

CAYMAN ISLANDS



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**THE PUBLIC SERVICE PENSIONS (AMENDMENT AND VALIDATION)
LAW, 2000**

(Law 1 of 2000)

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ARRANGEMENT OF SECTIONS

1. Short title.
2. Amendment of section 4 - Definitions.
3. Amendment of section 27 - Non-resident non-Caymanians.
4. Repeal of section 29(2) and substitution - Defined benefit eligibility.
5. Repeal of section 47 and substitution - Defined contribution eligibility.
6. Validation of failure to transfer.
7. Validation of failure to treat as defined contribution participant.
8. Validation of failure to include contracted officers in the Plan.
9. Effect of sections 6, 7 and 8 on proceedings.

CAYMAN ISLANDS

Law 1 of 2000.

I Assent

P.J. SMITH

Governor.

20 June, 2000

**A LAW TO AMEND THE PUBLIC SERVICE PENSIONS LAW, TO
VALIDATE THE FAILURE TO TRANSFER EMPLOYEES OF THE
GOVERNMENT FROM THE DEFINED BENEFIT TO THE DEFINED
CONTRIBUTION PART OF THE PUBLIC SERVICE PENSIONS PLAN,
AND TO VALIDATE FAILURES TO COMPLY WITH REQUIREMENTS
OF THE PUBLIC SERVICE PENSIONS LAW**

ENACTED by the Legislature of the Cayman Islands.

1. This Law may be cited as the Public Service Pensions (Amendment and Validation) Law, 2000. Short title

2. Section 4 of the Public Service Pensions Law, 1999 ("the principal Law") is amended by inserting the following definition- Amendment of section 4
- Definitions

"contracted officer's supplement" means the supplement paid in accordance with General Orders to employees who are employed with the Government under local or overseas contracts;".

3. Section 27 of the principal Law is amended by inserting the following new subsection after subsection (2)- Amendment of section
27 - Non-resident non-
Caymanians

“(3) An employee who is entitled to a contracted officer’s supplement shall not be entitled to coverage of the Plan and the administrator shall exempt such an employee from the coverage of the Plan.”.

Repeal of section 29(2)
and substitution -
Defined benefit
eligibility

4. Section 29 of the principal Law is amended by repealing subsection (2) and substituting the following-

“(2) (a) An employee who was not an active participant under the prior plan on the day prior to the commencement of this Law shall, unless exempted pursuant to section 27(2) or 27(3), and subject to paragraph (b), become an active defined benefit participant on the later of-

(i) the first day of the month next following the date on which the employee attains the age of 18; or

(ii) the date he is first employed in Service.

(b) Notwithstanding paragraph (a), an employee who has not become an active defined benefit participant before 1 January, 2000 or-

(i) who is employed under a contract for a fixed term but is not entitled to a contracted officer’s supplement;

(ii) who is employed under a temporary appointment in accordance with General Orders; or

(iii) who is employed as a Group employee in accordance with General Orders,

shall be ineligible to participate in the defined benefit part of this Plan, and section 47 shall apply.”.

Repeal of section 47 and
substitution - Defined
contribution eligibility

5. The principal Law is amended by repealing section 47 and substituting the following section-

“47. An employee who is not participating in the defined benefit part shall, unless exempted pursuant to section 27(2) or 27(3), become an active defined contribution participant on the later of-

(a) 1 January, 2000;

(b) the first day of the month next following the date on which the employee attains the age of 18; or

(c) the date he is first employed in Service.”.

Validation of failure to
transfer

6. Where on 14 April, 1999 there was a failure to transfer contributions made in accordance with section 10(1) of the Pensions Law (1999 Revision), contrary to the provisions of section 10(8) of that Law, such failure is validated and the contributor concerned shall lawfully remain a defined benefit participant under

the principal Law in all respects as though he had entered into Public Service before 14 April, 1998.

7. Where, after the commencement of the principal Law and before the commencement of this Law-

Validation of failure to treat as defined contribution participant

- (a) there was a failure to make an employee in Service a defined contribution participant, and to deduct and make contributions in accordance with Part III of the principal Law and regulations made thereunder; and
- (b) contributions were made and deducted in respect of the employee referred to in paragraph (a) as though he were a defined benefit participant,

the failure to treat the employee as a defined contribution participant is validated and the employee shall lawfully remain a defined benefit participant under the principal Law.

8. Where, between the commencement of the principal Law and the commencement of this Law, there has been a failure to treat an employee in Service who is entitled to a contracted officer's supplement, as defined in section 27(3) of the principal Law, as a participant contrary to the principal Law, such failure is validated and the employee shall continue in all respects as though he were exempted from the coverage of the Plan from the date of commencement of the principal Law.

Validation of failure to include contracted officers in the Plan

9. Sections 6, 7 and 8 shall have effect for the purposes of any proceedings begun on or after the date of commencement of the principal Law, whether before or after the commencement of this Law, but shall not affect proceedings begun before the date of commencement of the principal Law.

Effect of sections 6, 7 and 8 on proceedings

Passed by the Legislative Assembly the 13th day of April, 2000.

EDNA MOYLE

Deputy Speaker.

GEORGETTE MYRIE

Clerk of the Legislative Assembly.