

LAWS OF SOLOMON ISLANDS

[1996 EDITION]

CHAPTER 109

SOLOMON ISLANDS NATIONAL PROVIDENT FUND

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CHAPTER 109

SOLOMON ISLANDS NATIONAL PROVIDENT FUND

AN ACT TO PROVIDE FOR THE ESTABLISHMENT OF THE SOLOMON ISLANDS NATIONAL PROVIDENT FUND AND FOR MATTERS INCIDENTAL THERETO AND CONNECTED THEREWITH

[1st January 1976 & 1st October 1976*]

**Vide LN 16/1976 & LN 86/1976
3 of 1973
11 of 1976
LN 46A of 1978
LN 88 of 1978
8 of 1981
4 of 1982
8 of 1988
13 of 1990
1 of 1993*

**PART I
PRELIMINARY**

Short title

- 1. This Act may be cited as the Solomon Islands National Provident Fund Act.

Interpretation

11 of 1976, s. 2
LN 46A of 1978
LN 88 of 1978
4 of 1982, s. 2
8 of 1988, ss. 2, 3
13 of 1990, s. 2
1 of 1993, s. 2

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

"amount of wages for the month" means-

(a) in respect of an employee paid monthly or at intervals of longer than a month, the amount of wages due to him in respect of the month;

(b) in respect of any other employee, the aggregate amount of wages due to him on such pay days as fall within the month:

Provided that in computing the amount of wages any cents payable on each occasion of payment shall be ignored, unless on any such occasion the total amount payable is less than one dollar in which case it shall be deemed to be one dollar;

"auditor" means the Auditor-General or, where another person has been authorised under section 12(1) to audit the accounts of the Fund, that other person;

"Auditor-General" means the person appointed as Auditor-General pursuant to section 108 of the Constitution.

"Board" means the Solomon Islands National Provident Fund Board established under section 3(1);

"contribution" means any sum payable to the Fund under this Act;

"date of entitlement" means, in respect of any member of the Fund, the day (whichever shall first occur) on which it is proved to the satisfaction of the Board that such member-

(a) has attained the age of fifty years; or

(b) has died; or

(c) is physically or mentally incapacitated from ever engaging in any further employment; or

(d) is about to leave or has left Solomon Islands; or

(e) has been unfairly dismissed or has been made redundant and has not, during the three months period immediately preceding the date on which he applies to withdraw the amount standing to his credit in the Fund, been engaged in employment; or

(f) has attained the age of forty years and has satisfied the Board that he has retired from employment as an employee,

after the commencement of this Act;

"employee" means any person, not being a person of any of the descriptions specified in the First Schedule nor a person exempted by an order made under section 50(a) who-

(a) is employed in Solomon Islands under a contract of service or apprenticeship, whether written or oral or whether express or implied; or

(b) being in Solomon Islands, is under a contract for the performance of manual labour entered into by him either as an individual person or as one of a group of persons; or

(c) being a resident of Solomon Islands, is employed in the manner specified in either of the two last preceding paragraphs outside Solomon Islands by an employer having a place of business in Solomon Islands; or

(d) being a resident of Solomon Islands, is employed under a contract of service entered into in Solomon Islands as a master or member of the crew of any vessel, or as captain or member of the crew of any aircraft, the owners of which have a place of business in Solomon Islands; or

(e) is declared by the Minister, in his discretion by notice, to be an employee for the purposes of this Act of the Government or Her Majesty's Government in the United Kingdom; or

(f) is a member of and is employed by a co-operative society registered under the Co-operative Societies Act;

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"employer" means-

(a) in respect of any employee as defined in paragraph (a) of the definition of "employee", the person with whom such employee has entered into a contract of service of apprenticeship; or

(b) in respect of any employee as defined in paragraph (b) of the definition of "employee", the person with whom such employee has entered into a contract to perform manual labour; or

(c) in respect of any employee as defined in paragraph (c) of the definition of "employee", the Government or the employer having a place of business in Solomon Islands, as the case may be; or

(d) in respect of any employee as defined in paragraph (d) of the definition of "employee", the owners of the vessel or aircraft in which the employee as so defined is employed; or

(e) in respect of any employee as defined in paragraph (e) of the definition of "employee", the Government or Her Majesty's Government in the United Kingdom, as the case may be; or

(f) in respect of an employee as defined in paragraph (f) of the definition of "employee", the co-operative society by which he is employed;

"existing scheme" means any provident or pension fund or scheme to which any person is or has been contributing at or before the date of commencement of this Act;

"financial year" means the twelve months ending the thirtieth June in any year";

"Fund" means the Fund established under section 7;

"General Manager" means the General Manager appointed by the Board in accordance with section 5(1);

"marriage" includes customary marriages;

"maximum sum" means the sum declared by the Board under the provisions of section 9;

"member of the Fund" or "member" means any person to whose credit any amount is standing in the Fund;

"nominee" means a person nominated by a member of the Fund in accordance with section 32 to receive the whole or part of such member's credit in the event of the death of such member;

"resident of Solomon Islands" means a person entitled to enter Solomon Islands without a permit under the provisions of the Immigration Act;

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"voluntary contributor" means a person who enters the Fund under the provisions of section 18;

"wages" means all emoluments which would be due in money to an employee under his contract if no deductions were made therefrom whether in pursuance of any law requiring or permitting the making of any deduction or otherwise and whether such emoluments have been agreed to be paid monthly, weekly, daily, by the piece or otherwise:

Provided that any payments made to an employee for reimbursement of sums necessarily expended by him on behalf of his employer for the purposes of his employment shall be deemed not to be wages.

PART II
CONSTITUTION, POWERS AND FUNCTIONS OF THE BOARD

Establishment and constitution of the Board

LN 46A of 1978

8 of 1988, s. 2

3.-(1) There is hereby established a board to be called the Solomon Islands National Provident Fund Board consisting of-

- (a) two persons holding an office of emolument under the Crown;
- (b) two representatives of employers not being persons holding an office of emolument under the Crown or under the provisions of any Act otherwise than by virtue of the provisions of subsection (3) or appointment under this subsection;
- (c) two representatives of employees; and
- (d) not more than two other persons as the Minister thinks necessary,

to be appointed in his discretion by the Minister who shall appoint one of such persons to be Chairman of the Board.

(2) Members of the Board may be appointed for a term of three years or for such shorter period as the Minister may in his discretion in any case determine:

Provided that the Minister may, in his absolute discretion, terminate the appointment of any such member at any time.

(3) Where a member of the Board is temporarily unable to perform his functions as a member of the Board, he may authorise another person to act in his stead, and such person, whilst so acting, shall be deemed to be a member of the Board.

(4) No member of the Board shall communicate or reveal to any person any matter which shall be brought under his consideration or shall become known to him as a member of the Board except as may be required for the due discharge of his duties as such.

(5) Members of the Board shall be paid such remuneration and such travelling and subsistence allowances as may be fixed by the Board with the approval of the Minister acting in his discretion.

(6) The quorum of the Board shall be four.

(7) The Board shall have power to make rules for the conduct of its proceedings.

Board to be a body corporate

8 of 1988, s. 2

4.-(1) The Board shall be a body corporate, having perpetual succession and a common seal and may sue and be sued in its corporate name and may enter into contracts and may acquire,

purchase, take, hold and enjoy real and personal property of every description and may convey, assign, surrender, yield up, charge, mortgage, lease, demise, re-assign, transfer or otherwise dispose of or deal with any real or personal property or any interest therein vested in the Board upon such terms as to the Board seem fit.

(2) Service of any document on the General Manager shall be deemed to be service on the Board.

Powers of the Board

11 of 1976, s. 3

8 of 1988, s. 2

5.-(1) The Board may, from time to time, with the prior approval in writing of the Minister, and on such terms as to remuneration and otherwise as the Board may think fit, appoint and employ a General Manager, a Secretary, and such other officers, agents, servants and advisers as it may deem necessary for the efficient discharge of its functions under this Act and may dismiss any person so appointed.

(2) The Board shall have such powers and shall perform such duties, including the duty of enforcement, as are prescribed by or under this Act and may by instrument in writing under its common seal delegate to any person all or any such powers and duties:

11 of 1976, s. 3

Provided that, if the Board shall so delegate any such power or any such duty to any of its officers or servants, such delegation shall be by resolution of the Board.

(3) The Board shall have power to appoint, as inspectors having the powers set out in section 47, any of the persons appointed under subsection (1).

(4) Any inspector appointed under subsection (3) shall, on demand, produce such document of identification or such other evidence as may be reasonably sufficient to show that he is an inspector so appointed for the purposes of this Act.

11 of 1976, s. 3

Power to issue stamps

6. The Board may print, sell, issue and utter adhesive or impressed stamps for the purpose of payment of contributions under section 13(1) and may prescribe the design of such stamps and the circumstances and manner in which they shall be used.

PART III FINANCIAL PROVISIONS

Establishment of Provident Fund

7.-(1) For the purposes of this Act, there shall be a fund to be called the Solomon Islands National Provident Fund, hereinafter referred to as the Fund, into which shall be paid all contributions required to be made under the provisions of this Act and out of which shall be met all payments required to be made by the Fund under the provisions of this Act.

(2) The Board shall be the Trustee of the Fund, and the moneys belonging to the Fund-

(a) shall, subject to the directions of the Minister,-

- (i) be deposited in a bank or banks or any branch thereof in Solomon Islands;
or
- (ii) be invested in accordance with the provisions of any law relating to trusts;
or
- (iii) be invested in any other security or any other loan specifically approved as an investment for the purposes of this Act by the Minister or guaranteed by the Government under the Public Finance and Audit Act; and

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(b) may, subject to the approval of the Minister, be used for acquiring shares or interests in or establishing any business or business entity that appears to the Board as likely to serve the interests of all or a substantial portion of the members of the Fund:

Provided that it shall be lawful for the Board-

- (a) to make loans or advances to its officers or servants as part of their conditions of employment, or grants, payments, loans or advances for purposes relating to such conditions as aforesaid; and
- (b) to make loans to members of the Fund for such purposes as the Board may approve,

upon such terms as the Board may consider reasonable.

Rate of interest

11 of 1976, s. 5
8 of 1988, s. 2

8. At or before the end of each financial year, the Board shall, having considered the recommendation of the General Manager, declare a rate of interest in respect of that financial year, being not less than two and one-half per centum per annum and, subject to the proviso to section 22(2), interest shall be payable on the amount standing to the credit of members' accounts as calculated under section 22 at such rate:

Provided that-

- (a) no rate of interest exceeding two and one-half per centum per annum shall be so declared unless in the opinion of the Board the ability of the Fund to meet all payments required to be paid under this Act is not endangered by the declaration of such rate; and

(b) no rate of interest exceeding two and one-half per centum per annum shall be so declared if any sums advanced by the Government under section 10 have not been rapid.

Special death benefit

11 of 1976, s. 6

8 of 1988, s. 2

9. As soon as possible after the end of each financial year the Board shall, having considered the recommendation of the General Manager, declare the maximum sum to be added to an entitled member's credit on his death for the purposes of section 34:

Provided that the amount so declared shall be not less than five hundred dollars.

Advances by Government

10. If the Fund is at any time unable to pay any sum which is required to be paid under the provisions of this Act, the sum required shall be advanced to the Fund by the Government out of the Consolidated Fund and the Fund shall as soon as practicable repay to the Government the sum so advanced.

Expenses

11.-(1) All expenses incurred in carrying this Act into effect and in connection with the administration of the Fund shall be paid out of the moneys of the Fund.

(2) For the purposes of this section, such expenses shall include such expenditure as the Board shall consider reasonably necessary or desirable for the benefit or credit of the Fund or the promotion of public or staff relations.

Accounts and audit

11 of 1976, s. 7

1 of 1993, s. 3

12.-(1) The Board shall keep or cause to be kept proper accounts of the Fund and such accounts shall be audited annually by the Auditor-General or such other fit and proper person as the Auditor-General may authorise in writing.

(2) As soon as practicable after the end of each financial year, an account of the income and expenditure of the Fund, of contributions received and of withdrawals made and of interest credited to members of the Fund during the preceding financial year together with a statement of the assets and liabilities of the Fund and the report of the auditor thereon, and also a report by the Chairman of the Board on the activities of the Board during such financial year, shall be laid before the National Parliament.

PART IV CONTRIBUTIONS TO THE FUND

Payment of contributions

11 of 1976, s. 8

4 of 1982, s. 2

13.-(1) Every employer shall pay to the Fund in respect of each of his employees in every month during which such employee is employed by him and in the month following the termination of such employment a contribution calculated upon the amount of wages payable to such employee by such employer for the preceding month at the appropriate rates set out in the Second Schedule:

Provided that-

(a) no contribution shall be payable in any one month for an employee who in the preceding month-

(i) earned less than \$20.00; or

(ii) worked for fewer than 6 days;

(b) in respect of an employee engaged in any prescribed employment, the Board may direct that payment of contributions in respect of him shall be made at intervals other than a month and, notwithstanding any other provisions of this Act, may direct the manner in which such contributions shall be calculated and paid, whereupon the last preceding paragraph shall be deemed to be of no effect, and the Board may further direct that payment shall be made by some other person on behalf of and to the exclusion of the employer, whereupon such other person shall be deemed to be the employer for the purposes of subsection (2).

(2) Notwithstanding the provisions of any Act or any contract to the contrary, an employer who pays a contribution in respect of any employee in accordance with the provisions of subsection (1) shall, subject to section 15, be entitled to recover from the wages of such employee, and not otherwise, the portion of such contribution shown in the Second Schedule to be so recoverable.

(3) Notwithstanding the provisions of any Act to the contrary and without prejudice to the provisions of subsections (1) and (2)-

(a) any employee may contribute voluntarily to the Fund monthly a sum additional to that shown in the Second Schedule as payable by the employer and, if he so desires to contribute, he shall give to his employer written notice to deduct such excess monthly contributions from his wages, and thereafter so long as he is employed by that employer the employer shall, subject to section 15, make such excess deductions from his wages for each month until such time as he shall give further written notice to his employer of his desire to cease to have such excess monthly contributions deducted from his wages, and the amount of any such excess deductions shall be paid to the Fund by the employer in addition to the appropriate monthly contributions;

(b) any employer may, in any month, pay to the Fund contributions in respect of any of his employees at a rate in excess of the appropriate rate set out in the Second Schedule:

Provided that-

(i) the total contribution paid in respect of any employee in any month shall exceed the appropriate rate set out in the Second Schedule by ten cents or a multiple of ten cents;

(ii) notice of the payment of such voluntary contributions shall be given to the Board in such manner as may be prescribed.

(4) Notwithstanding any contract to the contrary, an employer shall not be entitled to recover in any way from an employee, in respect of contributions payable under the provisions of this Act, any sum in excess of that permitted to be recovered under subsection (2) together with any sum contributed voluntarily by such employee under subsection (3).

Contracts

11 of 1976, s. 9

14.-(1) Where any person (in this section referred to as the principal) contracts with any other person (in this section referred to as the contractor) for the execution by or under the supervision of the contractor of the whole or any part of any work undertaken by the principal, any employee engaged on such work shall be deemed to be the employee of the principal unless and until such contractor in respect of such work has been assessed as an employer and has paid all assessment due by him to the Fund, and any reference in this Act to the employer shall be deemed to be a reference to the principal.

(2) Where the principal has paid contributions which, but for the provisions of subsection (1), he would not have been liable to pay, he shall be entitled to reimbursement by the contractor to such extent as the Board, on application made by the principal, finds that such contractor would have been liable had he been deemed under this Act to be the employer.

(3) It shall be the duty of the principal to ensure that any contribution for which the contractor is liable is paid, and if such principal fails to make such payment, he shall be personally liable to pay such contribution to the Fund, and the provisions of this Act with regard to enforcing payment shall apply to him, but such principal shall be entitled to reimbursement by the contractor of any sum paid under this subsection.

(4) Where a principal has paid to the Fund any contributions under the provisions of subsections (2) or (3) he shall, unless he has been reimbursed by the contractor, be entitled to deduct an amount determined in accordance with subsection (2) from any moneys due by him to the contractor.

Recovery of employee's portion

11 of 1976, s. 10

15. The portion of any contribution recoverable from the wages of an employee in accordance with subsections (2) and (3) of section 13 may, notwithstanding the provisions of any other Act to the contrary, be recovered by the employer from the wages in respect of which such contribution is calculated at the time of payment of those wages and not otherwise.

Surcharge on late payment

11 of 1976, s. 11

16. Where any contributions which an employer is liable to pay under section 13(1) are not paid in the month during which they are due to be paid, the employer shall be liable to pay a surcharge on the total amount of all contributions not so paid to the Fund by him at the rate of two per centum in respect of each month or part of a month after the expiration of the earliest month during which any such contribution was due to be paid:

Provided that-

(a) if the amount of surcharge so calculated is less than two dollars, the surcharge payable shall be two dollars; and

(b) if the amount of surcharge exceeds two dollars, the surcharge payable shall be calculated to the next highest multiple of two dollars; and

(c) the Board may in any case in which it thinks fit remit in whole or in part the payment of any surcharge due under the provisions of this section.

Unpaid contributions deemed to be paid in certain circumstances

17. If any employer fails to pay any contribution which he is required to pay under section 13(1), the Board may, if it is satisfied-

(a) that such failure was not due to the consent or connivance of the employee concerned; and

(b) that there is no prospect of recovering the amount unpaid within a reasonable time,

credit to the employee the amount of the contributions which should have been paid in respect of him and shall charge the amount so credited to the general revenues of the Fund:

Provided that nothing in this section shall prejudice the right of the Board to recover the amount of such contribution together with any surcharge due under section 16 from the employer, and any amount so recovered shall be credited to the general revenues of the Fund.

Voluntary contributions

8 of 1988, s. 6

18.-(1) Any person not being an employee or a person described in subsection (2) and being not less than sixteen or more than thirty-five years of age may, provided he gives notice to the Board in the prescribed manner, become a voluntary contributor to the Fund and contributions paid by such voluntary contributor shall be dealt with under the provisions of section 22 as though he were an employee:

Provided that any member who, having been an employee and having had contributions paid in respect of him under section 13(1) in two successive contribution half-years, ceases to be an employee, may, provided he gives notice to the Board in the prescribed manner not more than six months after ceasing to be an employee, be entitled to become a voluntary contributor irrespective of age.

(2) The following classes of persons shall not be entitled to become voluntary contributors-
11 of 1976, s. 12

(a) persons exempted under section 27 or section 50(a); and

(b) persons who, having been members of the Fund, have withdrawn from membership of the Fund.

(3) A person becoming a voluntary contributor may commence payment of contributions not earlier than the half-year in which he gives notice to the Board in accordance with subsection (1).

Religious organisation

11 of 1976, s. 13

19.-(1) Any religious organisation which desires to make contributions under this Act in respect of any minister of religion engaged in the service of that religious organisation in Solomon Islands and who is registered under the Births, Marriages and Deaths Registration Act may apply to the Board for approval to so contribute on such terms as may be prescribed, or otherwise as are provided for by this Act.

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(2) If the Board approves an application under subsection (1), it shall cause the religious organisation to be registered as an employer for the purposes of this Act and shall notify the organisation of such registration.

(3) A religious organisation registered under subsection (2) shall notify the Board of the prescribed particulars of any minister of religion to which this section applies and shall become a contributing employer in relation to that minister of religion on the first day of the month following the month in which notification is made under this subsection and thereafter such minister of religion shall for the purposes of this Act be deemed to be an employee.

Amount standing to credit of member

20. The amount standing to the credit of a member of the Fund for the purposes of sections 22, 28, 29, 30 and 33 shall be a sum equal to the aggregate of all contributions made in respect of that member and such interest as may have been credited thereon to such member under section 22(2).

Cessation of employment

11 of 1976, s. 4

21.-(1) Where any person who is exempt under any provision of this Act ceases to be employed (otherwise than by reason of death) without having become entitled to such pension, gratuity or allowance as may be payable from time to time under the Pensions Act, his former employer shall, in such manner as the Board may approve and within a period of one month from the cessation of the employment, pay to the Fund a sum equal to the contributions which the employer would have been required to pay to the Fund had the employment not been exempted employment.

(2) Any person to whom subsection (1) applies shall (unless he is already registered as a member of the Fund) be registered as such member within one month after he ceases to be employed in such exempted employment as aforesaid, and his former employer shall supply to the Board such information as the Board may require for the purpose of securing such registration.

(3) The provisions of section 16 shall apply in relation to the late payment of any sum required to be paid under subsection (1) of this section as they apply in relation to the late payment of a contribution required to be paid under section 13.

PART V ALLOCATION OF PAYMENTS INTO THE FUND

Contributions to be paid into the Fund and credited to members

22.-(1) All sums recovered or collected on account of contributions to the Fund under the provisions of this Act shall be paid into or carried to the Fund in such manner as the Board may direct.

(2) The Board shall cause to be credited to the account of each member of the Fund the amount of the contributions paid during each financial year in his respect and, upon the declaration by the Board under section 8 of a rate of interest for the financial year, interest at that rate on the amount standing to his credit in the Fund at the commencement of such financial year in such manner as the Board may direct, and shall deduct from the amount of each member the sum of five dollars, or if the amount standing to such member's account shall be less than five dollars, the amount so standing, and such sums shall be carried to the general revenues of the Fund:

11 of 1976, s. 15

Provided that, where the authority of the Board is granted under section 28 for the withdrawal from the Fund of any amount standing to the credit of a member of the Fund, the amount of interest due from the first day of the financial year in which such authority is given to the last day of the month preceding that in which such authority is given shall be calculated at the rate of interest declared by the Board for the previous financial year and credited to such member before such withdrawal notwithstanding that the rate of interest subsequently declared by the Board in respect of that financial year may be greater or less than the amount so calculated.

(3) For the purpose of calculating any interest due under subsection (2) any fraction of one dollar in the amount standing to the credit of a member of the Fund shall be disregarded.

Revenue other than contributions

23. All surcharges collected under section 16, together with any other sums which shall from time to time become payable to the Board otherwise than on account of contributions under the provisions of this Act, shall be credited to the general revenues of the Fund.

General Reserve Account

11 of 1976, s. 16

LN 88 of 1978

24.-(1) There is hereby established an account which shall be known as the General Reserve Account into which shall be paid-

(a) any income of the Fund remaining unappropriated at the end of any financial year; and

(b) any other moneys prescribed to be so paid by regulations made under this Act.

(2) The moneys in the General Reserve Account shall form part of the Fund and any interest arising from the investment thereof shall be placed to the general revenue of the Fund.

(3) The Board may, from time to time, authorise the expenditure of moneys held in the General Reserve Account for the furtherance of such social security measures as may be approved from time to time by the Minister.

PART VI ELDERLY EMPLOYEES AND MEMBERS RE-EMPLOYED AFTER WITHDRAWAL

Attainment of fifty years

11 of 1976, s. 17

8 of 1988, s. 7

13 of 1990, s. 4

1 of 1993, s. 4

25.-(1) When any member of the Fund attains the age of fifty years, contributions shall, subject to the provisions of this Act, continue to be payable to the Fund in respect of him, in accordance with the provisions of section 13(1), at any time when he is an employee.

(2) Any employee who has attained the age of fifty years and has withdrawn any amount standing to his credit in the Fund on the ground that he has reached that age, shall not be entitled to withdraw from the Fund any further amount standing to his credit therein until five years have elapsed from the date of the last withdrawal.

(3) No employee who has attained the age of forty years and has withdrawn any amount standing to his credit in the Fund on the ground that he has reached that age and retired from employment shall be entitled to withdraw from the Fund any further amount standing to his credit therein until he has attained the age of fifty years notwithstanding that the employee has become entitled to withdraw such further amount on any other ground.

PART VII EXISTING SCHEMES

Existing schemes

11 of 1976, s. 18

26.-(1) No employer may claim or be entitled to exemption under this Act in respect of any person in his employment by reason only of the fact that such person is a participant whether on a contributory or non-contributory basis in an existing scheme.

(2) Where an employer-

(a) is liable to make contributions under this Act in respect of any employee; and

(b) is by himself or in association with others operating a scheme to provide benefits comparable to the benefits provided by this Act for such employer or employees,

he, or, as the case may be, the person operating that scheme may, by virtue of this subsection and whether or not the rules of the scheme allow, amend the scheme to take into account contributions made to the Fund and provide for a reduction of the contribution made to the existing scheme.

(3) Nothing in subsections (1) and (2) shall be construed so as to-

(a) authorise the amendment of a scheme in such a way that the benefits, excluding annual interest, to an employee under that scheme and this Act are reduced below those to which he would have been entitled if this Act had not been enacted; or

(b) require an employer to contribute to both the scheme and the Fund an amount in excess of that paid by the employer to the scheme for any comparable period before he became an employer, liable to contribute to the Fund.

(4) Subject to the provisions of subsection (5), an authority responsible for the administration of any existing pension scheme or provident fund may, with the approval of the Board, make a payment of any sum to the Fund in respect of any person who is or has been a member of or contributor to that scheme or fund, and the Board shall cause that sum to be credited to the account of such person in the Fund and for this purpose shall, if no such account exists, cause an account to be opened in the name of that person.

(5) An authority making any payment in accordance with the provisions of subsection (4) shall furnish with such payment-

(a) a certified copy of its resolution or other authority authorising the payment; and

(b) such information as to the identity of the person in respect of whom the payment is made as the Board may require.

Exemptions

11 of 1976, s. 18

27. If the Board is satisfied on the application of an employee or his employer that-

(a) the employee is employed by an employer whose principal registered office is outside Solomon Islands, under a contract of employment entered into outside Solomon Islands; and

(b) the employee is contributing to a social security scheme of some country other than Solomon Islands or will be entitled under a scheme associated with his

employment to benefits which are, in the opinion of the Board, comparable with those provided by this Act; and

(c) the employee is not a resident of Solomon Islands,

it may issue to such employee a certificate of exemption, and he shall thereupon be deemed not to be an employee for the purpose of this Act in respect of employment by that employer during such time as paragraphs (a), (b) and (c) continue to be applicable to him.

PART VIII WITHDRAWAL OF CONTRIBUTIONS

Withdrawal to be approved by Board

28. No amount standing to the credit of a member of the Fund may be withdrawn from the Fund except with the authority of the Board and such authority shall not be given before the date of entitlement of the member of the Fund.

Withdrawal otherwise than upon death

8 of 1988, s. 8

29.-(1) Subject to subsection (2), the Board shall after the date of entitlement of any member of the Fund otherwise than upon his death, and upon his application or that of any person having care or custody of him under the provisions of the Mental Treatment Act, pay to the applicant the amount standing to the credit of such member in the Fund.

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(2) When making payments under subsection (1), the following rules shall apply, that is to say,-

8 of 1988, s. 8

13 of 1990, s. 5

1 of 1993, s. 5

(a) where the application is made on the ground that the member-

(i) has attained the age of fifty years;

(ii) has attained the age of forty years and has retired from employment as an employee; or

(iii) being a non-citizen of Solomon Islands, is about to leave or has left Solomon Islands and he has satisfied the Board that he has no intention of returning to Solomon Islands,

the Board shall pay to the applicant the whole of the amount standing to the credit of the member in the Fund;

(b) where the application is made on the ground that the member, being a citizen of Solomon Islands, is about to leave or has left Solomon Islands and has no intention of

returning to Solomon Islands, the Board shall pay to the applicant the amount standing to the credit of the member as follows-

(i) one-half of the amount to be paid upon such application; and

(ii) the other half of the amount to be paid at the expiration of one year after the payment made under sub-paragraph (i); and

(c) where the application is made on the ground that the member has been unfairly dismissed or has been made redundant and has not, during the three months period immediately preceding the date on which he makes the application, been engaged in employment, the Board shall pay to the member the amount standing to his credit in the Fund as follows-

(i) where the amount is less than ten thousand dollars, the amount shall be paid in full to the member upon application therefor; and

(ii) where the amount is ten thousand dollars or more, one-third of the amount shall be paid to the member upon application and, if at the expiration of one year from the date of payment of the said one-third sum the member has not been re-employed, one-half of the remaining amount shall be paid to the member upon the expiration of that one year period and the other half shall be paid to the member at the expiration of two years after the date of payment of the said one-third sum where the member has not been re-employed within that period.

Withdrawal by nominee

30. The Board shall after the death of any member of the Fund and upon the application of a person nominated under section 32 pay to the applicant such part of the amount standing to the credit of such member as shall have been set out in the memorandum executed in accordance with that section.

Evidence

31. All applications for withdrawal shall be supported by such evidence as may be prescribed and by such further evidence as the Board may reasonably require.

Nomination

32. Any employee or member of the Fund may by a memorandum executed in the prescribed manner nominate a person or persons to receive in his or their own right such portions of the amount payable out of the Fund under section 30 on his death as such memorandum shall indicate, and any employee who does not nominate such a person may be required by the Board to declare in writing that he does not desire to do so:

Provided that the subsequent marriage of a nominator shall render any nomination made by him null and void.

Procedure where there is a nominee or no person is nominated

8 of 1988, s. 9
13 of 1990, s. 6

33. Where a member of the Fund dies, the amount standing to his credit in the Fund shall be dealt with by the Board in the following manner-

(a) if his widow or any person over eighteen years is nominated to receive the amount (or any portion of it) under section 32 then the amount or that portion shall be paid to the widow or that person, as the case may be;

(b) if any person under eighteen years (other than his widow is nominated to receive the amount (or any portion of it) under section 32 then the amount or that portion shall remain in the Fund and shall be deemed to be held by the Board in trust for that person until he reaches the age of eighteen years:

Provided that the Board may from time to time allow the withdrawal by the guardian of the person under eighteen years of age of such portion of the amount of contributions as may be necessary for the education or welfare of that person;

(c) if no person is nominated to receive the amount or the portion, then the amount or the portion shall, notwithstanding any law to the contrary, be distributed in accordance with the custom of the member to the children, spouse and other persons entitled thereto in accordance with that custom:

Provided that where at the time of his or her death a member was living with another person as husband or wife of that person, without proper marriage in law or in custom and had so lived for a period of not less than one year then any child born to the member and that other person as a result of their living together shall, for the purposes of this paragraph, be deemed to be a legitimate child of the member and shall be entitled to a share of the amount or portion in accordance with this paragraph.

Payment of special death benefit

11 of 1976, s. 19

34.-(1) On the death of a member the amount standing to his credit in the Fund shall be increased by such proportion of the maximum sum as may be prescribed in accordance with subsection (2) and the amount of such increase shall be paid from the general revenues of the Fund.

(2) The amount to be added to the deceased member's credit for the purpose of subsection (1) shall be related to the member's period of membership of the Fund and to the number and amount of contributions paid on his behalf and standing to his credit in such manner as may be prescribed.

(3) The amount payable under subsection (1) shall not be taken into consideration in the assessment of compensation or damages payable to the dependants or beneficiaries of the deceased member under the provisions of the Workmen's Compensation Act.

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PART IX

PROTECTION OF SUMS CONTRIBUTED AND WITHDRAWN

Member's credit not subject to sequestration

4 of 1982, s. 2

35.-(1) Subject to subsections (2) and (3), no contribution to the Fund, nor any amount standing to the credit of a member in the Fund nor interest on any such contribution or amount, nor withdrawals made by the authority of the Board from the Fund under section 28, nor the rights of any member of the Fund acquired thereunder, shall be assignable or transferable or liable to be attached, sequestrated or levied upon for or in respect of any debt or claim whatsoever.

(2) The amount standing to the credit of a deceased member in the Fund shall not form part of the estate of such deceased (except for the purposes of section 33(a) and cannot be charged with any debt or liability except as provided in subsections (3) and (4) of this section.

8 of 1988, s. 10

(3) A member may pledge up to two-thirds of the contributions credited to his account in the Fund by way of guarantee for a loan from-

4 of 1982, s. 2

8 of 1988, s. 10

(a) a bank licensed under section 6 of the Banking Act;

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(b) the Development Bank of Solomon Islands;

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(c) the Home Finance Corporation; or

(d) the Fund.

(4) An amount pledged under subsection (3) shall be realisable by the lender only where the member dies or withdraws from the Fund under section 29, or has, for a period of not less than six months, refused or wilfully neglected to pay the lender such part of the loan as the lender may require him to pay each month in respect of the loan, whichever first occurs.

4 of 1982, s. 2

8 of 1988, s. 10

1 of 1993, s. 6

Exemption from tax etc

11 of 1976, s. 20

36. All the income of the Fund, all interest paid or credited in respect of any members under any of the provisions of this Act and all sums (including annuities) withdrawn from or paid out of the Fund under any of the provisions of Part VIII, and every instrument made or executed by or on behalf of the Fund shall be exempted from all taxes, levies or charges imposed by law.

Bankruptcy of employee

37. The bankruptcy of an employee shall not affect the payment of contributions from the wages of the employee in accordance with the provisions of this Act, but such payments shall continue to be made notwithstanding the provisions of any other law and the portion of wages so paid shall be deemed not to form part of his after-acquired property.

Bankruptcy, liquidation, etc. of employer

13 of 1990, s. 7

38.-(1) Where any trustee in bankruptcy, liquidator, receiver, personal representative or other such person is dealing with the property, business or estate of any employer who has failed to pay any contributions payable by the employer under this Act, such person shall pay such contributions in such manner as may be determined by the Board before making any distribution of such property, business or estate.

(2) Any trustee in bankruptcy, liquidator, receiver, personal representative or other such person shall, before distributing any assets under his control, obtain from the General Manager of the Fund a certificate to the effect that all contributions payable under this Act by such person out of any estate under his control have been paid.

8 of 1988, s. 2

13 of 1990, s. 7

(3) If any distribution is made by any trustee in bankruptcy, liquidator, receiver, personal representative or other such person without first obtaining a certificate under subsection (1), then such person shall be personally liable for the contributions which the employer has failed to pay.

13 of 1990, s. 7

(4) In this section, the word "contributions" includes surcharges under section 16.

13 of 1990, s. 7

Secrecy

39. Notwithstanding the provisions of any other Act, the Board shall not be required to divulge, save to the member, or if the member is dead, to his nominee, any matter relating to the amount standing to the credit of a member of the Fund nor any particulars of such member or of any employer save with the consent of such member or employer:

Provided that nothing in this section shall prevent the Board or its officers from giving evidence relating to any such matter in any criminal proceedings.

**PART X
OFFENCES, PENALTIES AND PROCEEDINGS**

Offences and penalties

11 of 1976, s. 21

40.-(1) If any person-

(a) for any purpose connected with this Act-

(i) knowingly makes any false statement;

(ii) produces or furnishes or causes or knowingly allows to be produced or furnished any document which he knows to be false in a material particular;

(b) fails to pay to the Fund in any month any amount which, under section 13(1), he is liable to pay in that month in respect of any employee;

(c) obstructs any officer or servant of the Board in the discharge of his functions as such;

(d) fails to pay to the Board within such period as may be prescribed any surcharge which he is liable to pay under section 16;

(e) being or ever having been a member, officer, servant or agent of the Board directly or indirectly communicates or reveals to any person any matter relating to the business of the Board which shall have become known to him in his capacity as member, officer, servant or agent, except as may be required for the due discharge of his duties as such member, officer, servant or agent or as may be permitted by the Board;

(f) procures any member, officer, servant or agent of the Board or any person who had ever been such member, officer, servant or agent to communicate or reveal any such matter as is set out in paragraph (e);

(g) fails to pay any contribution or surcharge which he is required to pay under section 38; or

(h) fails to produce at the time specified, any document required to be produced by notice in writing under section 47(c),

he shall be guilty of an offence and liable to a fine of five hundred dollars or to imprisonment for one year, or to both such fine and such imprisonment.

(2) Any person who deducts from the wages of an employee any sum greater than that permitted to be recovered under this Act or, having made any deduction, fails to pay to the Fund in the time required by section 13(1) the contribution in respect of which such deduction has been made, shall be guilty of an offence and liable to a fine of one thousand dollars or to imprisonment for two years, or to both such fine and such imprisonment.

11 of 1976, s. 21

(3) Notwithstanding the provisions of any other Act, proceedings may be taken for any offence under this Act within three years of the date of commission of such offence.

Notice of unpaid contributions

11 of 1976, s. 22

41. If notice of intention so to do is served by the prosecuting officer upon the defendant, evidence may be given, at any trial for an offence under section 40(1)(b) or section 40(2) of

other contributions unpaid at the date of the service of the summons upon the defendant, in respect of other employees, in the form of a certificate under the hand of the General Manager and, if the defendant is convicted of such offence, the court by which he is so convicted may, without prejudice to any right under section 46, order the defendant to pay to the Fund the amount of such unpaid contributions together with any contributions unpaid at the date of trial in respect of each employee referred to in the charge upon which the defendant has been convicted, and the provisions of the Penal Code relating to fines shall apply to any such contributions or any portion thereof so ordered to be paid.

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Further powers of court

11 of 1976, s. 23

42. Where any person is convicted under the provisions of paragraphs (d) and (g) of section 40(1) of failing to pay any surcharge, the court by which he is so convicted may, without prejudice to section 46, order the defendant to pay to the Fund the amount required to be paid as a surcharge in the same way as is provided in relation to the payment of contributions under section 41.

Liability of officers of corporations

43. Where an offence under this Act has been committed by a body corporate, firm, society or other body of persons, any person who at the time of the commission of the offence was a director, manager, secretary or other similar officer or a partner of the body corporate, firm, society or other body of persons or was purporting to act in such capacity shall, as well as such body corporate, firm, society or other body of persons, be deemed to be guilty of that offence unless he proves that the offence was committed without his consent or connivance and that he exercised all such diligence to prevent the commission of the offence as he ought to have exercised, having regard to the nature of his functions in that capacity and to all the circumstances.

Prosecutions

8 of 1988, s. 2

LN 46A of 1978

44.-(1) Prosecutions in respect of any offence under this Act may be instituted by any officer, servant or agent of the Board authorised in writing in that behalf by the General Manager, and any such officer, servant or agent may conduct such prosecutions.

(2) Nothing in subsection (1) shall be deemed to derogate from the powers of the Director of Public Prosecutions in relation to prosecution of criminal offences.

Evidence in proceedings

8 of 1988, s. 2

45. In any criminal or civil legal proceedings under the provisions of this Act, a copy of an entry in the records or accounts of the Fund duly certified under the hand of the General Manager shall be prima facie evidence of such entry having been made and of the truth of the contents thereof, and a certificate under the hand of the General Manager that there is no entry shall be prima facie evidence that no entry has been made.

Civil proceedings

46.-(1) All contributions payable under the provisions of this Act may, without prejudice to any other remedy, be recoverable by the Board as a debt due.

(2) Proceedings for the recovery as civil debts of any contribution may, notwithstanding anything in any other law to the contrary, be brought at any time within six years from the date when the contribution becomes due.

(3) Proceedings for the summary recovery as civil debts of contributions may be instituted by any officer, servant or agent of the Board authorised in writing in that behalf by the General Manager and any such officer, servant or agent may conduct such proceedings.

8 of 1988, s. 2

(4) In this section the word "contributions" shall be deemed to include any surcharge under section 16.

PART XI POWERS OF INSPECTORS AND OFFICERS OF THE FUND

Powers of inspections

11 of 1976, s. 24

47. An inspector appointed under section 5(3) may at any reasonable time-

(a) enter any premises or place where persons are believed to be engaged as employees;

(b) make such examination and inquiry as may be necessary for ascertaining whether the provisions of this Act are being or have been complied with in any such premises or place;

(c) require the production of any document which an employer is required to keep under the provisions of this Act or of the Labour Act or any other document which the inspector may reasonably require for the purpose of ascertaining whether the provisions of this Act are being or have been complied with and the inspector may make a copy or an extract from any such documents and, for this purpose, may by notice in writing sent by registered post to an employer's address, require such production at any place reasonably accessible to such employer on a date and at a time specified in such notice:

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Provided that the date so specified shall not be less than twenty-one days from the date of service of such notice and the notice shall be deemed to have been served upon the employer when the notice would have been delivered or received in the ordinary course of post; and in proving such service it shall be sufficient to prove that the envelope containing the notice or other document was properly addressed and was posted;

(d) examine, either alone or in the presence of any other person, with respect to any matters under this Act on which he may reasonably require information, every person whom he has reason to believe can give information respecting the subject-matter of the inquiry, and require such person to be examined, and for the purposes of such examination may summon any such person to attend at the time and place specified in such summons;

(e) exercise such other powers as may be necessary for carrying into effect the provisions of this Act.

Powers of officers of the Fund

11 of 1976, s. 25

8 of 1988, s. 2

48. An inspector, or any person appointed under section 5(3) and so authorised in writing by the General Manager, may make such examination and inquiry as may be necessary for ascertaining the truth of any statement made for the purpose of establishing the date of entitlement of any member of the Fund and may, for that purpose-

(a) examine, either alone or in the presence of any other person, with respect to any matters under this Act, on which he may reasonably require information, every person whom he has reason to believe can give information respecting the subject-matter of the inquiry, and require every such person to be examined, and for the purposes of such examination may summon any such person to attend at the time and place specified in such summons;

(b) require any person who makes any such statement to sign a declaration as to its truth.

PART XII REGULATIONS

Regulations

49.-(1) The Board may make regulations for any purpose for which regulations may be made under the provisions of this Act and for prescribing anything which may be prescribed thereunder and otherwise for the purpose of carrying this Act into effect, and, in particular, but without prejudice to the generality of the foregoing, may make regulations with respect to any of the following matters-

(a) to provide for the registration of employers and employees in anticipation of the coming into force of any of the provisions of this Act;

(b) to provide for the manner of payment and collection of contributions and any matters incidental thereto;

(c) to provide for the disposal of amounts which are unclaimed, unpaid or otherwise remain in the Fund;

(d) to provide for-

(i) the return of contributions under the provisions of this Act, or any part of such contributions, paid in error;

(ii) the payment of contributions under the provisions of this Act, or of any part of such contributions, omitted to be paid in error;

(e) to provide for the keeping of books, accounts or records by employers;

(f) to provide for the appointment of medical boards for the purposes of paragraph (c) of the definition of "date of entitlement" in section 2 and for such other purposes as may be prescribed;

(g) to prescribe the procedure for the withdrawal of amounts from the Fund;

(h) to prescribe the evidence to be produced and the person, officer or authority to whom such evidence is to be produced for the purposes of section 32;

(i) to prescribe the procedure to be followed when contributions are paid by an employer into the Fund;

(j) to prescribe the form and period of any notice to be given by an employee to his employer under section 13(3)(a);

(k) to prescribe the procedure to be followed when any voluntary contribution is paid to the Fund;

(l) to prescribe the returns to be made by employers and the forms and registers to be used in carrying out the provisions of this Act;

(m) to prescribe the amount, frequency of payment and duration of any annuity payable under the provisions of section 50(b);

(n) to provide for the manner of repayment of any loan made to members under this Act.

13 of 1990, s. 8

(2) Any regulations made under subsection (1) may provide that contravention or breach thereof shall be punishable by such fine not exceeding three hundred dollars or by such term of imprisonment not exceeding six months as may be specified in such regulations, or by both such fine and such imprisonment.

11 of 1976, s. 27

(3) Regulations made under subsection (1)(n) may impose obligations upon the employer of a member to whom a loan has been made under this Act for the deduction from the member's salary and for payment to the Board such sum as the member is obliged to pay to the Board under the terms of the loan agreement:

13 of 1990, s. 8

Provided that an employer who fails to perform any obligation imposed upon him by such regulations shall be personally liable for any unpaid sum that he is obliged under the regulations to deduct from the member's salary for payment to the Board.

PART XIII POWERS OF THE MINISTER

Exemptions and annuities

LN 46A of 1978

50. The Minister may, in addition to any other powers conferred by this Act, after consulting the Board-

(a) exempt by order any person or class of persons from all or any of the provisions of this Act;

(b) provide by order that notwithstanding the provisions of sections 29, 30, 33 and 34 any person entitled under the provisions of those sections to receive the whole or part of the amount standing to the credit of a member in the Fund may receive, in place of all or part of any sum due to him, an annuity based upon that sum or part thereof.

Reciprocal agreements

LN 46A of 1978

51.-(1) The Minister, after consulting the Board, may enter into a reciprocal agreement with the government of any other country or territory in which a fund similar to the Fund has been established and such agreement may provide amongst other matters that-

(a) any period of work for an employer in that country or territory shall be treated as a period of work in Solomon Islands for that employer for the purpose of the definition of "employee" contained in section 2; and

(b) subject to such conditions as may be laid down in the reciprocal agreement, any amount standing to the credit of any member of the Fund who works for any employer in that country or territory may be transferred to his credit in such fund, and any amount standing to the credit in such fund of any person who becomes a member of the Fund may be transferred to his credit in the Fund,

and if any such reciprocal agreement containing such provisions shall be entered into, the definition of "employee" contained in section 2 shall be deemed to be modified accordingly, so however that no person shall be required to contribute to the Fund in respect of any period during which he did not work in Solomon Islands and no employer shall be required to contribute in respect of any such employee during such period, and the transfer by the Board of credits to and from the Fund in such manner shall be permitted.

(2) Any reciprocal agreement made under subsection (1) shall be published in the Gazette and shall come into force on the date of such publication or on such later date as may be provided in the agreement.

FIRST SCHEDULE

EXEMPTIONS
(Section 2)

1. Any child under the age of fourteen years.
2. Any outworker as defined in the Workmen's Compensation Act.
3. Any person detained in any prison, approved school, mental hospital or leper asylum.

SECOND SCHEDULE

8 of 1981, s. 2

RATES OF CONTRIBUTIONS
(Section 13)

The monthly contribution by an employer under section 13(1) shall be twelve and one half cents in respect of each complete dollar in the amount of the wages of the employee for the preceding month, provided that for the total amount payable in respect of each employee for a month a half cent shall be rounded up to the next complete cent, and the amount which the employer may recover under section 13(2) from the employee's wages for the preceding month shall be five cents in respect of each complete dollar in the amount of such wages.

CHAPTER 109
SOLOMON ISLANDS NATIONAL PROVIDENT FUND

Subsidiary Legislation

NOTICE OF DECLARATION OF EMPLOYEES

LN 86/1976

(Section 2)

[29th September 1976]

The following persons are hereby declared to be employees of the Solomon Islands Government for the purposes of the Act-

All persons employed by the Solomon Islands Government other than-

(a) those employed in a pensionable office within the meaning of section 2 of the Pensions Act who do not exercise the option referred to in section 9(1) of that Act, as amended; and

(b) those recruited from any overseas territory under any scheme or agreement whereby the whole or any part of such person's total emoluments in respect of

employment by the Solomon Islands Government is paid by or on behalf of the government of such territory.

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THE SOLOMON ISLANDS NATIONAL PROVIDENT FUND REGULATIONS

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LN 90/1976

THE SOLOMON ISLANDS NATIONAL PROVIDENT FUND REGULATIONS

(Section 49)

[1st November 1976]

**PART I
PRELIMINARY**

Citation

- 1. These Regulations may be cited as the Solomon Islands National Provident Fund Regulations

Interpretation

2. In these Regulations, unless the context otherwise requires

"appropriate form" means a form approved by the General Manager for use in any case pursuant to these Regulations;

"contribution quarter" or "quarter" means the period from the 1st January to the 31 March, or the 1 April to the 30 June, or the 1 July to 30 September or the 1 October to 31 December, in any year as the case may be;

"General Manager" means the General Manager or, with respect to any matter, any officer appointed under the provisions of section 5(1) of the Act and authorised by the General Manager to act on his behalf in such matter;

"test period" means in respect of a deceased member, the period of five years preceding the contribution quarter in which he died or, if he shall have been a member for less than five years, the period of such membership preceding the contribution quarter in which he died;

"voluntary member" means a voluntary contributor who is a member of the Fund.

PART II REGISTRATION OF EMPLOYERS AND EMPLOYEES

Employers required to register

3.-(1) Every person being an employer at the commencement of these Regulations shall within seven (7) days of the date on which these Regulations come into operation register himself as an employer by obtaining, completing and forwarding the appropriate form to the General Manager, at the office of the Fund.

(2) Every person who is so registered and who subsequently ceases to be an employer shall inform the General Manager accordingly within one month of ceasing to be an employer.

(3) Every person becoming or again becoming an employer after the commencement of these Regulations, shall within fourteen (14) days of the date when he becomes such an employer register in the manner aforesaid.

Changes of employer's address

4. Every employer who has registered shall inform the General Manager forthwith in writing of any change in his address.

Employer's reference number

5. The General Manager shall register and allot an employer's reference number to every registered employer.

General Manager to supply registration forms for employees

6. As soon as possible after an employer is registered the General Manager shall forward to him in respect of each of his employees the appropriate form for registration of an employee, and every employer receiving such forms shall within fourteen days of receiving them complete them in respect of such employees and return the forms to the General Manager.

Employer to register employees

7. Every employer shall, as soon as any person not already a member of the Fund becomes his employee, register him on the appropriate form and forward such form to the General Manager within fourteen (14) days of the date of commencement of the employment in question.

Employee to sign or make thumbprint

8. Every employee in respect of whom a registration form is to be completed under the provisions of the last preceding Regulation shall furnish a clear impression of his left thumb in the space provided for such purpose on that form or at his option his written signature and each such impression or signature shall be witnessed and countersigned by the employer or by a representative of the employer or by an officer of the Fund:

Provided that-

(a) if it is impossible for the employee to furnish an impression of his left thumb he may furnish a clear impression of his right thumb and, in the said form, the word 'left' shall be deleted and the word 'right' substituted therefor; and

(b) if it is impossible for the employee to furnish any such thumb print the General Manager may in writing authorise any such other mark of identification as he thinks fit to be furnished in place thereof.

Employee to furnish information

9. Every employee shall furnish to his employer all such details as may be necessary for the completion of such returns as are required to be made by his employer under the provisions of these Regulations.

Certificate of membership

10.-(1) On the first occasion when an employee is registered by his employer, the General Manager shall allot a membership number to the employee and shall forward to the employer a certificate of membership of the Fund in the appropriate form together with a notice of nomination in the appropriate form and every employer to whom such forms are sent shall as soon as reasonably possible hand them over to the employee concerned or, if that employee is no longer in his employment, return them to the General Manager.

(2) Each member of the Fund shall immediately on commencing work for an employer produce his membership certificate to that employer for inspection.

(3) Each member of the Fund who changes his name shall return his membership certificate to the General Manager for amendment and shall furnish such information as the General Manager may require.

Notices of nomination

11. Every employee receiving a notice of nomination shall within one month of its receipt by him complete and forward it to the General Manager.

Incomplete documents

12. If, in the opinion of the General Manager, any document required to be completed by an employer under these Regulations is incomplete or inaccurate or insufficiently legible or any impression made thereon is insufficiently clear to identify the employee, the General Manager may return the document to the employer who shall, as the General Manager may require, either forthwith obtain, complete and forward to the General Manager within seven (7) days of the date of return to the employer of the said document a fresh document in place thereof or correct and return the original document within seven (7) days.

Voluntary membership

13.-(1) Any person desiring to become a voluntary contributor to the Fund under the provisions of section 18 of the Act shall give notice to the Board of his intention by completion of the appropriate registration form and submission of the completed form to the General Manager and such notice shall be deemed to have been given on the date when such form is received in the Board's office.

(2) On receipt of the appropriate registration form the General Manager shall send to the applicant for voluntary membership a certificate of voluntary membership in the appropriate form together with a notice of nomination in the appropriate form.

(3) Every applicant receiving a notice of nomination shall within one month of its receipt by him complete and return it to the General Manager.

Religious organisations

14. An application by a religious organisation to register under section 19 of the Act shall be accompanied with a statement in writing giving full particulars of-

(a) the name of the organisation, its employers reference number (if already allotted) and the name and postal address of its treasurer;

(b) the names of the ministers of religion concerned; and

(c) a certified copy of the resolution of the organisation authorising the application.

PART III PAYMENT OF CONTRIBUTIONS INTO THE FUND

Manner of payment of contributions

15.-(1) All contributions to the Fund shall be paid to the Fund either-

(a) in cash at the office of the Fund to an Officer of the Fund authorised by the General Manager in that behalf; or

(b) by money order, postal order or cheque, drawn on any bank in the Solomon Islands, delivered or sent by post to the office of the Fund: or

(c) in such other manner as the General Manager may from time to time authorise in any particular case or class of cases.

(2) Where payment is made by post, the date of payment for the purposes of the Act shall be the date of the receipt of the payment by the Fund at its office.

Documents to accompany payment

16. All payments of contribution to the Fund shall be accompanied with the appropriate forms duly completed, or by such other forms as the General Manager may in any particular case or class of cases permit.

Receipts

17. A receipt on the appropriate form for each sum paid to the Fund on account of contributions to the Fund shall be issued by the General Manager.

Quarterly schedules of contributions

18. During and in respect of each quarter, every employer registered under regulation 5 shall maintain a quarterly schedule of contributions in the appropriate form (hereinafter referred to as a "schedule") and shall complete the same by duly entering in the spaces provided therefor on such schedule the name and membership number of every employee employed by him and particulars of the amount payable to the Fund in respect of each employee under section 13 of the Act.

Monthly contribution remittance statements

19. In every month every employer shall complete a monthly contribution remittance statement in the appropriate form for the recording and payment of contributions under section 13 of the Act (hereinafter referred to as a remittance statement) in respect of that month by entering upon such remittance statement the total of the amounts payable in respect of all his employees for that month and shall forward the remittance statement together with a remittance for such total amount so as to reach the General Manager during the month in which the payment of such amount is due.

Duplicates to be kept

20. Every employer shall keep duplicate copies of schedules and remittance statements on the copy sheets attached to each such schedule and statement.

Receipts

21. The General Manager shall cause a receipt for each amount remitted under regulation 19 to be sent to the employer concerned who shall affix the receipt in the appropriate place upon his duplicate copy of the remittance statement.

New employees

22. If, during the currency of any schedule, any employee shall enter the service of any employer, the employer shall forthwith enter the employee's name in the appropriate column of the schedule together with the employee's membership number if he is a member of the Fund. If the employee is not a member of the Fund, the employer shall enter in the schedule the name of the employee only and enter the membership number when notified by the General Manager by the issue of a membership certificate.

Employee leaving service of employer

23. If during the currency of any schedule any employee referred to thereon shall leave the service of the employer, the employer shall strike through the spaces in such schedule against that employee's name for the remaining months in the quarter for which no contribution is due and enter the total of contributions in respect of that employee in the final column of the schedule.

Schedule to be sent to General Manager quarterly

24. In the months of March, June, September, or December, as the case may be, every employer shall complete the schedule for the quarter in which such month falls by adding together the amounts payable in respect of each employee during the quarter to which the schedule refers and shall enter such total in the final column of the form. He shall then add such totals and enter the grand total in the space provided upon the form for so doing.

Forwarding of schedule

25. After compliance with regulation 24, the employer shall then detach the schedule from his duplicate copy form and forward it, together with the remittance statement for the month of March, June, September, or December, as the case may be, and the appropriate remittance, to the General Manager so as to be received by the General Manager during such months of March, June, September, or December as the case may be.

Where employer ceases to be liable to pay contributions

26. If during any quarter an employer shall cease to be liable to pay contributions under section 13 of the Act, he shall forthwith despatch to the General Manager completed schedules and remittance statements together with all remittances due to the Fund.

Interim statements

27. If during any quarter an employee shall become entitled to withdraw the amount standing to his credit in the Fund or on his death any person shall become so entitled, the General Manager may by issue to that employee's employer of the appropriate form, require that

employer to complete an interim statement of contributions setting out the amount of contributions due to that employee up to such date as may be determined and such employer shall complete and return such interim statement within fourteen (14) days of the date of its receipt by him.

Arrears

28. If any employer shall for any reason require to pay arrears in respect of any employee, he shall so inform the General Manager who shall issue to him appropriate forms to accompany such payment of arrears.

No alterations to be made to schedules

29. No amendment shall be made by an employer to any entry on a schedule after the date of payment of the contribution in respect of which the entry was made, but if, after payment of any contribution for any month, the employer discovers that an error has been made he shall inform the General Manager in writing as soon as the error comes to his notice of the amount and nature of the error and the General Manager shall direct how it shall be adjusted.

Documents to be available for inspection

30. Every employer shall retain the duplicate copies of schedules and remittance statements together with the relevant receipts for a period of two years following their date of issue and shall during such period make such forms available on request for inspection by any inspector appointed under section 5(1) of the Act.

Date for payment of surcharge

31. Any sum due to the Fund by way of surcharge under section 16 of the Act shall be paid to the Fund within fourteen (14) days of a demand for such payment signed by the General Manager or other authorised officer of the Fund.

Voluntary excess contributions

32. When any voluntary excess contribution is paid to the Fund by an employer under section 13(3) of the Act, he shall write the letters 'VE' on the right hand side of the final column of the relevant schedule against the entry for the employee in respect of whom the voluntary excess contribution is paid.

Records to be kept by employers

33.-(1) Every employer shall keep a written record of-

- (a) the name of each of his employees,
- (b) the membership number of each of his employees.
- (c) the dates on which the employment commences and terminates,
- (d) the date and amount of each payment of wages to the employee,

(e) the deduction made from such wages by way of the employee's share of any contributions under the Act, and

(f) the contribution paid in respect of each of his employees,

and such record shall be retained for a period of two years after the date of the last entry in the record.

(2) Any employer who fails to comply with paragraph (1) shall be guilty of an offence and shall be liable to a fine of three hundred dollars or to imprisonment for six months or to both such fine and such imprisonment.

Employment by two or more employers

34. Where an employee is employed by two or more employers during the same contribution period each of such employers shall pay to the Fund in respect of such employee the statutory contribution required to be paid by an employer under section 13 of the Act.

PART IV CONTRIBUTIONS MADE OR OMITTED TO BE MADE IN ERROR

Refunds and offsets

35.-(1) When the Board is satisfied that any amount has been paid to the Fund by error in respect of any employee, either wholly or partly in excess of the amount that was due to be paid, the Board may, subject to the provisions of the next succeeding regulation, refund the amount so paid in excess to the person by whom it was made:

Provided that-

(a) if the excess payment was in the opinion of the Board made by error occasioned by negligence on the part of the person by whom it was made, or if the refund of such excess payment is not claimed within two years of the date on which it was made, or if the member in respect of whom it was made has withdrawn it, such excess payment shall not be refunded but shall be deemed to have been properly made as an excess contribution under section 13(3) of the Act for the employee in respect of whom it was made; and

(b) if any amount is due to the Fund from the person to whom refund of the amount paid in excess would otherwise be made, the Board may retain the whole or any part of such payment and set it off against such amount as is due.

(2) If the contribution paid in error includes any deduction made from the wages of an employee the amount so deducted may be repaid to the employee or, with his consent in writing, to his employer.

No refund without Board's consent

36. No refund shall be made and no amount shall be set off under regulation 35 except with the consent of the Board who may require the person by whom the excess payment was made to make a written application for refund and to furnish such information as the Board may require to determine the amount of the excess payment and the circumstances in which it occurred.

Late payments

37. When any contribution or the full amount of the contribution due by or in respect of any person has, by error, not been paid to the Fund during the month during which it should have been paid, the employer shall, as soon as such error comes to his notice, pay the amount due to the Fund accompanied by the appropriate forms.

PART V

DISPOSAL OF AMOUNT UNCLAIMED OR OTHERWISE REMAINING IN THE FUND

Disposal of moneys when no application made under section 30 of Act

38. If within three months of the death of any member of the Fund, any nominee has not made an application under section 30 of the Act, the amount which would have been payable to such nominee shall be paid into the High Court for disposal in accordance with the law for the time being in force.

Unclaimed Deposits Account

39. There shall be an Unclaimed Deposits Account into which shall be paid-

(a) any contribution which cannot be allocated to the account of any member of the Fund because of lack of identification of the member concerned,

(b) any amount authorised to be paid out of the Fund to any person, where such person has not obtained payment within one year after the date of authorisation,

(c) any amount standing to the credit of a member of the Fund in respect of whom no contributions have been received for ten years after he appears from the records to have attained the age of fifty (50) years and in respect of which no notice of withdrawal has been received before the end of that period,

(d) all moneys received by the Fund which cannot be identified as having been paid under section 23 of the Act or which are not affected by paragraph (a).

Payments out of Unclaimed Deposits Account

40. Any amount which has been transferred to the Unclaimed Deposits Account shall be paid to any person who can show that he is legally entitled thereto but no amount which has been so transferred shall be paid to any person unless application for its withdrawal has been made by that person within a period of five years from the time of its transfer to the Unclaimed Deposits Account.

No interest to be added

41. No interest shall be added to any amount in respect of any period during which it is in the Unclaimed Deposits Account.

Unclaimed Deposit Account to form part of Fund

42. The moneys in the Unclaimed Deposits Account shall form part of the Fund and the interest from the investment thereof shall be placed to the general revenues of the Fund.

Transfer to General Reserve Account

43. Any sum which remains unclaimed after the expiration of five years after such sum has been transferred to the Unclaimed Deposits Account shall be carried to the General Reserve Account.

PART VI NOMINATIONS

Persons who may nominate and be nominated

44. Subject to the provisions of these Regulations, a member may nominate any person to receive any sum due to him on his death. Such nominations may be in favour of one person or of not more than four persons who shall be clearly designated in the appropriate form and where there is more than one nominee the nominator may in such form direct that the nominees shall take the amount the subject of the nominations in specific shares of not less than one-eighth of the amount standing to the member's credit on his death:

Provided that in the absence of any such directions, or if such directions purport to dispose of more or less than the amount standing to the credit of the member at the date of his death, the Board shall pay the amount nominated to the nominated persons in equal shares.

Invalid nominations

45. The Board may in its discretion refuse to accept any nomination where it has reason to believe that such nomination has been made under undue influence, or is in favour of the nominator's employer if such employer is not a relative, or if the effect of the nomination is to pledge as security the amount, or any part of the amount standing to the member's credit, and any such nomination shall be null and void.

Nomination to be in writing

46. Every nomination shall be made in writing on the appropriate form and shall be signed by the nominator in the presence of a witness and the signature of the nominator shall be attested by such witness.

Attestor not to benefit

47. Any person who attests the signature of a nominator to a nomination shall not be entitled to any benefit thereunder.

Nomination to be sent during lifetime of member

48. A nomination shall be of no effect unless the appropriate form duly completed is received during the lifetime of the nominator by the General Manager of the Fund.

Revocation of nomination

49.-(1) A nomination shall be revoked:-

(a) by the death of the nominee or where there is more than one nominee by the death of all the nominees in the lifetime of the nominator;

(b) so far as relates to the interest thereunder of any nominee being one of two or more nominees by the death of that nominee in the lifetime of the nominator unless the interest of the nominee is disposed of by the nomination;

Provided that in the event of any such revocation the amount which would have been payable to such deceased nominee shall be paid to the surviving nominees in equal shares.

(c) by a subsequent nomination duly made in accordance with the provisions of these Regulations by the same nominator;

(d) by the marriage of the nominator as provided in section 32 of the Act.

(2) A nomination shall not be revoked by any will or by any other act, event, or means whatsoever.

Death of nominee

50. Where a nominee dies after the death of the nominator, but before any sum has been paid to him as a nominee, these Regulations shall apply to the nominee and the sum payable to him as if at the date of his death the deceased nominee were a member of the Fund and the sum due to him in that respect.

*51.-Deleted.

* Deleted as provisions thereof have had effect.

PART VII WITHDRAWALS

Applications

52.-(1) An application for the withdrawal of any amount standing to a member's credit in the Fund shall subject to the discretion of the General Manager-

(a) be made in writing on an appropriate form obtainable from the General Manager,

(b) include the particulars required by such form to be supplied,

(c) comply with any formalities or directions specified in such form, and

(d) be lodged after due completion, with the General Manager at the office of the Fund.

(2) Every applicant shall:

(a) produce to the General Manager on demand the membership certificate of the member in respect of whom the claim is made or such other evidence of identity and of entitlement as the General Manager in his discretion deems necessary to substantiate the claim for benefit, and

(b) attend at such office or place for such purpose as the General Manager may for reasonable cause require.

Age given on registration form to be binding

53. Where the application is made on the ground that the member has attained the age of forty (40) years, or more, the date of birth entered on the member's registration form shall be deemed to be binding upon the member.

Evidence of death

54. Where the application is made on the ground that the member has died, the applicant shall supply proof of the death of the member. Such proof in the absence of a grant of probate or letters of administration shall be a copy of the death certificate:

Provided that the Board may accept as proof of death such other documents as it may in its absolute discretion think fit.

Member not heard of for seven years

55. The Board may accept as conclusive proof of the death of the member a statutory declaration made before a Commissioner for Oaths, that such member has not been heard of for a period of seven (7) years or more by persons who, if the member had been alive, would be likely to have heard of him. A receipt for any payment that may be made under the provisions of these Regulations in reliance on such statement or declaration as aforesaid shall be a valid discharge to the Board for the sum paid notwithstanding that the member may in fact be alive at the time of such payment.

Evidence of incapacity

56. Where the application is made on the ground that the member is physically or mentally incapacitated from ever engaging in any further employment, the member shall forward with the application referred to in regulation 52 a certificate in the appropriate form signed by a registered medical practitioner in support of the facts therein stated for the purposes of the Act.

Medical boards

57. If the Board is not satisfied by any medical evidence produced by the member the General Manager may appoint one or more registered medical practitioners as a Medical Board to examine the applicant and to make a report and may require such applicant to appear before such Medical Board and be examined at such time or place as the Medical Board may appoint.

Evidence of leaving Solomon Islands

58. Where the application is made on the ground that the member is about to leave or has left Solomon Islands with no intention of returning thereto the member shall supply such evidence in support of his application as the General Manager may require.

Evidence of marriage

59. Where the application is made on the ground that the member, being a woman, has married, the member shall forward with the application referred to in regulation 52 a copy of the relevant certificate of marriage or a certified copy of the relevant entry in a District Marriage Register maintained in accordance with the Islanders' Marriage Act:

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Provided that the Board may accept as proof of marriage such other evidence as it may in its absolute discretion think fit.

Statutory declaration

60. The General Manager may require any person who has made an application for withdrawal to make a statutory declaration as to the truth of any statement of fact made by him in his application or in connection therewith.

Death before payment

61. If, having applied for withdrawal, a member dies before having received payment of any amount due to him in respect of such application, such application shall be deemed to be null and void.

PART VIII SPECIAL DEATH BENEFIT

Conditions

62. For the purposes of section 34 of the Act the amount to be added to a deceased entitled member's credit shall be the maximum sum declared by the Board in accordance with section 9 of the Act provided that at the date of his death the following conditions are satisfied:-

- (a) the amount deducted from the member's credit in accordance with section 22(2) of the Act at the date of the last such deduction shall have been not less than five dollars (\$5); and

(b) in the case of an employee, contributions to the Fund shall have been paid in respect of him in each of the contribution quarters in the test period; or

(c) in the case of a voluntary member, a sum of not less than twelve dollars (\$12) shall have been paid by or in respect of him in each of the contribution quarters in the test period.

Rate of benefit

63. In the case of a deceased member who did not at the date of his death satisfy the conditions set out in regulation 62, the amount to be added to his credit at the date of his death shall be calculated in the following manner:-

(a) if the amount deducted from the deceased member's account in accordance with section 22 of the Act at the date of the last such deduction shall have been less than five dollars (\$5) the maximum sum for the purpose of the succeeding paragraphs of this regulation shall be deemed to be such proportion of the maximum sum as the amount deducted as aforesaid shall bear to five dollars (\$5); and

(b) in the case of an employee, such maximum sum shall be abated by twenty-five dollars (\$25) in respect of each contribution quarter in the test period in which no contributions were paid in respect of him at the date of his death; or

(c) in the case of a voluntary member such maximum sum shall be abated by twenty-five dollars (\$25) in respect of each contribution quarter in the test period in which less than twelve dollars (\$12) had been paid by or in respect of him at the date of his death:

Provided that, if the deceased member was, during the test period, both an employee and a voluntary member, paragraph (b) shall apply to any contribution quarter in which he was an employee at any time and paragraph (c) to any contribution quarter in which he was a voluntary member for the whole of that quarter.

PART IX PAYMENTS OUT OF THE FUND

Form of payment

64. Where a withdrawal from the Fund has been authorised in favour of any person, payment may be made in cash or by cheque or by such other means as the General Manager may, in his discretion, determine.

Receipts

65. Where any payment under regulation 64 is made by cheque, a receipt for the amount specified in the cheque shall be given on the reverse thereof by the payee named in the cheque, and such receipt shall be a proper discharge to the Fund for the sum specified therein.

Exercise by appointees of powers of persons incapable

66.-(1) Where the General Manager is satisfied that a person entitled to claim is incapable of acting for himself, the General Manager may appoint in writing some other person, whom the General Manager shall judge proper to receive the sum in the interests of the person to whom it is due, to act on the entitled person's behalf in relation to the Act.

(2) A receipt given by a person appointed under paragraph (1) hereof shall be a good and sufficient discharge to the Fund for any sum paid to such person.

Posting to be equivalent to delivery

67. The posting of a letter by registered post containing a cheque sent in pursuance of these Regulations addressed to any person at the address furnished on the application for withdrawal by that person shall, as regards the liability of the Fund, be equivalent to the delivery of the cheque to the person to whom the letter was addressed:

Provided that where the person satisfies the General Manager that the cheque has been lost or destroyed further payment may be made to the person on receipt by the General Manager of a satisfactory indemnity from that person.

Prisoners

68. The General Manager may in his discretion direct that a payment in respect of any payment due to a person undergoing a sentence of imprisonment or otherwise held in legal custody shall be postponed until the release of that person or shall be made to the Superintendent of Prisons to be applied on behalf of that person.

PART X MEMBERS' STATEMENTS OF ACCOUNT

Statements of account to be sent to employer

69. As soon as possible after the end of each financial year the General Manager shall cause to be dispatched to every employer who has completed a quarterly schedule of contributions for the last quarter of that financial year, statements of account in the appropriate form for each of the employees listed on such schedule as being in his employment in the month of May of such financial year.

Employer to deliver statements to employees

70. The employer receiving statements of account under regulation 69 shall within fourteen days of their receipt either deliver them to the employees to whom they are addressed or if any of these employees are not still in his employment return the undeliverable statements to the General Manager.

Employees who do not receive accounts

71. If a member of the Fund who has not received his statement of account under regulation 70 shall apply to the General Manager for a statement of account, the General Manager shall forward to him within one month of such application a statement of account up to the end of the financial year preceding that in which the application is made:

Provided that if the application is made between the end of the financial year and the date when statements of account are despatched to employers in accordance with the provisions of regulation 69 the General Manager shall send the statement of account to the applicant as soon as possible thereafter.

PART XI OFFENCES AND PENALTIES

Offences by employers

72.-(1) Any employer who-

(a) fails to obtain, complete or forward any registration documents in the time required under these Regulations;

(b) fails to complete or return any quarterly schedule of contributions or monthly contribution remittance statements in the time required under these Regulations;

(c) fails or refuses to make available the duplicate copy of any quarterly schedule of contributions or monthly contribution remittance statements in accordance with these Regulations;

(d) fails to deliver to any of his employees any document in the time he is required so to deliver under these Regulations;

(e) fails by the prescribed date to complete and return any interim statement as required by regulation 27;

shall be guilty of an offence and shall be liable to a fine of three hundred dollars or to imprisonment for six months, or to both such fine and such imprisonment.

(2) Where any person has been convicted of an offence under sub-paragraph (a) or sub-paragraph (b) of paragraph (1) of failing to forward or return any document, schedule or statement, the Court by which he is so convicted may order the production of such document, schedule or statement to the General Manager within such time as the Court may consider reasonable in the circumstances and may further order that in default of such production such person shall be liable to a penalty of ten dollars for each and every day during which such default continues.

Offences by employees

73. Any employee who-

(a) fails to make an impression or signature required by regulation 8;

(b) fails to provide to his employer the information required by regulation 9; or

(c) fails to complete and forward a notice of nomination as required by regulation 11;

shall be guilty of an offence and shall be liable to a fine of forty dollars, or to imprisonment for one month, or to both such fine and such imprisonment.

Appropriate form to remain property of Board

74. Every appropriate form issued to an employer or employee under the provisions of these Regulations shall remain at all times the property of the Board and any person in possession of any such form shall deliver it up on demand to the General Manager of the Fund or any inspector appointed under the provisions of section 5(3) of the Act and any person in possession of an appropriate form who refuses or fails so to deliver it up shall be guilty of an offence and shall be liable to a fine of three hundred dollars or to imprisonment for six months, or to both such fine and such imprisonment.

PART XII MISCELLANEOUS

Duplicate certificates

75.-(1) If the certificate of membership of any employee is lost or destroyed, the employee concerned may apply to the General Manager for the issue to him of a duplicate certificate in place thereof and the General Manager may if he sees fit, issue such duplicate after obtaining such information as may be required and may make a charge of twenty cents therefor. Every duplicate certificate shall before issue have endorsed upon it the word 'duplicate' and the date of issue.

(2) If an employee registers two or more times the General Manager shall cancel whichever of the registrations appear to him to be inappropriate and shall make a charge of twenty cents against the person concerned for each occasion on which he registers except the following occasions-

(a) when a person first becomes liable to register as a member;

(b) when a person whose membership has ceased under the Act again becomes liable to register as a member.

(3) The General Manager may at his discretion dispense with a charge under this regulation in any particular case.

THE SOLOMON ISLANDS NATIONAL PROVIDENT FUND (EXEMPTION) ORDER

LN 84/1976

(Section 50)

[1st October 1976]

1. This Order may be cited as the Solomon Islands National Provident Fund (Exemption) Order.

2. All employees, not being residents of Solomon Islands, upon whom have been conferred or who have been accorded or who are entitled to immunities and privileges under the Diplomatic Privileges and Immunities Act are hereby exempted from all the provisions of the Act.

Cap. 67
