

**THE BOARD OF TRUSTEES OF NATIONAL PROVIDENT
FUND (ESTABLISHMENT) ACT, 1975**

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FIRST SCHEDULE

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THE UNITED REPUBLIC OF TANZANIA



No. 2 OF 1975

I ASSENT,

Julius K. Nyerere
President

3rd APRIL, 1975

An Act to establish a Board of Trustees to administer the National Provident Fund and to provide for matters connected therewith and incidental thereto

[.....]

ENACTED by the Parliament of the United Republic of Tanzania.

PART I
PRELIMINARY

1. This Act may be cited as the Board of Trustees of National Provident Fund (Establishment) Act, 1975 and shall come into operation on such date as the Minister may, by notice in the *Gazette*, appoint.

Short title
and commen-
cement

2. This Act shall be read as one with the National Provident Fund Act, 1964.

Construction
Cap. 564

3.-(1) In this Act, unless the context otherwise requires-

Interpretation

"the Board" means the Board of Trustees established by section 4;

"the Fund" means the National Provident Fund established by the National Provident Fund Act, 1964;

"Minister" means the Minister for the time being responsible for labour matters;

"the principal Act" means the National Provident Fund Act, 1964;

"trustee ... means a member of the Board and includes the chairman of the Board.

(2) Subject to the provisions of subsection (1) the various expressions used in this Act shall, except where a contrary intention appears, have the same meaning as in the principal Act.

PART II

BOARD OF TRUSTEES OF NATIONAL PROVIDENT FUND

Establish-
ment of Board
of Trustees

4.-(1) There is hereby established a Board of Trustees of the National Provident Fund.

- (2) The Board shall, in its corporate name, be capable of-
- (a) suing and being sued;
 - (b) taking, purchasing or otherwise acquiring, holding, charging and disposing of property, movable or immovable; and
 - (c) entering into contracts and doing and performing all such other things or acts for the proper performance of its functions under this Act which may lawfully be done or performed by a body corporate.

(3) The provisions of the First Schedule to this Act shall have effect as to the composition of the Board, the appointment and termination of the appointment of its members, the proceedings of the Board and such other matters in relation to the Board and its members as are provided for therein.

(4) The President may, by order in the Gazette, amend, vary or replace all or any of the provisions of the First Schedule to this Act.

Functions of
the Board

5. The functions of the Board shall be--

- (a) to manage and administer the Fund in accordance with the Provisions Of the Principal Act and this Act;
- (b) subject to the provisions of the principal Act and this Act, to invest monies available in the Fund;
- (c) to Provide technical assistance and advisory service for the purposes of promoting social security programmes;
- (d) to do all such acts and things and to enter into all such transactions as, in the opinion of the Board, be necessary for the proper and efficient administration of the Fund.

Duties of
the Board

6. It shall be the duty of the Board-

- (a) to manage and administer the Fund in accordance with the highest standards which a person holding any fund in a fiduciary capacity on behalf of another may reasonably be expected to conform to;
- (b) to protect, safeguard and promote the interests of the members of the Fund;
- (c) to do all such acts and things as the Board may reasonably be expected to do-
 - (i) to uphold and support the credit of the Board;
 - (ii) to obtain and justify the confidence of the people of the United Republic in general and of the members of the Fund in particular;
 - (iii) to avert and minimize any loss to the Board;

PART III

ADMINISTRATION AND FINANCIAL PROVISIONS

7.-(1) The President shall appoint a Director, a Senior Deputy Director and a Deputy Director (Finance) of the Fund. Director and
Deputy
Directors

(2) The Director shall be the principal executive officer of the Board.

(3) The Senior Deputy Director shall be the principal Assistant of the Director and shall, in the event of the office of Director being vacant or the Director being unable to act by reason of illness. absence from Tanganyika or other sufficient cause, act in the office of Director.

(4) The Deputy Director (Finance) shall be responsible to the Director in relation to the books of accounts and other financial records of the Board and of the Fund and shall be responsible to the Director as well as the Board for the proper and efficient compliance with the financial provisions of the principal Act and this Act.

8.-(1) The Board shall, with the consent of the Minister, appoint a Principal Public Relations Officer of the Board: Principal
Public
Relations
Officer
Provided that the first Principal Public Relations Officer shall be appointed by the Minister.

(2) The Principal Public Relations Officer shall be responsible to the Director-

(a) for the promotion of good public relations between the Board and the members of the public;

(b) for ensuring that all queries, complaints and applications by or from members of the Fund in relation to matters appertaining to the Fund are attended to with the minimum of delay.

9. The Board may from time to time and subject to such directions as the Minister may give in that behalf, appoint at such salaries and upon such terms and conditions as it may think fit such other officers and employees of the Board as it may deem necessary for the proper and efficient conduct of the business and activities of the Board. Other
officers of
the Board

10. The trustees shall be entitled to receive such remuneration, allowances and other benefits as the Minister may direct. Rumenara-
tion and
allowances
of trustees
Superannua-
tion benefits

11. The Board may-

(a) grant gratuities or other retirement allowances or benefits to the officers and employees of the Board;

(b) establish and contribute to a superannuation fund and a medical benefits fund for the officers and employees of the Board;

(c) require any officer or employee of the Board to contribute to any such superannuation fund or medical benefits fund and fix the amounts and method of payment of such contribution.

12. The Board may, from time to time, appoint and employ upon such terms and conditions as it thinks fit such agents and contractors of the Board as the Board may deem necessary. Agents and
contractors

Power of the
Board to
delegate

13.-(1) Subject to subsection (6), the Board may from time to time, by writing under the seal of the Board delegate, subject to such terms, conditions and restrictions as it may specify, to any committee of the Board or to the Director or any other officer or employee of the Board, all or any of the functions, powers, authorities, or duties conferred upon the Board by or under this Act or the principal Act and where any delegation is so made the delegated function, power, authority or duty may be performed or, as the case may be, exercised by the delegate subject to the terms, conditions and *restrictions specified in the writing.

(2) Any delegation under subsection (1) may be made to the holder of an office under the Board specifying the office but without naming the holder, and in every such case each successive holder of the office in question and each person who occupies or performs the duties of that office may, without any further authority perform or, as the case may be, exercise the delegated function, power, authority or duty in accordance with the delegation made.

(3) The Board may revoke a delegation made by it under this section.

(4) No delegation made under this section shall prevent the Board from itself performing or exercising the function, power, authority or duty delegated.

(5) Any delegation made under this section may be published in the *Gazette*, and upon such publication shall be judicially noticed and shall be presumed to be in force unless the contrary is proved.

(6) The Board shall not have power under this section to delegate-

- (a) its power of delegation; or
- (b) the power to approve the annual budget or any supplementary budget of receipts and expenditure, the annual balance sheet or any statement of account.

Minister
may give
directions
to the
Board

14. The Minister may give to the Board directions of a general or specific character as to the performance by the Board of any of its functions under this Act in relation to any matter appearing to the Minister to affect the national interest, and the Board shall give effect to every such direction.

Financial
resources

15. The funds and resources of the Board shall consist of-

- (a) subject to the provisions of the Act and of the principal Act, any income from investments of the Fund;
- (b) such sums as may be provided by Parliament by way of loan or grant for the purposes of the Board;
- (c) any sums borrowed by the Board in accordance with the provisions of this Act;
- (d) subject to the provisions of the principal Act, any fines and penalties payable under that Act;

- (e) any sums which may in any manner become payable to or vested in the Board under this Act or any other written law.

16.-(1) In this Act "financial year" means any period not exceeding twelve consecutive months designated in that behalf by the Board.

Annual and
supplemen-
tary budget

(2) Not less than two months before the beginning of any financial year (other than the first financial year after the commencement of this Act) the Board shall, at its meeting especially convened for that purpose, pass a detailed budget (in this Act called the annual budget) of the amounts respectively-

- (a) expected to be received; and
- (b) expected to be disbursed,

by the Board during that financial year.

(3) If in any financial year the Board requires to make any disbursement not provided for, or of an amount in excess of the amount provided for, in the annual budget for the year, the Board shall, at a meeting pass a supplementary budget detailing such disbursement.

(4) The annual budget and every supplementary budget shall be in such form and include such details as the Minister may direct.

(5) Forthwith upon passing of any annual budget or any supplementary budget the Board shall submit the same to the Minister for his approval.

(6) The Minister shall, upon receipt of the annual budget or any supplementary budget, approve or disapprove the same or may approve subject to such amendment as he may deem fit.

(7) Where the Minister has approved any annual budget or any supplementary budget, the budget, as amended by him, shall be binding on the Board which, subject to the provisions of subsection (8), shall confine its disbursements within the items and the amounts contained in the applicable estimates as approved by the Minister.

(8) The Board may-

- (a) with the sanction in writing of the Minister, make a disbursement notwithstanding that such disbursement is not provided for in any budget;
- (b) from the amount of expenditure provided for in any budget in respect of an item, transfer a sum not exceeding fifty thousand shillings to any other item contained in such budget;
- (c) adjust expenditure limits to take account of circumstances not reasonably foreseeable at the time the budget was prepared, subject to submitting a supplementary budget to the Minister within two months of such alteration of expenditure limits becoming necessary.

Reserve and
Special
funds

17. The Board may, and shall, if so directed by the Minister, establish and maintain such special funds of the Board as the Board or the Minister may consider necessary or expedient, and shall make into or from any such funds *such* payments as the Board may deem fit or, in the case of a fund established pursuant to a direction by the Minister, as the Minister may direct.

investment

18.-(1) With the prior approval of the Minister, the Board may, from time to time, invest any part of the moneys available in any fund of the Board maintained by it in such manner as, subject to any directions of the Minister, the Board may deem fit.

(2) The Minister for the time being responsible for finance may, after consultation with the Minister, give the Board directions as to the disposal of the Board's surplus funds and the Board shall give effect to every such direction.

Power to
borrow

19.-(1) With the prior approval of the Minister the Board may, from time to time, borrow moneys for the purposes of the Board by way of loan or overdraft, and upon such security and *such* terms and conditions relating to the repayment of the principal and the payment of interest as, subject to any direction by the Minister, the Board deems fit.

(2) A person lending money to the Board shall not be bound to enquire whether the borrowing of that money by the Board has been approved by the Minister.

Accounts
and audit

20.-(1) The Board shall cause to be provided and kept proper books of accounts and records with respect to-

(a) the receipt and expenditure of moneys by and other financial transactions of, the Board;

(b) the assets and liabilities of the Board.

and shall cause to be made out for every financial year a balance sheet and a statement showing details of the income and expenditure of the Board and all its assets and liabilities.

Acts, 1968
No. 1

(2) Not later than six months after the close of every financial year the accounts including the balance sheet of the Board relating to that financial year shall be audited by the Tanzania Audit Corporation established by the Tanzania Audit Corporation Act, 1968.

(3) As soon as the accounts of the Board have been audited and in any case not later than six months after such audit, the Board shall submit to the Minister a copy of the audited statement of accounts together with a copy of the report thereon made by auditors.

(4) As soon as practicable after receipt by him of the copy of the statement together with the copy of the report submitted pursuant to subsection (3), the Minister shall lay a copy of the statement together with a copy of the auditors' report before the National Assembly.

21. The Board shall, within six months after the end of each financial year, make a report to the Minister on the conduct of the Board's business during that financial year, and the Minister shall lay a copy of such report before the National Assembly together with a copy of the statement of accounts required to be laid before the National Assembly by section 20.

Report by
the Board

22. For the avoidance of doubts it is hereby declared that the Fund and the monies in the Reserve Account established pursuant to section 35 of the principal Act shall not constitute or be regarded as funds of the Board but shall, for the purposes of this Act and all other written laws, be deemed to be funds held by the Board in trust for the people and the Government of the United Republic to be administered by the Board in accordance with the provisions of this Act and those of the principal Act:

Fund not to
be fund of
Board

Provided that it shall be lawful for the Board to make payments out of the Fund or the said Reserve Account for any of the purposes for which payments out of the Fund or such Reserve Account are expressly authorized by this Act or the principal Act.

23- The Board shall cause to be kept, maintained and audited the accounts of the Fund and of the Reserve Account established pursuant to section 35 of the principal Act in the same manner and to the same extent as the accounts of the Board are required to be kept, maintained and audited by section 20 of this Act, and the provisions of subsections (2), (3) and (4) of the said section 20 shall apply, *mutatis mutandis*, in relation to the accounts the statements of accounts and auditors' reports in respect of the Fund and the Reserve Account.

Accounts of
the Fund

PART IV

MISCELLANEOUS PROVISIONS

24. Without prejudice to the provisions of section 284A of the Penal Code or of the Specified Officers (Recovery of Debts) Act 1970 or of the Parastatal Employees (Recovery of Debts) Act, 1974 no act or thing done, or omitted to be done, by any trustee or by any officer, servant or agent of the Board shall, if done or omitted *bona fide* in the execution of purported execution of his duties as such trustee, officer, servant or agent. subject any such person to any action, liability or demand whatsoever.

Liability of
members, etc,
Cap. 16
Acts, 1970
No. 7
Acts, 1974
No. 37

25. The Minister may make regulations for carrying into effect the purposes and provisions of this Act.

Regulations

PART V

AMENDMENT OF THE NATIONAL PROVIDENT FUND ACT, 1964

26. The various provisions of the National Provident Fund Act, 1964 specified in the first column of the Second Schedule to this Act are amended in the manner specified opposite thereto in the second column of the said Schedule.

Cap. 564
amended

Transitional
provisions

27.-(1) The transitional provisions contained in the Third Schedule to this Act shall have effect notwithstanding the provisions of this Act or any other written law to the contrary.

(2) If any difficulty should arise in administering the transition from the written laws relating to the National Provident Fund as in force immediately before the commencement of this Act to such laws in force upon the commencement of this Act, the President may, by order in *the Gazette*, made at any time within eighteen months of the commencement of this Act, amend the Third Schedule to this Act.

FIRST SCHEDULE

COMPOSITION AND PROCEEDINGS OF THE BOARD

Construction	1. In this Schedule unless the context otherwise requires- appointing authority" means in relation to the Chairman of the Board, the President and in relation to any other member, the Minister; "member" means a member of the Board and includes the Chairman.
Composition of Board	2.-(1) The Board shall consist of- (a) a Chairman, who shall be appointed by the President; and (b) the person for the time being holding or acting in the office of the Principal Secretary to the Ministry for the time being responsible for labour matters, who shall be an ex-officio member; and (c) the Director of the National Provident Fund who shall also be an ex-officio member; and (d) not less than seven and not more than ten other members appointed by the Minister. (2) The appointments to be made by the Minister shall be made from amongst persons who have had experience of, and shown capacity in, social security, financial matters or administration.
Proceedings not to be invalid by reason of	3. No act or proceeding of the Board shall be invalid by reason only of the number of members not being complete at the time of such act or proceeding or of any defect in the appointment of any member or of the fact that any member was at the time disqualified or disentitled to act as such.
Tenure of appointment	4. Every member of the Board shall continue to hold office until his appointment is revoked by the appointing authority.
Absence from three consecutive meetings	5. Where any member absent himself from three consecutive meetings of the Board without reasonable excuse the Board shall advise the appointing authority of the fact and the appointing authority may terminate the appointment of the member and appoint another member in his place.
Appointment of temporary member	6. Where any member is by reason of illness, infirmity or absence from the United Republic unable to attend any meeting of the Board the appointing authority may appoint a temporary member in his place and such temporary member shall cease to hold office on the resumption of office of the substantive member.
Vice-Chairman	7. The Board shall elect one of its members to be the Vice-Chairman for a term of one year from the date of his election and the person so elected shall be eligible for re-election upon the expiry of his term of office as Vice-Chairman.
Secretary	8. The Director shall also act as the Secretary of the Board.
Meetings	9.-(1) An ordinary meeting of the Board shall be convened by the Chairman and the notice specifying the place, date and time of the meeting shall be sent to each member at his usual place of business or residence not less than fourteen days before the date of such meeting. In case the Chairman is unable to act by reason of illness, absence from Tanganyika, or other sufficient cause, the Vice-Chairman may convene such meeting. (2) The Chairman, or in his absence, the Vice-Chairman, shall be bound to convene a special meeting of the Board upon receipt of a request in writing in that behalf signed by not less than five members of the Board. Not less than fourteen days' notice of such meeting shall be given to all members of the Board in the manner prescribed in sub-paragraph (1).

(3) The Chairman, the Vice-Chairman, or the temporary Chairman elected in accordance with the provisions of paragraph 10 (2) presiding at any meeting of the Board may invite any person who is not a member to participate in the deliberations of the Board, but any such person shall not be entitled to vote.

10.-(1) One-half of the total number of the members in office, or five members, whichever is the lesser number, shall form a quorum for a meeting of the Board. Procedure

(2) In the absence of the Chairman from a meeting of the Board, the Vice-Chairman shall preside. In the absence of both the Chairman and the Vice-Chairman from any meeting, the members present shall elect one of their number to be a temporary Chairman of that meeting.

(3) At any meeting of the Board a decision of the majority of the members present and voting shall be deemed to be a decision of the Board. In the event of an equality of votes the Chairman of the meeting shall have a casting vote in addition to his deliberative vote.

11. Notwithstanding the provisions of paragraph 10 where the Chairman or in his absence, the Vice-Chairman, so directs, a decision may be made by the Board without a meeting by circulation of the relevant papers among all the members and the expression in writing of their views, but any member shall be entitled to require that any such decision shall be deferred until the subject matter shall be considered at a meeting of the Board. Decision by circulation of papers

12. Minutes in proper form of each meeting of the Board shall be kept and shall be confirmed by the Board at the next meeting and signed by the chairman of the meeting. Minutes of meetings

13. The seal of the Board shall not be affixed to any instrument except in the presence of the Director or such other officer of the Board as the Board may appoint in that behalf. The seal of the Board

14. Subject to the provision of this Schedule the Board shall have power to regulate its own proceedings.

SECOND SCHEDULE

AMENDMENTS TO THE NATIONAL PROVIDENT FUND ACT, 1964

FIRST COLUMN	SECOND COLUMN
<i>Section</i>	<i>Amendment</i>
Section 2	(a) Following definitions are deleted: "Advisory Council"; "Investment Committee"
Acts, 1975 No. 5	(b) Following new definitions are added in their appropriate alphabetical positions: "the Board" means the Board of Trustees of the National Provident Fund established by the Board of Trustees of National Provident Fund (Establishment) Act, 1975; "the Director" means the Director of the National Provident Fund appointed under the subsidiary Act; "the subsidiary Act" means the Board of Trustees of National Provident Fund (Establishment) Act, 1975;"
New section 2A added	The principal Act is amended by adding immediately below section 2, the following new section: "Construct- tion Provident Fund Act, 1975 shall be read as one Act."
Section 3 (2)	The word "administration" in the third line is deleted and there is substituted therefor the words "the Board".
Sections 4 and 5	Sections 4 and 5 are repealed and replaced by the following section:

FIRST COLUMN	SECOND COLUMN
<i>Section</i>	<i>Amendment</i>
"Management and administration of the Fund	4. The management and the administration of the Fund shall vest in the Board which shall, subject to the provisions of this Act and the subsidiary Act, be responsible- (a) for the assessment of contributions and payments under this Act and the subsidiary Act and for their collection and payment into the Fund; (b) for the payment out of the Fund of the benefits and claims under this Act and the subsidiary Act; (c) for the investment of surplus funds; and (d) for accounting for all moneys collected, paid or invested under this Act and the subsidiary Act."
Section 6	Section 6 is amended by deleting subsection (1) and substituting therefor the following: "(1) The Board may, from time to time, appoint inspectors for the purposes of this Act."
Section 7	Section 7 of the Act is repealed.
Sections 10,13,14,16 and 17	Each section is amended by deleting the word "Director" wheresoever it occurs therein and substituting therefor, in each case, the word "Board" and by construing all the references to "the Director" as references to "the Board".
Section 19	(a) Subsection (1) is amended by adding immediately after the words "as such" in the third line, the words "by the Board"; (b) Subsection (2) is amended in the provision by deleting the words "the occurs" and substituting the or the words "the Board".
Sections 22 , 23, 24, 25, 26 and 28	Each section is amended by deleting the word "Director" wheresoever it occurs therein and substituting therefor, in each case, the word "Board" and by construing all the references to "the Director" as references to "the Board".
Section 29 repealed and replaced	Section 29 of the principal Act is repealed and replaced by the following section:
'Withdrawal benefit	29.-(1) A withdrawal benefit to the extent prescribed in the Fourth Schedule to this Act shall be payable to a member of the Fund- (a) who prove to the satisfaction of the Board that he is emigrating or has emigrated from and has no present intention of returning to the United Republic except where the country to which he is emigrating is one with which a reciprocal agreement has been entered into pursuant to section 50 of this Act; or (b) who proves to the satisfaction of the Board that he has not been employed by an employer liable to make a statutory contribution in respect of himself for at least six months immediately preceding the application and has reached the age of fifty-five years; or (c) in respect of whom the Minister has, by a writing under his hand, certified that such person has retired from employment for the purpose of permanently residing in a village in Tanganyika

(2) Where a member of the Fund who has not reached the age of fifty-five years proves to the satisfaction of the Board that he has not, for at least six months, been employed by an employer liable to make a statutory contribution in respect of such member, the Board may pay to the member one-third of the withdrawal benefit prescribed in the Fourth Schedule to this Act and may pay to such member the remainder of such benefit at any time after twelve months from the date when the payment of the one-third of the benefit was made if the Board is satisfied that the member has not at any time since the said payment of the one-third of the benefit, been employed by an employer liable to make a statutory contribution in respect of him:

Provided that in the case of any member of the Fund who qualifies under this subsection for payment of one-third of the withdrawal benefit specified in the Fourth Schedule to this Act, the Board may, if it is satisfied that-

(a) liability for statutory contribution in respect of such member is unlikely to occur in the future; and

(b) having regard to all the circumstances it is just and reasonable so to do,

treat such member for the purposes of this section as if he has reached the age of fifty-five years."

Section 30 The words "the Director may in his discretion approve" which occur in the third and fourth lines are deleted and there are substituted therefor the words "the Board may in its discretion approve"

Sections 31, 32, 33, 34 35, 36 and 37 are repealed and replaced by the following sections:

"Fund to vest in Board

31.(1) An account styled "the National Provident Fund account" shall be kept with such bank or banks as the Minister for the time being responsible for finance shall from time to time approve and, subject to the provisions of section 35, all moneys payable into the Fund together with the income from investments of the Fund and other moneys required to be paid into the Fund shall be deposited in the National Provident Fund account.

(2) The Fund shall vest in the Board which shall hold the same as trustees and shall manage, administer and operate the Fund in accordance with the provisions of this Act and the subsidiary Act and may make such payments therefrom as are authorized by this Act and the subsidiary Act.

(3) Subject to any direction given in that behalf by the Minister, it shall be lawful for the Board, at the close of any financial year, to transfer to itself or to any of its funds, from the National Provident Fund account, an amount not exceeding one-half of the income from the investments of the Fund which accrued in that financial year and the amount so transferred shall be, and be available as, income of the Board in the financial year in which such transfer is effected.

Investment of moneys in the Fund

32. The Board shall invest moneys in the Fund in such investments as the Minister and the Minister for the time being responsible for finance may direct and all income from investments of the Fund shall vest in and be held by the Board subject to the provisions of this Act and the subsidiary Act.

Utilization of the Fund for acquisition assets

33. The Board may, with the consent in writing of the Minister and the Minister for the time being responsible for finance, utilize moneys in the Fund for the acquisition of land, or acquisition or construc-

	tion of buildings and acquisition of equipment and other assets required for the administration of the Board and the efficient performance by it of its functions,
Board's liability to members of the Fund guaranteed	34. To the extent that the Board is, by reason of insufficiency of funds at its disposal, unable to meet its liability to any member of the Fund for any benefit to which such member is entitled under this Act, or for any portion of any such benefit, the entitlement of such member to such benefit or such portion of benefit shall constitute a charge on and be paid out of the Consolidated Fund.
Reserve Account	35.-(1) The Board shall maintain a reserve account of the National Provident Fund into which shall be paid- (a) all fines and penalties under this Act; (b) such portion of the income from investments made under section 32 as the Minister for the time being responsible for finance may direct (c) any other moneys authorized to be paid into the Reserve Account by any provision of this Act or of the subsidiary Act or by any direction of the Minister. (2) Income from the investment of moneys in the Reserve Account shall be dealt with as general income of the Board. (3) if the net rate of interest added to the accounts of members of the Fund in respect of a financial year is not less than two and a half per centum, there may be paid into the Reserve Account on the written consent of the Minister for the time being responsible for finance, any part of the general income of the Fund for that year not allocated to individual accounts. (4) Moneys in the Reserve Account shall not be appropriate for any purpose whatsoever save with the consent in writing of the Minister and the Minister for the time being responsible for finance.
Interest on accounts	36.-(1) Subject to the provisions of this section, the Minister may, with the concurrence of the Minister for the time being responsible for finance and after consultation with the Board, from time to time fix the rate of interest to be allowed on accounts of members of the Fund after the end of each financial year on the balances standing to the credit of those members at the beginning of that year. (2) In determining the rate of interest, the Ministers shall have regard to the net income of the Fund for the said financial year and the rate shall be fixed so that the amount of interest allocated shall not exceed the net income of the Fund for the financial year.
Refund of excess contributions	37. Any moneys paid to the Fund in excess of the amount for which an employer is liable in respect of an employer or in excess of the maximum statutory contribution payable for a contribution period may be refunded to the employer or the employee or both, as the case may be, in such manner as the Board may determine.
Section 38	(a) Subsection (1) is amended- (i) in paragraph (d), by deleting the word "Fund" which occurs in the first line and substituting therefor the word "Board" (ii) in paragraph (e) by deleting the word "Fund" which occurs in the first line and substituting thereof the word "Board"

- (b) Subsection (2) is amended by deleting the word "Fund" which occurs a the third line and substituting therefor the word "Board".
- Section 40 The words "by any inspector or officer of the Fund on behalf of the Director or by any other person approved by the Minister" which occur in the second, third and fourth lines are deleted and there are substituted therefor the words "by the Director an inspector or other officer of the Board appointed by the Board in that behalf".
- Section 41 Section 41 is repealed.
- Section 44 The words "by the Director or as the case may be, by the deputy to the Director" are deleted and there are substituted therefor "by the Director, the Senior Deputy Director or the Deputy Director (Finance) or any other officer of the Board nominated by the Board m that behalf by a writing under the seal of the Board,"
- Section 45 The word "Director" which occurs in the second line is deleted and there is substituted therefor the word "Board".
- Section 46 Section 46 is amended by deleting the word "Director" where-soever it occurs therein and substituting therefor, in each case, the word "Board" and by construing all the references to "the Director" as references to "the Board".
- Section 49 Section 49 is repealed.

THIRD SCHEDULE

TRANSITIONAL PROVISION

1. In this Schedule "effective date" means the date upon which this Act comes into operation.

2. All sums which, immediately before the effective date--

(a) stand to the credit of the Fund;

(b) stand to the credit of the Reserve Account,

shall, with effect from the effective date, by virtue of this Act and without further assurance, vest in the Board and shall be dealt with in accordance with the provisions of the principal Act as amended by this Act.

3. All sums which, immediately before the effective date, stand to the credit of the general income of the Fund shall, with effect from the effective date, by virtue of this Act and without further assurance, vest in the Board and be dealt with as income of the Board.

4. All the investments held by the Treasury Registrar pursuant to the provisions of section 34 of the principal Act as in force immediately before the effective date, (including income of such investments) shall, with effect from the effective date by virtue of this Act and without further assurance, vest in the Board and shall be dealt with in accordance with the provisions of the principal Act as in force on the effective date.

5. All assets acquired by Government under section 33 of the Act as in force before the effective date shall, with effect from the effective date, by virtue of this Act and without further assurance, vest in the Board,

6.-(1) All liabilities of the Government in relation to the National Provident Fund (including liabilities to the members of the Fund in respect of benefits) subsisting immediately before the effective date shall, with effect from the effective date, by virtue of this Act and without further assurance vest in the Board and the Government shall be discharged from its obligations in respect of such liabilities.

(2) The provisions of sub-paragraph (1) shall apply *mutatis mutandis* in relation to liabilities of the Government which would have arisen under the Act in respect of any deposit or contribution made before the effective date had the principal Act not been amended by this Act.

7. where immediately before the effective date any person is liable to pay any sum of money to the Fund or to the Director or the Government in relation to any liability arising from the principal Act as in force before the effective date such person shall make such payment to the Board as if the liability to make such payment had arisen under the principal Act as in force after the effective date.

8. Where on the effective date any legal proceedings for any offence under the principal Act or for the recovery of any sum of money due under the principal Act is pending before any court, such proceedings may be continued and conducted as if this Act had not been enacted:

Provided that-

- (a) nothing in this paragraph shall preclude the court from substituting the Board for the Director or the Government as a party to any suit for the recovery of money and proceeding to determine the suit under the provisions of the principal Act as in force after the effective date;
- (b) any order or decree for payment of a sum of money by or to the Director or Government made in any suit in relation to which the court has not acted under paragraph (a) may be enforced against or by the Board as if the Board had been substituted for the Director or the Government as a party to such suit.

Passed in the National Assembly on the twentieth day of March, 1975.



Clerk of the National Assembly