



3. In respect of the Government's voluntary contributions, the MPFSO permits employers to set up rules of their own to govern the accrued benefits attributable to their voluntary contributions. In this connection, the terms and conditions of the CSPF Scheme governing the Government's voluntary contributions are drawn up on the basis of the following major design principles -

- (a) the normal retirement ages should be 60 for all civilian staff, 55 for disciplined services staff in general and 57 for certain prescribed disciplined ranks;
- (b) the Government's contributions, including mandatory and voluntary contributions, will follow a progressive contribution rates schedule starting from 5% and increasing up to 25% of the basic salary;
- (c) in addition to (b) above, disciplined services officers will be provided with a Special Disciplined Services Contribution (SDSC) at 2.5% of the basic salary;
- (d) Government's overall financial commitment of the CSPF, based on the contributions in (b) and (c) above, will be kept within 18% of the salary cost;
- (e) the Government's contribution rate in respect of an officer upon his joining the CSPF will be the rate corresponding to his years of continuous service from first civil service appointment either on probation or on agreement. Where the officer is directly appointed to a promotion post/rank on agreement and subsequently progresses to permanent terms, the Government's contribution for him will start at the rate on the progressive contribution rates schedule corresponding to the years of experience required for the promotion post/rank plus his years of continuous service on civil service terms;
- (f) the Government's voluntary contribution (GVC) (excluding the SDSC) will be fully vested in an officer on completion of ten continuous years of service since first appointment or on reaching the normal retirement age, whichever is the earlier, with no vesting in the interim;
- (g) the SDSC will be fully vested in an officer on reaching prescribed retirement age, with no vesting in the interim;
- (h) both the GVC and SDSC will be fully vested in an officer on death or retirement on permanent incapacity; and

- (i) notwithstanding the vesting provisions as listed above, there will be provisions to enable the forfeiture, reduction or recovery of benefits attributable to the GVC and the SDSC on disciplinary grounds, and withholding of such benefits in case of doubt.

----- Details of the contributions, vesting and payment arrangements are set out in the 'Terms and Conditions of the CSPF Scheme' at **Annex A**.

### **First enrolment to the CSPF Scheme**

4. The Government will appoint master trust scheme(s) (MTSs) registered with the Mandatory Provident Fund Schemes Authority for operation of the CSPF Scheme. Initially, the Government has appointed three MTSs for a period of three years starting from June 2003.

5. When an officer appointed under the new entry terms progresses onto permanent terms of employment, he would become eligible for CSPF membership and should choose to join one of the MTSs appointed by the Government. His bureau/department will make arrangement for him to register with his chosen MTS. If he fails to indicate his choice of MTS within the period specified, he will be assigned to any one of the appointed MTSs. Each appointed MTS will comprise at least four constituent funds representing different levels of the risk of investment. The officer may decide on his own investment options or make changes to such options according to the arrangements stipulated in individual MTS.

6. Details of the services provided by the three appointed MTSs and the enrolment procedures will be announced separately.

### **Payment of Accrued Benefits**

7. When an officer leaves the civil service, his bureau/department will inform the Trustee of the MTS joined by the officer under the CSPF Scheme of his termination of service.

8. The payment of the accrued benefits arising from mandatory contributions made by the Government and the officer will be made in accordance with the provisions of the MPFSO. The payment of the accrued benefits arising from the officer's own voluntary contributions will follow the provisions of the Master Trust Deed of the MTS joined by him.

9. As for the payment of accrued benefits arising from GVC/SDSC, the bureau/department will verify the officer's service records and inform the Trustee whether payment could be made. In particular, the bureau/department has to check whether the officer meets the vesting criteria as stipulated in the 'Terms and Conditions of the CSPF Scheme' and to confirm that there are no disciplinary reasons to withhold, forfeit or reduce the accrued benefits attributable to GVC/SDSC before approving its payment.

10. Procedures on approving the payment of the accrued benefits arising from GVC/SDSC are at **Annex B**.

### **FUNDING FOR MAKING CSPF CONTRIBUTIONS**

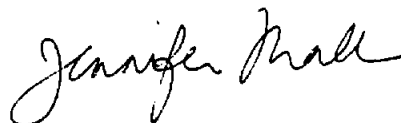
11. Expenditure arising from making CSPF contributions for eligible officers will be met from the operating expenditure of the respective bureaux/departments, except for those officers already covered by the special funding arrangements as announced in FSTBCM No. 14/2002. Bureaux/departments should include sufficient funding in the draft Estimates for making CSPF contributions.

### **IMPLEMENTATION**

12. Training sessions will be organized for bureau/departmental officers dealing with the CSPF Scheme. Briefing sessions will also be arranged for officers who will be eligible to join the CSPF Scheme in the coming months. Details of these sessions will be announced separately.

### **ENQUIRIES**

13. Enquiries on this circular should be directed to Departmental Secretaries in the first instance who, if in doubt, may contact the Appointments (Special Duties) Section of this Bureau.



(Miss Jennifer Mak)  
for Secretary for the Civil Service

Internal  
DGG  
P(AS)  
PEO(M)

**Terms and Conditions of  
the Civil Service Provident Fund Scheme**

Civil Service Bureau  
June 2003

# CONTENTS

	<b>Page</b>
<b>1. MEMBERSHIP .....</b>	<b>1</b>
<b>2. RETIREMENT AGE UNDER THE SCHEME.....</b>	<b>1</b>
<b>3. CONTRIBUTIONS</b>	
3.1 Government's contributions.....	2
3.2 Members' contributions .....	5
3.3 Arrangements when a member is on no-pay leave, interdiction or on secondment.....	5
3.4 Qualifying dates for the next higher rate of Government's voluntary contributions .....	6
<b>4. VESTING AND PAYMENT OF BENEFITS</b>	
4.1 Mandatory contributions by Government and members .....	7
4.2 Voluntary contributions by members .....	7
4.3 Voluntary contributions by Government.....	7
4.4 Special Disciplined Services Contribution by Government .....	9
<b>5. WITHHOLDING, FORFEITURE AND RECOVERY OF ACCRUED BENEFITS ATTRIBUTABLE TO THE GVC AND SDSC ON DISCIPLINARY GROUNDS.....</b>	<b>10</b>
<b>6. MISCELLANEOUS</b>	
6.1 Provision of MTS services.....	11
6.2 Provision of information concerning CSPF accounts.....	12
6.3 Protective trust arrangements in case of bankruptcy of a member.....	12
6.4 Payment of benefits on death of a member.....	13
6.5 Assignment of CSPF benefits .....	13

6.6 Expenses.....	14
6.7 Authority on CSPF arrangements.....	14
6.8 Status of this document.....	14

Appendix I – Retirement age for disciplined services officers

Appendix II – List of disciplined services ranks and grades

## 1. MEMBERSHIP

- 1.1 The Civil Service Provident Fund (CSPF) Scheme is the retirement benefits system for officers appointed to the civil service on or after **1 June 2000** under the new civil service entry terms and when they are subsequently offered **permanent terms** of appointment. Such an appointment is defined as the **principal employment** under the CSPF Scheme. For example, in the case of an officer who is appointed as an Engineer on terms under which he is eligible to be a member of the CSPF Scheme and who also serves as a member of the Civil Aid Service outside normal office hours, only the officer's appointment as an Engineer would be regarded as his principal employment for the purpose of the CSPF Scheme. In case of doubt, the Government has the final authority to decide which is an officer's principal employment.
- 1.2 The effective date on which an officer becomes eligible for joining the CSPF Scheme is the date when the officer is appointed on terms which attract retirement benefits under the CSPF Scheme (i.e. permanent terms of appointment under the new civil service entry system).
- 1.3 Membership to the CSPF Scheme will cease when an officer's principal employment ceases.
- 1.4 For an officer who is re-appointed to the civil service after a break in service, there is a break in the CSPF membership before the officer becomes eligible for the CSPF Scheme again. The officer will be treated as a new member upon re-enrolment to the CSPF Scheme and all related arrangements (e.g. the Government's contribution rate, vesting arrangements) will be counted afresh. In other words, a member's past service before the break will not be counted for any purpose under the CSPF Scheme unless with the exceptional approval of the Government.

## 2. RETIREMENT AGE UNDER THE SCHEME

- 2.1 Unless with the exceptional approval of the Government, the retirement age of a CSPF member who is not a disciplined services officer is 60.
- 2.2 Unless with the exceptional approval of the Government, the retirement age of a CSPF member who is a disciplined services officer is set out at **Appendix I**.



### 3. CONTRIBUTIONS

#### 3.1 Government's Contributions

The Government will make contributions for a member in the following manner up to the day before the effective date of cessation of his principal employment with the Government—

##### (a) Mandatory Contributions

3.1.1 The Government will make the employer's mandatory contributions in accordance with the provisions of the Mandatory Provident Fund Schemes Ordinance (Cap 485) (MPFSO). The amount of contribution will be based on the member's total monthly **relevant income**<sup>1</sup> derived from the principal employment. Currently, the rate for the employer's mandatory contributions prescribed in the prevailing provisions of the MPFSO is 5% of the employee's relevant income, subject to a maximum level of relevant income of \$20,000 per month.

##### (b) Voluntary Contributions

3.1.2 The Government will make voluntary contributions for a member, the amount of which in any contribution period when added to the mandatory contributions for the same period is equal to a specified percentage of the **basic salary** according to the progressive contribution rates schedule listed below. In this connection, basic salary under the CSPF Scheme means the monthly salary drawn by a CSPF member due to the substantive rank of his principal employment. For the avoidance of doubt, any form of allowances or fringe benefits (e.g. acting allowance, overtime allowance, encashment of leave upon termination of service) or income from other employment with the Government is not counted as basic salary.

---

<sup>1</sup> Under the MPFSO, relevant income means any wages, salary, leave pay, fee, commission, bonus, gratuity, perquisite or allowance (other than a housing allowance or other housing benefits), expressed in monetary terms, paid or payable by the employer to a relevant employee in consideration of his employment with the employer, but does not include severance payments or long service payments paid or payable under the Employment Ordinance.

<b>Completed years of continuous service on civil service terms (in Years)</b>	<b>Contribution Rate</b>
below 3	5%
3 – below 15	15%
15 – below 20	17%
20 – below 25	20%
25 – below 30	22%
30 or above	25%

The contribution amount derived from applying the Contribution Rate includes the Government's mandatory contributions but excludes the Special Disciplined Services Contribution.

- 3.1.3 When an officer is offered permanent terms of appointment and joins the CSPF Scheme, his continuous period of service without a break since first appointment on civil service terms will be recognised for the purpose of determining the contribution rate applicable to the officer.
- 3.1.4 If considered necessary and appropriate, the Government may offer an officer a contribution rate which is above the rate corresponding to the years of continuous service since the officer's first appointment on civil service terms. In the case of direct appointment of a person from outside the civil service to a rank which is higher than the basic recruitment rank of a particular grade, the contribution rate applicable to that officer (when he is offered appointment on permanent terms and becomes eligible for the CSPF Scheme) will be the rate corresponding to the aggregate of –
- (a) the years of continuous service since his first appointment to that higher rank on civil service terms; and
  - (b) the years of experience specifically required for that higher rank minus the years of experience required for the basic recruitment rank of the grade concerned.

- 3.1.5 Under all circumstances, including any exceptional cases which may not be covered by the above provisions, the Government will inform the Scheme Trustee in writing the appropriate rate of Government's voluntary contributions applicable to the new CSPF member upon his joining the CSPF Scheme.
- 3.1.6 If the effective date on which an officer becomes eligible for joining the CSPF Scheme does not fall on the 1<sup>st</sup> day of a month, the Government's voluntary contributions for that month calculated in accordance with para. 3.1.2 above would be prorated according to the number of calendar days that the officer has become eligible for joining the Scheme.

(c) **Special Disciplined Services Contribution**

- 3.1.7 For a member who is a disciplined services officer (i.e. an officer whose principal employment is in a disciplined services rank/grade detailed at Appendix II and who is actually performing the duties pertaining to such position), the Government will, in addition, make a Special Disciplined Services Contribution (SDSC) at 2.5 % of his basic salary.
- 3.1.8 If the effective date on which an officer becomes eligible for joining the CSPF Scheme does not fall on the 1<sup>st</sup> day of a month, the SDSC for that month calculated in accordance with para. 3.1.7 above will be prorated according to the number of calendar days that the officer has become eligible for joining the Scheme.
- 3.1.9 Making of SDSC by the Government will cease when a member ceases to be a disciplined services officer before the prescribed retirement age set out in Appendix I (e.g. if he switches to a civilian grade mid career).
- 3.1.10 When a disciplined services officer first joins the CSPF Scheme upon satisfactory completion of his probationary period and is offered appointment on permanent terms, the Government will make a lump sum SDSC for him. The amount of this lump sum SDSC will equal to 2.5% of the total basic salary earned by the officer during the probationary period for his most recent appointment as a disciplined services officer.

## **3.2 Members' Contributions**

- 3.2.1 A member is required to make the employee's mandatory contributions in accordance with the provisions of the MPFSO. Currently, the rate for the employee's mandatory contributions prescribed in the prevailing provisions of the MPFSO is 5% of the employee's relevant income, subject to minimum and maximum levels of relevant income of \$5,000 and \$20,000 per month respectively. A member is not required to make mandatory contributions if his monthly relevant income is less than the minimum level.
- 3.2.2 A member may, at his discretion, make voluntary contributions to the CSPF Scheme. The making of such voluntary contributions, and the withdrawal by a member of the voluntary contributions and the benefits so accrued shall be subject to the general provisions of the Master Trust Deed of the Master Trust Scheme<sup>2</sup> (MTS) in which the member participates under the CSPF Scheme.

## **3.3 Arrangements when a member is on no-pay leave, interdiction or on secondment**

- 3.3.1 For a member who is on no-pay leave, or who is interdicted with his basic salary withheld (either wholly or in part), or under any other circumstances when he is not receiving the full amount of his basic salary, the amount of relevant income actually earned by the member during that specific month shall be used as the basis for calculating the amount of mandatory contributions. Similarly, the amount of basic salary actually earned by the member during that specific month shall be used as the basis for calculating the amount of voluntary contributions (and the SDSC if applicable) to be made by the Government.
- 3.3.2 If the interdicted member is subsequently reinstated to duty and is granted a portion or the full amount of the basic salary (and other relevant income as appropriate) withheld, the Government will, based on the amount actually granted (including the total amount of back-paid basic salary), calculate and make mandatory and voluntary contributions (and the SDSC if applicable) for the member.

---

<sup>2</sup> A Master Trust Scheme (MTS) is a scheme set up by an MPF scheme trustee approved by the MPF Schemes Authority. Membership of the MTS is open to employees of any employers and self-employed persons. The Government will acquire services from MTSs in the market for provision of CSPF services.

3.3.3 Unless decided otherwise by the Government, the period during which a CSPF member is on no-pay leave or is interdicted with full amount of his basic salary withheld will not count as qualifying service for vesting purposes, nor for determining a member's eligibility for the next higher rate of Government's voluntary contributions. A member's qualifying date for the next higher rate of Government's voluntary contributions under the CSPF Scheme will be adjusted by the period of no-pay leave taken by the member or the period where interdiction with full amount of his basic salary withheld (see also para 3.4.1, 3.4.3 and 4.3.2).

3.3.4 Unless decided otherwise by the Government, the period of service of a CSPF member who is temporarily seconded from his substantive office for a fixed term to another office within or outside the Government where the terms of secondment provide for other forms of retirement benefits or end-of-agreement gratuity, shall not count for any purpose under the CSPF Scheme.

#### **3.4 Qualifying Date for the Next Higher Rate of Government's Voluntary Contributions**

3.4.1 For the purpose of determining a member's eligibility for the next higher rate of Government's voluntary contributions, his continuous period of service without a break since first appointment on civil service terms will be recognized. The calculation of the years of continuous service shall not include any period of no-pay leave or interdiction with full amount of basic salary withheld, unless decided otherwise by the Government. Whether a period of secondment will be included will follow the principle as set out in para. 3.3.4 above.

3.4.2 If the effective date of a member's eligibility for the next higher rate of Government's voluntary contributions falls on or between the 1<sup>st</sup> and the 15<sup>th</sup> day of the month, the qualifying date for the next higher rate is taken to be the first day of that month. If the effective date falls on or between the 16<sup>th</sup> day and the end of the month, the qualifying date is taken to be the first day of the following month.

3.4.3 Adjustments to a member's qualifying date as a result of unpaid leave taken by the member, or due to any other reasons, is limited to full calendar months. Portions of a month of less than 16 days will be disregarded while portions of 16 days or more will be counted as a whole month.

## **4. VESTING AND PAYMENT OF BENEFITS**

### **4.1 Mandatory Contributions by Government and Members**

4.1.1 The mandatory contributions made by the Government and a member will be fully and immediately vested with the member concerned as provided under the MPFSO. In accordance with the prevailing provisions of the MPFSO, accrued benefits derived from the mandatory contributions will be **preserved** and payable when any of the following prescribed circumstances for withdrawal is satisfied -

- (a) reaching age 65;
- (b) death;
- (c) total incapacity;
- (d) permanent departure from Hong Kong;
- (e) early retirement between age 60 and 64 (permanent cessation of employment); or
- (f) a member's accrued benefits under the MPF scheme do not exceed \$5,000; no mandatory contributions were made or should have been made in the past 12 months; he does not have accrued benefits kept in any other registered scheme; and he does not intend to become employed or self-employed in the foreseeable future.

### **4.2 Voluntary Contributions by Members**

4.2.1 A member's voluntary contributions will be fully and immediately vested with the member concerned. Payment arrangements will follow the provisions of the Master Trust Deed of the MTS joined by the member. A member can withdraw the accrued benefits attributable to his own voluntary contributions according to the provisions set out in the MTS in which he participates.

### **4.3 Voluntary Contributions by Government**

4.3.1 Subject to section 5 below and confirmation by the Government to the MTS Trustee that payment could be made, accrued benefits attributable to the voluntary contributions made by the Government (excluding the SDSC) will be fully vested and payable if the member satisfies one of the following conditions –

- (a) upon his retirement from the civil service on or after reaching the normal retirement age of 60 (irrespective of the length of service). In the case of disciplined services officers, retirement from the civil service on or after reaching the prescribed retirement ages as set out in Appendix I;
- (b) upon his death while a member (irrespective of the length of service);
- (c) upon his retirement due to permanent incapacity (irrespective of the length of service) with medical evidence provided to the satisfaction of the Government that he is incapable by reason of any infirmity of mind or body of discharging the duties of his office and that such infirmity is likely to be permanent; or
- (d) upon his leaving the civil service after completing at least ten years of continuous employment by the Government on civil service terms since first appointment on civil service terms. There will be no vesting in the interim.

4.3.2 In respect of 4.3.1(d) above, the years of continuous service without a break since first appointment on civil service terms will be recognized for the purpose of the vesting arrangements. The calculation of the years of continuous service shall not include any period of no-pay leave or interdiction with full amount of basic salary withheld, unless decided otherwise by the Government. Whether a period of secondment will be included for the purpose of the vesting arrangements will follow the principle as set out in para. 3.3.4 above.

4.3.3 Notwithstanding the conditions set out in para. 4.3.1 above, the Government may direct the MTS Trustee to pay to a member wholly or in part benefits accrued under the CSPF Scheme which are attributable to the Government's voluntary contributions (GVC) under circumstances as considered necessary and appropriate to do so.

4.3.4 Where a member ceases to be a CSPF member and is not entitled to receive all or part of the accrued benefits attributable to the GVC (e.g. on ceasing service with less than 10 years' continuous service), such accrued benefits will be credited to the Government's account within the CSPF Scheme.

#### **4.4 Special Disciplined Services Contribution (SDSC) by Government**

4.4.1 Subject to section 5 below and confirmation by the Government to the MTS Trustee that payment may be made, accrued benefits attributable to the SDSC made by the Government, including the lump sum contribution referred to in para. 3.1.10 above, will be fully vested and payable if the member is a disciplined services officer immediately before retirement/leaving the civil service and satisfies one of the following conditions –

- (a) upon his retirement from the civil service on or after reaching the prescribed retirement age as set out at Appendix I (irrespective of the length of service);
- (b) upon his death while a member (irrespective of the length of service); or
- (c) upon his retirement on permanent incapacity (irrespective of the length of service) with medical evidence provided to the satisfaction of the Government that he is incapable by reason of any infirmity of mind or body of discharging the duties of his office and that such infirmity is likely to be permanent.

If a disciplined services officer leaves the civil service in any circumstance other than as set out above, he will not be entitled to any benefits attributable to the SDSC made by the Government.

4.4.2 Where a disciplined services officer ceases to be a disciplined services officer before the prescribed retirement age set out in Appendix I (e.g. if he switches to the civilian grade mid career) and hence not eligible for payment of benefits attributable to the SDSC under the circumstances set out in para. 4.4.1 above, the accrued benefits attributable to the SDSC will be credited to the Government's account within the CSPF Scheme, irrespective of whether the officer is still a CSPF member.

4.4.3 Where a member ceases to be a CSPF member and is not entitled to receive all or part of the accrued benefits attributable to the SDSC, such accrued benefits will be credited to the Government's account within the CSPF Scheme.



**5. WITHHOLDING, FORFEITURE AND RECOVERY OF ACCRUED BENEFITS ATTRIBUTABLE TO THE GVC AND SDSC ON DISCIPLINARY GROUNDS**

5.1 Where an officer is found guilty of a disciplinary or criminal offence and is given a punishment upon conclusion of disciplinary proceedings, his accrued benefits attributable to the GVC (and the SDSC if applicable) may be forfeited, either wholly or in part, having regard to the findings and the decision on punishment.

5.2 Where an officer leaves the service –

(a) before conclusion of disciplinary or criminal proceedings, if such proceedings have started; or

(b) if formal proceedings have yet to start, but the Government has reasonable grounds to suspect that the officer may have committed a misconduct which, had the disciplinary proceedings taken place and the misconduct substantiated, would be so serious as to warrant a punishment of removal from the service,

his accrued benefits attributable to the GVC (and the SDSC if applicable) may be withheld in full until conclusion of the relevant proceedings (or until a decision is taken by Government that no such proceedings will commence).

5.3 Subsequent to para. 5.2 above, upon conclusion of relevant proceedings to establish whether an officer's accrued benefits attributable to the GVC (and the SDSC if applicable) should be forfeited, the accrued benefits of the officer concerned may be forfeited either wholly or in part, having regard to the findings and the decision so made.

5.4 During the period in which the GVC/SDSC benefits are withheld, the officer can continue to exercise his right as a scheme member to decide how the accrued benefits are to be invested within the scheme.

5.5 Where the misconduct or offence comes to light only after the officer has left the service and has fully withdrawn his accrued benefits attributable to the GVC (and the SDSC if applicable), the Government may recover, either wholly or in part, such benefits by means of civil action, if the officer is –

- (a) convicted of the common law offence of misconduct in public office; or
- (b) convicted of any offence under Part II of the Prevention of Bribery Ordinance (Cap 201), being an offence related to his previous government service; or
- (c) convicted of any offence related to his Government service, being certified by the Chief Executive to have been gravely injurious to Hong Kong or to be liable to lead to serious loss of confidence in the public service; or
- (d) convicted of treason under Section 2 of the Crimes Ordinance (Cap 200).

## **6. MISCELLANEOUS**

### **6.1 Provision of MTS Services**

- 6.1.1 The Government will follow standard Government procedures to acquire services from MTSs in the market for operation of the CSPF Scheme<sup>3</sup>. Officers eligible for the CSPF Scheme should choose to join one of the MTSs selected by the Government.
- 6.1.2 In case an eligible officer of the CSPF Scheme fails to indicate his choice of MTS within the period specified by the Government, the Government will assign him to any one of the selected MTSs.
- 6.1.3 When an officer first joins a selected MTS in accordance with paras. 6.1.1 or 6.1.2 above, arrangements would be made for the officer to transfer to the said MTS all his accrued MPF benefits in another MTS which he participates in connection with his employment on probationary and agreement terms.
- 6.1.4 Each selected MTS will comprise at least four constituent funds representing different levels of the risk of investment. A member may decide on his own investment options or make changes to such options according to the arrangements stipulated in individual schemes.

---

<sup>3</sup>The Government has initially selected three MTSs for a period of three years starting from June 2003.

6.1.5 A CSPF member will be allowed to switch from one selected MTS to another selected MTS once within each calendar year.

6.1.6 A member who wishes to switch from one MTS to another in accordance with para. 6.1.5 above must at the same time transfer all his accrued benefits to the new MTS.

## **6.2 Provision of information concerning CSPF accounts**

6.2.1 The MTS Trustee will be required to provide each CSPF member on at least an annual basis with a benefit statement setting out details of the balances of all accounts relevant to that member.

## **6.3 Protective trust arrangements in case of bankruptcy of a member**

6.3.1 If a member (the Protected Beneficiary), while still in employment with the Government, is adjudicated bankrupt or, in the opinion of the Government, becomes so financially embarrassed that his assets are liable to be charged in favour of his creditors, he shall forfeit all rights to the accrued benefits attributable to the Government's voluntary contributions (and the SDSC if applicable). The benefits so forfeited will be held by the MTS Trustee. The Government will continue to make voluntary contributions (and the SDSC if applicable) to the forfeited account under the Scheme in respect of that Protected Beneficiary as long as his principal employment with the Government continues.

6.3.2 The MTS Trustee may, after consultation with the Government, apply the benefits so forfeited for the benefit of that Protected Beneficiary and/or his dependants in such manner as it has agreed with the Government.

6.3.3 Arrangements for accrued benefits attributable to the mandatory contributions and employee's voluntary contributions in circumstances where a Protected Beneficiary shall become bankrupt shall follow the requirements of the appropriate MTS and, where appropriate, those prescribed in the MPFSO.

#### **6.4 Payment of benefits on death of a member**

6.4.1 Payment of benefits on death of a member should be made in accordance with the provisions of the MPFSO. According to the prevailing provisions of the MPFSO, when a member dies whilst still in service, the MTS Trustee will pay the whole of the member's accrued benefits as a lump sum to the member's personal representative<sup>4</sup>. In case there are no personal representatives of the member's estate or if they are unwilling to act, the accrued benefits may be treated as unclaimed benefits under the MPFSO.

#### **6.5 Assignment of CSPF Benefits**

6.5.1 If –

- (i) any member assigns or charges any benefits arising under the CSPF Scheme or attempts so to do; or
- (ii) any other act is done or event happens whereby the member's benefits would be vested in or payable to or charged in favour of any other person (other than the Government),

the member will forfeit all rights to benefits accrued at that time in the CSPF Scheme derived from GVC/SDSC, similar to the arrangements in paragraph 6.3 above.

6.5.2 Paragraph 6.5.1 does not apply to payment in case of the following situation -

- (i) satisfying (either in whole or in part) a debt due to the Government; or
- (ii) satisfying an order of any court for the payment of money towards the maintenance of the spouse or former spouse or minor child of the officer.

---

<sup>4</sup> This is a requirement stated in MPFSO. As defined in the Probate and Administration Ordinance (Cap 10), a personal representative is the executor of a will or an administrator as appointed by the court.

## **6.6 Expenses**

- 6.6.1 All costs, charges and expenses incurred in connection with the operation of the CSPF Scheme will be borne by the assets of the Scheme in accordance with the appropriate MTS.

## **6.7 Authority on CSPF Arrangements**

- 6.7.1 Each member must, at the time of joining the CSPF Scheme, give consent to the Government to make necessary enquiries for the purpose of establishing the officer's eligibility to GVC/SDSC benefits and authorize the disclosure of information relating to whether there is or exists any likelihood of, and if so, the nature of, any disciplinary investigation/proceedings or criminal investigation involving the officer by any person or authority to whom relevant enquiries are made.
- 6.7.2 In case of doubt, the Government has the final authority to decide on the appropriate CSPF arrangements for each member.
- 6.7.3 Arrangements in this document which have been specified in accordance with the prevailing provisions of the MPFSO or any other ordinances are subject to change whenever there is a change in the relevant provision of the relevant ordinance.
- 6.7.4 All the provisions in this document are subject to change as considered necessary or appropriate to do so by the Government.

## **6.8 Status of this Document**

- 6.8.1 The CSPF Scheme is constituted by means of legal documentation by which the Government participates in each relevant MTS. Whilst every effort has been made to ensure that the provisions in this document are consistent with the documentation, should there be any discrepancy between the provisions in this document and the legal documentation then the legal documentation shall prevail.

**Retirement Age for Disciplined Services Officers**  
(subject to change as deemed necessary by the Government)

<u>Rank/Grade</u>	<u>Retirement Age</u>
* All Rank and File Grades	55
* All Senior Ranks	55
 <b>Directorate Ranks</b>	
<i>Correctional Services Department</i>	
Commissioner	57
Deputy Commissioner	57
* All other Directorate ranks	55
 <i>Customs &amp; Excise Department</i>	
Commissioner	57
Deputy Commissioner	57
Assistant Commissioner	57
Chief Superintendent	55
 <i>Fire Services Department</i>	
* All Directorate ranks	57
 <i>Government Flying Service</i>	
* All Directorate ranks	57
 <i>Hong Kong Police Force</i>	
Commissioner	57
Deputy Commissioner	57
Senior Assistant Commissioner	57
* All other Directorate ranks	55
 <i>Immigration Department</i>	
Director	57
Deputy Director	57
Assistant Director	57
Senior Principal Immigration Officer	55

\* Please refer to Appendix II for the full list of all ranks and grades

**List of Disciplined Services Ranks and Grades**  
(subject to change as deemed necessary by the Government)

<b>Department</b>	<b>Directorate Ranks</b>	<b>Senior Ranks</b>	<b>Rank and File Grades</b>
(1) Correctional Services Department	Commissioner of Correctional Services	Senior Superintendent of Correctional Services	Assistant Officer I Assistant Officer II
	Deputy Commissioner of Correctional Services	Superintendent of Correctional Services	Instructor (Correctional Services)
	Assistant Commissioner of Correctional Services	Chief Officer	
	General Manager (Correctional Services Industries)	Principal Officer Officer	
	Chief Superintendent of Correctional Services	Superintendent of Correctional Services Industries	
		Chief Industrial Officer (Correctional Services)	
		Principal Industrial Officer (Correctional Services)	
		Industrial Officer (Correctional Services)	
		Technical Instructor (Correctional Services)	
(2) Customs and Excise Department	Commissioner of Customs and Excise	Senior Superintendent of Customs and Excise	Chief Customs Officer
	Deputy Commissioner of Customs and Excise	Superintendent of Customs and Excise	Senior Customs Officer
	Assistant Commissioner of Customs and Excise	Assistant Superintendent of Customs and Excise	Customs Officer
	Chief Superintendent of Customs and Excise	Senior Inspector of Customs and Excise	
		Inspector of Customs and Excise	

Department	Directorate Ranks	Senior Ranks	Rank and File Grades
(3) Fire Services Department	Director of Fire Services	Senior Divisional Officer	Principal Fireman
	Deputy Director of Fire Services	Divisional Officer	Senior Fireman
	Chief Fire Officer	Assistant Divisional Officer	Fireman
	Chief Ambulance Officer	Senior Station Officer	Principal Ambulanceman
	Deputy Chief Fire Officer	Station Officer	Senior Ambulanceman
	Deputy Chief Ambulance Officer	Senior Assistant Chief Ambulance Officer	Ambulanceman
		Assistant Chief Ambulance Officer	
		Superintendent (Ambulance)	
		Senior Ambulance Officer	
		Ambulance Officer	
(4) Government Flying Service	Controller, Government Flying Service	Senior Pilot	<hr/>
	Chief Pilot	Pilot I	
	Chief Aircraft Engineer	Pilot II	
		Cadet Pilot	
		Senior Air Crewman Officer	
		Air Crewman Officer I	
		Air Crewman Officer II	
		Air Crewman Officer III	
		Senior Aircraft Engineer	
		Aircraft Engineer	
		Chief Aircraft Technician	
		Senior Aircraft Technician	
		Aircraft Technician	



Department	Directorate Ranks	Senior Ranks	Rank and File Grades
(5) Hong Kong Police Force	Commissioner of Police	Senior Superintendent of Police	Station Sergeant
	Deputy Commissioner of Police	Superintendent of Police	Sergeant
	Senior Assistant Commissioner of Police	Chief Inspector of Police	Constable
	Assistant Commissioner of Police	Senior Inspector of Police	
	Chief Superintendent of Police	Inspector of Police	
(6) Immigration Department	Director of Immigration	Principal Immigration Officer	Chief Immigration Assistant
	Deputy Director of Immigration	Assistant Principal Immigration Officer	Senior Immigration Assistant
	Assistant Director of Immigration	Chief Immigration Officer	
	Senior Principal Immigration Officer	Senior Immigration Officer Immigration Officer	Immigration Assistant

**Procedures on approving the payment of  
Accrued Benefits Attributable to  
Government Voluntary Contributions (GVC)/  
Special Disciplined Services Contributions (SDSC)**

**Procedures on releasing/withholding Accrued Benefits**

When an officer is due to leave the service or gives notice to resign, his Department should check whether he meets the vesting criteria for accrued benefits attributable to GVC/SDSC (hereafter referred to as ‘accrued GVC/SDSC benefits’) as stipulated in the ‘Terms and Conditions of the Civil Service Provident Fund Scheme’.

2. If he is not eligible for the accrued GVC/SDSC benefits (e.g. less than 10 years continuous service with the Government, removal from service on disciplinary grounds with accrued benefits forfeited), his Department should inform the Trustee of the Master Trust Scheme (MTS) joined by the officer under the CSPF Scheme (hereafter referred to as ‘scheme trustee’) to return the accrued benefits to the Government.

3. If he meets the vesting criteria, his Department should check whether the officer is –

- (a) subject to, or likely to be subject to, disciplinary investigation or proceedings; or
- (b) under criminal investigation by the Police and/or ICAC.

In this regard, a letter giving consent to the Government to make any necessary enquiries for the purpose of establishing his eligibility to the accrued GVC/SDSC benefits and authorizing the disclosure of information relating to whether there is or exists any likelihood of, and if so, the nature of, any disciplinary investigation/proceedings or criminal investigation involving the officer by any person or authority to whom the relevant enquiries are made will be signed by the officer when he is offered permanent terms of appointment.

4. If the officer is not subject to/not likely to be subject to disciplinary action, or not under criminal investigation, his Head of Department (HoD) will check whether the officer has any other outstanding loan or payment with the Government. If there is no money due to the Government, the HoD will notify the scheme trustee to release the officer's accrued GVC/SDSC benefits. The decision to release the benefits should be made by an officer who is not lower than D2 in rank, or an officer who is at least two ranks above the officer leaving the service if the latter is at directorate level himself.

5. If there are allegations of misconduct against the officer or where disciplinary proceedings are in progress, his HoD, in consultation with the Civil Service Bureau (CSB), will consider whether to release or withhold the accrued GVC/SDSC benefits. If the officer is at directorate rank, his case will be considered by Secretary for the Civil Service (SCS).

6. Similarly, if the officer is currently under investigation by the Police or ICAC, his HoD, in consultation with CSB, will consider whether to release or withhold the accrued GVC/SDSC benefits. If the officer is at directorate rank, his case will be considered by SCS.

7. Where it is considered necessary to withhold an officer's accrued GVC/SDSC benefits, his Department should, as soon as practicable and normally not later than **three months** after the officer's last day in service, inform the officer of the proposed withholding action and the reasons for doing so. The officer should be invited to submit, within **14 calendar days**, a statement to explain why the proposed action should not be taken. If the officer has submitted explanation, the designated authority (i.e. his HoD or SCS if the officer is at directorate rank) should take this into account before reaching the decision on whether or not to withhold his accrued GVC/SDSC benefits and notify the officer accordingly. CSB should be consulted in advance. Under such circumstances, the decision to withhold an officer's accrued GVC/SDSC benefits should normally be made no later than **four months** after the officer's last day in service.

8. In parallel, the Department should notify the scheme trustee of the withholding action. During the period in which an officer's accrued GVC/SDSC benefits are withheld, he will be allowed to continue to exercise his right as a scheme member to decide how the accrued GVC/SDSC benefits are to be invested within the scheme.

9. The initial withholding period will be **three months**. The designated authority should review the case within the initial withholding period, and thereafter at regular intervals to decide whether the withholding should continue. Normally, the withholding will be up to a maximum of **six months** (for an officer who is subject to disciplinary investigation) or **12 months** (for an officer who is being investigated by the Police or ICAC) counting from the date when the accrued GVC/SDSC benefits is first withheld. By the end of the withholding period, if the officer is not subject to disciplinary or criminal charge, the designated authority should consider whether the accrued GVC/SDSC benefits should be released or forfeited on the basis of the progress/outcome of the investigation. If the designated authority decides to forfeit the accrued GVC/SDSC benefits or if the officer is subject to disciplinary or criminal charge, the designated authority should take action in accordance with the procedures on forfeiture of the accrued benefits as set out in paragraphs 10 to 16 below. Otherwise, after consultation with CSB, the order to withhold the accrued benefits should be rescinded.

#### **Procedures on Forfeiture of the Accrued Benefits**

10. If, after investigation by the Police or ICAC, no criminal charges have been made, or an officer is charged but subsequently acquitted of all criminal charges, or an officer is convicted but subsequently his conviction is quashed upon appeal, the department should study the relevant report and, if necessary, conduct a departmental investigation. The department should examine whether there is any evidence to suggest a disciplinary misconduct, or whether the investigation or the court case has revealed other misconduct which may warrant disciplinary action. If, as a result of the investigations/examination, there is evidence of a misconduct which is serious enough to warrant forfeiture of accrued GVC/SDSC benefits, the designated authority may approve the continued withholding of the officer's accrued benefits and pursue the disciplinary/forfeiture proceedings (see paragraph 13 below). Otherwise, after consultation with CSB, the order to withhold the accrued benefits should be rescinded.

11. If, after investigation by the Police or ICAC, an officer is charged and is convicted of criminal offence, the designated authority should study the court ruling when available and, after consultation with CSB, take a view as to whether the officer's accrued GVC/SDSC benefits should be forfeited, having regard to the gravity of the criminal conviction.

12. If disciplinary proceedings has been taken and upon completion of the proceedings, the designated authority will, on the basis of the outcome of the proceedings and in consultation with CSB, consider whether to release or forfeit the accrued GVC/SDSC benefits.

13. In circumstances where disciplinary proceedings cannot be completed on the last day of an officer's service, the department concerned will ask the officer to indicate whether he wishes to continue with the proceedings. If the officer wishes to continue with the proceedings, he should indicate in writing, within **14 calendar days**, that he agrees to the continuation of the disciplinary proceedings and that he will attend the disciplinary inquiry if conducted. Upon receipt of the officer's written confirmation, the proceedings will continue in the same manner as if the officer has not left the service until the proceedings are completed. If the officer indicates that he does not wish to continue with the proceedings or if no reply is received from the officer after the stipulated deadline, the designated authority would discontinue the disciplinary proceedings, and consider the case on the basis of evidence collected from previous investigation. This procedure is referred to as the 'forfeiture proceedings'.

14. If the designated authority decides not to forfeit the accrued GVC/SDSC benefits after the disciplinary/forfeiture proceedings, he will, after consultation with CSB, approve the release of the accrued GVC/SDSC benefits. The officer designated in the department to certify payments of accrued GVC/SDSC benefits will notify the scheme trustee to release the accrued benefits to which the officer is entitled.

15. If the designated authority decides to forfeit the benefits, either wholly or in part, after the disciplinary/forfeiture proceedings, the Department concerned will notify the officer in writing that –

- (a) consideration is being given to forfeiting his accrued benefits, either wholly or in part, and the grounds for so doing; and
- (b) the officer may submit representations within **30 calendar days**, and that the representations, if made, would be considered by the designated authority before a final decision is made.

16. If representations from the officer are not received by the end of the specified period or if the representations are not considered exculpatory, the designated authority may, after taking into account the advice of CSB and the Public Service Commission, exercise his authority to order forfeiture of the officer's accrued GVC/SDSC benefits, either wholly or in part. The officer should be notified of the decision accordingly.

### **Appeal Mechanism**

17. If the officer is aggrieved by a decision to forfeit his accrued GVC/SDSC benefits, he may make representations to the Chief Executive (CE) within a period of **30 calendar days** counting from the date of the notification of the decision. The CE shall determine the merits of the representations. He may confirm, vary or reverse the decision to which the representations relate.

### **Recovery of the Accrued Benefits already paid out**

18. Where the misconduct or offence comes to light only after the officer has left the service and has fully withdrawn the accrued GVC/SDSC benefits, the Government may recover, either wholly or in part, such benefits by means of civil action, if the officer is –

- (a) convicted of the common law offence of misconduct in public office;  
or
- (b) convicted of any offence under Part II of the Prevention of Bribery Ordinance (Cap 201), being an offence related to his previous government service; or
- (c) convicted of any offence related to his Government service, being certified by the Chief Executive to have been gravely injurious to Hong Kong or to be liable to lead to serious loss of confidence in the public service; or
- (d) convicted of treason under Section 2 of the Crimes Ordinance (Cap 200).