



# LAWS OF MALAYSIA

**Act A1409**

**PENSIONS (AMENDMENT) ACT 2011**

Date of Royal Assent	...	...	30 December 2011
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**LAWS OF MALAYSIA****Act A1409****PENSIONS (AMENDMENT) ACT 2011**

An Act to amend the Pensions Act 1980.

[ ]

**ENACTED** by the Parliament of Malaysia as follows:

**Short title and commencement**

**1.** (1) This Act may be cited as the Pensions (Amendment) Act 2011.

(2) This Act comes into operation on 1 January 2012.

**Amendment of section 6**

**2.** The Pensions Act 1980 [*Act 227*], which is referred to as “the principal Act” in this Act, is amended in section 6 by inserting after subsection (2) the following subsection:

“(3) Any pension, gratuity or other benefit granted to an officer who retires under section 11 shall be computed in accordance with the regulations where the total period of his reckonable service shall be counted as if he had served until his compulsory age of retirement, whichever is applicable to him.”.

**Amendment of section 6A****3.** Section 6A of the principal Act is amended—

- (a) in subsection (5), by substituting for the words “fifty-eight” the word “sixty”;
- (b) in subsection (5A), by substituting for the words “1 July 2008” and “fifty-eight” the words “1 January 2012” and “sixty” respectively;
- (c) in subsection (5B)—
  - (i) by substituting for the words “fifty-eight” and “1 July 2008” the words “sixty” and “1 January 2012” respectively; and
  - (ii) by inserting after the words “fifty-six years” the words “or fifty-eight years”; and
- (d) in subsection (5c), by substituting for the words “fifty-eight” the word “sixty”.

**Amendment of section 10****4.** Section 10 of the principal Act is amended—

- (a) in subsection (1), by substituting for the words “fifty-eight” the word “sixty”;
- (b) in subsections (2) and (3), by substituting for the words “or fifty-eight” the words “, fifty-eight or sixty”;
- (c) in subsection (7), by substituting for the words “fifty-eight” and “1 July 2008” the words “sixty” and “1 January 2012” respectively;
- (d) in subsection (8), by substituting for the words “fifty-eight” and “1 July 2008”, wherever they appear, the words “sixty” and “1 January 2012” respectively; and
- (e) in subsection (9), by substituting for the words “fifty-eight” the word “sixty”.

**Amendment of section 12**

5. Section 12 of the principal Act is amended—

- (a) in subsection (3), by substituting for the words “fifty-eight” the words “fifty-five”;
- (b) by deleting subsection (3B); and
- (c) in subsection (4), by substituting for the words “, fifty-five years of age, fifty-six years of age or fifty-eight years of age” the words “or fifty-five years of age”.

**Amendment of section 12A**

6. Section 12A of the principal Act is amended—

- (a) in subsection (2), by substituting for the words “fifty-eight” the word “sixty”; and
- (b) by substituting for subsection (2A) the following subsection:

“(2A) Where an officer referred to in subsection (2) who was appointed before 1 January 2012 had been given an option before such date and had not opted for the compulsory age of retirement of sixty years, subsection (2) shall apply to him with the words ‘fifty-five’ or ‘fifty-six’ or ‘fifty-eight’, as the case may be, being substituted for the word ‘sixty’.”.

**Amendment of section 15**

7. Section 15 of the principal Act is amended—

- (a) in paragraph (1)(b), by substituting for the words “twelve and a half years”, wherever they appear, the words “twenty years”; and
- (b) in subsection (2), by deleting the words “20 or”.

**Amendment of section 19**

8. Section 19 of the principal Act is amended—

- (a) by deleting the word “or” at the end of paragraph (a);
- (b) by substituting for the full stop at the end of paragraph (b) the word “; or”; and
- (c) by inserting after paragraph (b) the following paragraph:

“(c) an order of a court issued in relation to bankruptcy matters under any written law relating to it.”.

**Deletion of section 20**

9. The principal Act is amended by deleting section 20.

**Amendment of section 23**

10. Section 23 of the principal Act is amended—

- (a) in subsection (2), by substituting for the words “fifty-eight” the word “sixty”; and
- (b) by substituting for subsection (2A) the following subsection:

“(2A) Where an officer referred to in subsection (2) who was reappointed before 1 January 2012 had been given an option before such date and had not opted for the compulsory age of retirement of sixty years, subsection (2) shall apply to him with the words ‘fifty-five’ or ‘fifty-six’ or ‘fifty-eight’, as the case may be, being substituted for the word ‘sixty’.”.

**Amendment of section 25**

11. Section 25 of the principal Act is amended in paragraph (b) by substituting for the words “twelve and a half years”, wherever they appear, the words “twenty years”.

## **Savings and transitional**

**12.** (1) The amendments in paragraphs 5(a) and (b) of this Act shall not affect the grant of a pension to an officer who before 1 January 2012—

- (a) has optionally retired;
- (b) has exceeded the age of fifty-five years; and
- (c) has attained his compulsory age of retirement.

(2) The grant of a pension to an officer who before 1 January 2012—

- (a) has optionally retired;
- (b) has exceeded the age of fifty-five years; but
- (c) has not attained his compulsory age of retirement,

shall only be made from 1 January 2012.

(3) The payment of derivative pension or derivative retiring allowance in consequence of the amendments made under sections 7 and 11 of this Act to any person prescribed in the regulations, if the period of twelve and a half years has expired before 1 January 2012, shall be dealt with as follows:

- (a) the period of twenty years shall be calculated from the date of the retirement of the officer;
- (b) the persons shall not be entitled to the payment of derivative pension or derivative retiring allowance for the period after the expiration of twelve and a half years until 31 December 2011; and
- (c) the payment of derivative pension or derivative retiring allowance shall only be made from 1 January 2012.

