made in writing to the Board and shall be irrevocable.

19. (1) Subject to the provisions of this Law, on the death of a depositor the Accountant-General shall pay the amount standing to the credit of such depositor to the person or persons entitled by law to receive it:

Payment on death of depositor.

Provided that the Accountant-General may make payments, not exceeding ten pounds in any one case, to meet the expenses of the funeral of the deceased or to give immediate relief to the widow or children or other dependants of the deceased, if in the opinion of the Accountant-General such relief is required.

(2) All amounts paid under this section shall be paid out of the Fund and all payments under this section shall be valid and effectual against any demand made upon the Government, the Board or the Accountant-General by any other person in respect of the amount standing to the credit of the depositor.

20. Any sum or sums due to Government by a depositor on payment out of the Fund of any amount then standing to his credit therein, may be deducted from the amount otherwise payable.

Sums due to Government.

21. The Governor in Council may make Regulations for carrying out the provisions of this Law.

Power to make Regulations.

Teachers not  
affected.  
Cap. 166.

22. Nothing in this Law contained shall apply to any teacher appointed under the Elementary Education Law.

Savings.

23. Any person who, immediately prior to the 11th February, 1954, is a depositor under the provisions of this Law as it stood prior to its amendment by the Government Employees Provident Fund (Amendment) Law, 1954, may, notwithstanding the amendment made to this Law by section 2 of the Government Employees Provident Fund (Amendment) Law, 1954, continue to be such a depositor until the expiration of his current contract or agreement unless he elects, by notice in writing to the Accountant-General within thirty days of the 11th February, 1954, not to continue to be such a depositor

3 of 5/54.

5 of 54.