1996 No. 1138

HONG KONG

The Hong Kong (Overseas Public Servants) (Retirement and Compensation) Order 1996

Made	24th April 1996
Laid before Parliament	7th May 1996
Coming into force	30th June 1996

At the Court at Windsor Castle, the 24th day of April 1996

Present,

The Queen's Most Excellent Majesty in Council

Her Majesty, in exercise of the powers conferred upon Her by sections 3 and 6 of the Hong Kong (Overseas Public Servants) Act 1996(1) and all other powers enabling Her in that behalf, is pleased, by and with the advice of Her Privy Council, to order, and it is hereby ordered, as follows:—

Citation, commencement and extent

1.—(1) This Order may be cited as the Hong Kong (Overseas Public Servants) (Retirement and Compensation) Order 1996.

- (2) This Order shall come into force on 30th June 1996.
- (3) Article 3 of this Order shall extend to Hong Kong as part of the law thereof.

Interpretation

2.—(1) In this Order:

"appointed day", in relation to any person to whom this Order applies, means the day appointed by the Governor under article 3(2);

"discounted lump sum" has the meaning ascribed to it in article 7(5);

(a) is a member of Her Majesty's Overseas Civil Service (hereinafter referred to as "HMOCS") or, in the case of a judge or magistrate, a member of HMOCS or Her Majesty's Overseas Judiciary (hereinafter referred to as "HMOJ") or has been

individually informed in writing by or on behalf of the Secretary of State that he would be treated in the same manner as a member of HMOCS; and

- was on the pensionable establishment of the Government of Hong Kong on 1st May (b) 1993: and
- (b) remains on such establishment on the appointed day,

other than a person referred to in article 6.

"judicial officer" has the meaning ascribed to it in the Pension Benefits Ordinance(2);

"Limited Hong Kong Scheme" means the Compensation Scheme for certain pensionable officers promulgated by the Government of Hong Kong and published as an Annex to Hong Kong Civil Service Branch Circular No. 24/87 of 9th December 1987;

"maximum sum" has the meaning ascribed to it in article 7(4);

"normal retirement age" means:

- (a) in the case of an entitled officer (not being a Scheduled officer, a judge or a judicial officer):
 - to whom the Pensions Ordinance(3) applies, 55; (i)
 - (ii) to whom the Pension Benefits Ordinance applies, 60;
- in the case of a Scheduled officer: (b)
 - to whom the Pensions Ordinance applies, 55; (i)
 - to whom the Pension Benefits Ordinance applies, the age specified under (ii) section 10(3) of that Ordinance or, if no age is so specified, 60;
- (b) in the case of a judge of the Supreme Court, 65;
- in the case of a judge of the District Court appointed as such before 1st January 1987, 60; (d)
- (e) in the case of a judge of the District Court appointed as such on or after 1st January 1987, 65;
- in the case of a registrar or deputy registrar of the Supreme Court to whom the Pension (f) Benefits (Judicial Officers) Ordinance(4) applies, 65;
- in the case of any judicial officer (not being a judge or a registrar or deputy registrar of (g) the Supreme Court):
 - to whom the Pensions Ordinance applies, 55; (i)
 - (ii) to whom the Pension Benefits (Judicial Officers) Ordinance applies, 60;

"Ordinance" means an Ordinance of Hong Kong;

"pensionable service" means the amount of service which may be taken into account in computing the pension of the entitled officer under the relevant pension law of Hong Kong, other than any service excluded by article 7(3);

"salary" means annual salary;

"Scheduled officer" has the meaning ascribed to it in the Pension Benefits Ordinance;

"United Kingdom Pensions Increase (Review) Order" means an order made under section 59 of the Social Security Pensions Act 1975(5).

(2) In making any calculation for the purposes of article 7(4) or article 8(2)(c) (including any calculation under articles 9(2) and 10(2)(a) in respect of an entitled officer whose appointed day

⁽²⁾ Laws of Hong Kong, Cap 99.

⁽³⁾ Laws of Hong Kong, Cap 89.

⁽⁴⁾ Laws of Hong Kong, Cap 401.

^{(5) 1975} c. 60.

falls within the period 1st April to 14th April 1997 (both days included), the calculation shall take account of any United Kingdom Pensions Increase (Review) Order which takes effect during that period notwithstanding that its effective date is later than the officer's appointed day.

Retirement between 1st July 1996 and 30th June 1997

3.—(1) Any person on the pensionable establishment of the Government of Hong Kong who satisfies the conditions specified in the definition "entitled officer" (other than item (c) of that definition) may, notwithstanding that he has not reached an age or completed the amount of service prescribed therefor in the relevant pension law of Hong Kong, give the requisite notice of his wish to retire from the service of that Government on a date between 1st July 1996 and 30th June 1997, both days included (in this article referred to as the "relevant period"), and to proceed on leave pending retirement before such date.

(2) Subject to paragraph (3) and the person concerned taking all the leave due to him before the end of the relevant period, the Governor shall approve the retirement of a person who gives notice under paragraph (1) on a date during the relevant period not later than the day following the last day of any such leave, and shall appoint the day immediately preceding the day of retirement as such person's appointed day.

(3) If the Governor considers it necessary to do so in the public interest, he shall ensure that the retirement of all such persons who give notice under this article is phased throughout the relevant period.

(4) The requisite period of notice for the purpose of this article is six months prior to retirement or proceeding on leave prior to retirement, whichever will first occur, or such shorter period as the Governor may allow.

(5) Any period before the coming into operation of this Order subsequent to the giving of notice of a person's wish to retire in accordance with paragraph (1), will count towards the requisite period of notice under this article; and any indication by the Governor, before the coming into operation of this Order, of the approval of the retirement of a person in accordance with this Order will, on the coming into operation of this Order, have effect as an approval for the purposes of this article.

Entitlement to compensation under this Order

4. Entitled officers who retire in accordance with article 3 shall be entitled to compensation under and in accordance with this Order.

Seconded Officers

5. Entitled officers who on the appointed day are seconded for service outside Hong Kong or to a non-Government organisation within Hong Kong shall be treated in the same way as other entitled officers.

Persons not entitled to compensation under this Order

- 6. The following are not entitled to compensation under this Order:
 - (a) persons who have reached (or would, but for their retirement on an earlier day, have reached) normal retirement age on or before 30th June 1997;
 - (b) persons who, on 30th June 1997, are on leave pending retirement on, or in anticipation of, reaching normal retirement age;
 - (c) persons seconded or temporarily transferred to Hong Kong;
 - (d) persons who, in accordance with paragraph 2(b), (c), (d) or (e) of the Limited Hong Kong Scheme, were permitted or required to retire and have received compensation under

that scheme, or were otherwise required by the Governor to retire and have received compensation on the like terms as are set out in that Scheme;

- (e) persons who retire from the service of Hong Kong in accordance with the relevant pension law on abolition of office or compulsory retirement terms under which an additional pension is payable;
- (f) persons in the employment of the Hong Kong Special Administrative Region on 1st July 1997.

Tables to be used for calculating compensation and calculation of the maximum sum

7.—(1) Compensation in respect of each entitled officer shall be calculated as a lump sum using the factors appropriate to the age and pensionable service of the officer in the relevant Table, as set out at the end of this Order, and the entitled officer shall be informed of the sum so assessed.

- (2) The relevant Table:
 - (a) for officers and judicial officers to whom the Pensions Ordinance applies, is Table I;
 - (b) for officers to whom the Pension Benefits Ordinance applies, is Table II;
 - (c) for district judges or other judicial officers to whom the Pension Benefits (Judicial Officers) Ordinance applies, whose normal retirement age is 60, is Table II;
 - (d) for judges, or the registrar or a deputy registrar of the Supreme Court, whose normal retirement age is 65, is Table III.

(3) Notwithstanding any provision of the relevant pension law of Hong Kong or the repayment of any gratuity on or after the appointed day—

- (a) no period of service shall be counted as pensionable service for the purpose of calculating compensation under this Order:
 - (i) which, on the appointed day, would not be taken into account as pensionable service under the relevant pension law of Hong Kong;

or

- (ii) in respect of which a gratuity (or any part of a gratuity) has been paid, if the officer concerned—
 - (A) had not, on or before 30th April 1993, commenced the repayment of the gratuity or part thereof or, in the case of a judge, magistrate or other judicial officer, entered into an irrevocable undertaking to buy back the relevant period of contract service; and
 - (B) has not completed the repayment of such gratuity or the buying back of such service before the appointed day;
- (b) pensionable service does not include any period by which an officer's service is deemed to increase under such a law.
- (4) The maximum sum is $\pounds 120,000$
 - (a) multiplied by the appropriate increase factors under those United Kingdom Pensions Increase (Review) Orders which have effect between 1st January 1992 and the appointed day as if the sum of £120,000 were a pension beginning on 8th April 1991; but
 - (b) in the case of any entitled officer who elects to receive his compensation in a single sum under article 11(1)(a), the maximum sum as determined in accordance with this paragraph will be reduced in accordance with paragraph (5) of this article to produce a discounted maximum sum.
 - (a) (5) (a) Subject to subparagraph (b) below, the discounted lump sum is the sum of the payments of instalments and interest which would be paid to the entitled officer if he had

elected to receive his compensation in instalments, each payment having been reduced by the compounded rate of inflation between the appointed day and the date the instalment would have been due and further discounted at a compounded rate of 6 per cent per annum over the same period.

- (b) For the purpose of this paragraph:
 - (i) article 13 shall be ignored;
 - (ii) the inflation rate for the years 1996/97, 1997/98 and 1998/99 shall be deemed to be the anticipated lower inflation rate for the United Kingdom for those years as published by Her Majesty's Treasury in the most recently published Financial Statement Budget Report (the "Red Book"), and for the financial years 1999/2000 and 2000/2001 shall be deemed to be the anticipated lower inflation rate for the United Kingdom for the financial year 1998/99, as so published.

Calculation of compensation: general rule

8.—(1) This article applies to the calculation of the compensation due under this Order to entitled officers other than:

- (a) an entitled officer who has received compensation under the Limited Hong Kong Scheme on account of being superseded for promotion; or
- (b) an entitled officer who is appointed to the pensionable establishment of the Home Civil Service or Diplomatic Service without a break of at least ninety days between his last day of pensionable service under the Government of Hong Kong and his first day of pensionable service in the Home Civil Service or Diplomatic Service.
- (2) The compensation shall be calculated as follows:
 - (a) identify the entitled officer's salary point for the substantive grade held by him on the appointed day and then determine the salary appropriate to that salary point of that grade at 1st January 1992 (hereinafter referred to as "the notional 1992 salary");
 - (b) convert the sum arrived at in paragraph (2)(a) into sterling using the average rate of exchange between the HK dollar and the £ sterling during 1991 (i.e. £1 = HK \$13.7609);
 - (c) multiply the sterling value of the notional 1992 salary by the appropriate increase factors under those United Kingdom Pensions Increase (Review) Orders which have effect between 1st January 1992 and the appointed day as though the notional 1992 salary were a pension beginning on 8th April 1991; this will produce the notional emoluments of the officer concerned based on the movement of the United Kingdom Retail Price Index from 1992 to the appointed day;
 - (d) multiply the notional emoluments as determined in paragraph (2)(c) by the appropriate factor taken from the relevant Table.

(3) Subject to article 11(1)(a), the sum arrived at in paragraph (2)(d) in sterling or the maximum sum, whichever is the less, is the compensation due.

(4) In this article and article 10, "the appropriate factor" in relation to an entitled officer means the factor obtained from Table IV that is appropriate to the age and pensionable service of that officer on the appointed day in completed years and months or, if it is more favourable to the officer, in completed years without regard to months.

Calculation of compensation: superseded officers

9.—(1) This article applies to the calculation of compensation under this Order for entitled officers who retire in accordance with article 3 of this Order and have received compensation under the Limited Hong Kong Scheme on being superseded for promotion.

(2) The same calculations shall be made in respect of the entitled officer as are directed in article 8(2) to produce a sterling figure.

(3) The lump sum paid to the entitled officer as compensation under the Limited Hong Kong Scheme shall be converted into sterling at the rate of exchange between the HK dollar and the \pounds sterling at the date the lump sum was paid to the officer and the sum in sterling shall be increased at the rate of five per cent per annum from the date of payment of the lump sum to the appointed day.

(4) If the figure arrived at in accordance with paragraph (3) equals or is greater than the figure arrived at in accordance with paragraph (2), no compensation is due under this Order. If the figure arrived at in accordance with paragraph (2) is greater than the figure arrived at in accordance with paragraph (3), then, subject to article 11(1)(a), the difference or the maximum sum, whichever is the less, is the compensation due to the entitled officer.

Calculation of compensation and repayment: officers appointed to United Kingdom service without a break of at least 90 days

10.—(1) This article applies to entitled officers who retire in accordance with article 3 of this Order and are appointed to the pensionable establishment of the Home Civil Service or the Diplomatic Service without a break of at least ninety days between the last day of their pensionable service under the Government of Hong Kong and the first day of their pensionable service in the Home Civil Service or Diplomatic Service.

(2) In the case of an entitled officer to whom this article applies—

- (a) a calculation shall be made of the officer's notional emoluments in accordance with article 8(2)(a), (b) and (c);
- (b) if the salary of the post in the Home Civil Service or Diplomatic Service at the time of his appointment equals or is greater than the figure arrived at in accordance with paragraph (2)
 (a) of this article, no compensation is due under this Order; and the officer shall be required to repay any sum which he has previously received by way of compensation or interest on compensation under this Order;
- (c) if the salary of the post in the Home Civil Service or Diplomatic Service at that time is less than the figure arrived at in accordance with paragraph (2)(a) of this article, then, subject to article 11(1)(a), the compensation due is—
 - (i) the difference between the two multiplied by the appropriate factor set out in the relevant Table; or

(ii) the maximum sum,

whichever is the less, and the officer shall be required to repay any sum which he has previously received under this Order by way of compensation and interest on compensation which exceeds the sum calculated under this subparagraph.

Payment of compensation

11.—(1) Subject to article 13, the compensation due to an entitled officer under this Order shall be paid at his election either —

- (a) as a single sum, in which case the sum payable will be the discounted lump sum calculated in accordance with article 7(5) or, as the case may be, the discounted maximum sum;
- (b) in five instalments.
- (2) Where the entitled officer elects to be paid the compensation due—
 - (a) as a single sum, the sum shall be paid on the appointed day or as soon as possible thereafter;

- (b) in five instalments, the first instalment of one fifth of the compensation due shall be paid on the appointed day or as soon as possible thereafter.
- (3) Subject as aforesaid, the remaining instalments of compensation shall be paid as follows:
- one fourth of the compensation outstanding shall be paid on the first anniversary of the appointed day;
- one third of the compensation outstanding shall be paid on the second anniversary of the appointed day;
- one half of the compensation outstanding shall be paid on the third anniversary of the appointed day;
- the balance of the compensation shall be paid on the fourth anniversary of the appointed day.

(4) If the amount of any compensation, or the balance of any compensation outstanding, on any date a payment is due is, without counting any sum payable in respect of interest under article 12, less than $\pounds 10,000$, the whole of that compensation or balance (without any reduction or discount) together with interest shall be paid on that date and no further payment shall be made in respect of the officer concerned.

(5) An election under this article shall be irrevocable.

Interest

12.—(1) Where compensation is paid in instalments, interest at the rate of five per cent per annum, based on the balance of compensation due, shall be paid at the time of the next instalment.

(2) In the event that the compensation or any instalment, or the balance, of any compensation is not paid within three months of the due day, interest shall be paid on the amount of compensation then due at the rate of five per cent per annum for each completed month of delay:

Provided that no such interest shall be payable in respect of any sum where the failure to make a payment in respect of that sum is a consequence of the failure of the officer concerned or his dependants or personal representatives, or any overseas authority, to provide the Secretary of State with information necessary to enable him to make such payment.

Death

13. When an entitled officer dies, his dependants or personal representatives shall be entitled to receive as soon as possible the outstanding balance of compensation due to the entitled officer and the interest thereon.

Place of payment

14. Any payment under this Order to an entitled officer or to his dependants or personal representatives shall be paid in accordance with any request made from time to time by the officer or his dependants or personal representatives, as the case may be, in any of the following places:

(a) the United Kingdom;

or, with the concurrence of the Secretary of State,

- (b) Hong Kong;
- (c) in the country from which the officer was recruited or where he intends to reside;
- (d) in the case of payment to the dependants or personal representatives of an officer, in the country in which they reside;
- (e) in such country as the officer or his dependants or personal representatives may select; and,

wherever paid, the payment shall be made in sterling.

Entitled officers and others to provide Secretary of State with necessary information

15. Any person claiming to be an entitled officer, and the dependants and personal representatives of an entitled officer, shall provide the Secretary of State with such information as the latter may reasonably require to enable him to ascertain and verify any entitlement to the payment of compensation under this Order, the amount of such compensation and the circumstances in which any part of compensation or interest is payable.

Payment of tax

16. In addition to the payments to entitled officers in accordance with and at the rate provided for in the foregoing provisions of this Order, the Secretary of State may pay direct to the Inland Revenue such sums as may be necessary to discharge the liability of entitled officers to United Kingdom income tax on any payment made under this Order (including a payment under this article) to, or in respect of, an entitled officer.

Secretary of State to decide all questions of interpretation of the order

17. Any question relating to the interpretation of this Order, including any question as to who is a member of HMOCS or HMOJ or otherwise an entitled officer and what shall be deemed to be the salary point and grade as at 1st January 1992 of the salary point and grade of any officer at any later date, may be determined by the Secretary of State.

Table I:

Age of Officer	3 vears	4 vears	5 vears	6 vears	7 vears	8 vears	9 vears	10+ year	Age of Officer
31	0.79	1.05	1.31	1.58	1.84	2.10	2.36	2.63	31
32	0.84	1.12	1.40	1.68	1.96	2.24	2.52	2.80	32
33	0.88	1.18	1.47	1.76	2.06	2.35	2.65	2.94	33
34	0.92	1.22	1.53	1.84	2.14	2.45	2.75	3.06	34
35	0.95	1.26	1.58	1.89	2.21	2.53	2.84	3.16	35
36	0.97	1.29	1.61	1.93	2.25	2.57	2.90	3.22	36
37	0.97	1.29	1.61	1.94	2.26	2.58	2.90	3.23	37
38	0.96	1.28	1.61	1.93	2.25	2.57	2.89	3.21	38
39	0.95	1.26	1.58	1.89	2.21	2.52	2.84	3.15	39
40	0.92	1.22	1.53	1.84	2.14	2.45	2.75	3.06	40
41	0.89	1.18	1.48	1.77	2.07	2.36	2.66	2.96	41
42	0.85	1.13	1.41	1.69	1.97	2.26	2.54	2.82	42
43	0.79	1.06	1.32	1.58	1.85	2.11	2.38	2.64	43
44	0.73	0.98	1.22	1.46	1.71	1.95	2.19	2.44	44
45	0.66	0.89	1.11	1.33	1.55	1.77	1.99	2.21	45
46	0.60	0.80	1.00	1.20	1.40	1.60	1.80	2.00	46

FACTOR WHERE LENGTH OF PENSIONABLE SERVICE IS

Status: This is the original version (as it was originally made). This item of legislation is currently only available in its original format.

Age of Officer	3 years	4 years	5 years	6 years	7 years	8 years	9 years	10+ year	Age of Officer
47	0.54	0.73	0.91	1.09	1.27	1.45	1.63	1.82	47
48	0.49	0.65	0.82	0.98	1.14	1.31	1.47	1.64	48
49	0.44	0.59	0.73	0.88	1.02	1.17	1.32	1.46	49
50	0.38	0.51	0.64	0.77	0.89	1.02	1.15	1.28	50
51	0.32	0.42	0.53	0.63	0.74	0.84	0.95	1.05	51
52	0.25	0.33	0.41	0.50	0.58	0.66	0.74	0.83	52
53	0.17	0.23	0.28	0.34	0.39	0.45	0.51	0.56	53
54	0.09	0.12	0.15	0.18	0.21	0.24	0.27	0.30	54
55									55

Table II:

FACTOR WHERE LENGTH OF PENSIONABLE SERVICE IS

Age of	3	4	5	6	7	8	9	10+	Age of
Officer	years	year	Officer						
31	0.78	1.04	1.31	1.57	1.83	2.09	2.35	2.61	31
32	0.83	1.11	1.39	1.67	1.94	2.22	2.50	2.78	32
33	0.92	1.23	1.54	1.85	2.15	2.46	2.77	3.08	33
34	0.98	1.30	1.63	1.95	2.28	2.60	2.93	3.26	34
35	1.01	1.35	1.68	2.02	2.36	2.69	3.03	3.37	35
36	1.04	1.39	1.74	2.08	2.43	2.78	3.13	3.47	36
37	1.06	1.41	1.77	2.12	2.47	2.83	3.18	3.53	37
38	1.07	1.43	1.79	2.14	2.50	2.86	3.21	3.57	38
39	1.07	1.43	1.78	2.14	2.49	2.85	3.21	3.56	39
40	1.06	1.41	1.76	2.12	2.47	2.82	3.17	3.53	40
41	1.04	1.39	1.74	2.09	2.44	2.78	3.13	3.48	41
42	1.03	1.38	1.72	2.07	2.41	2.75	3.10	3.44	42
43	1.00	1.34	1.67	2.00	2.34	2.67	3.00	3.34	43
44	0.94	1.26	1.57	1.89	2.20	2.51	2.83	3.14	44
45	0.88	1.17	1.46	1.76	2.05	2.34	2.63	2.93	45
46	0.82	1.10	1.37	1.65	1.92	2.20	2.47	2.75	46
47	0.77	1.02	1.28	1.53	1.79	2.04	2.30	2.55	47
48	0.71	0.94	1.18	1.41	1.65	1.88	2.12	2.36	48
49	0.65	0.87	1.08	1.30	1.52	1.73	1.95	2.17	49
50	0.59	0.78	0.98	1.17	1.37	1.56	1.76	1.95	50

Status: This is the original version (as it was originally made). This item of legislation is currently only available in its original format.

Age of Officer	3 years	4 years	5 years	6 years	7 years	8 years	9 years	10+ year	Age of Officer
51	0.54	0.71	0.89	1.07	1.25	1.43	1.61	1.79	51
52	0.50	0.67	0.84	1.01	1.18	1.34	1.51	1.68	52
53	0.49	0.65	0.82	0.98	1.14	1.31	1.47	1.64	53
54	0.48	0.64	0.80	0.95	1.11	1.27	1.43	1.59	54
55	0.45	0.60	0.75	0.90	1.05	1.20	1.35	1.50	55
56	0.40	0.54	0.67	0.81	0.94	1.07	1.21	1.34	56
57	0.32	0.43	0.54	0.64	0.75	0.86	0.97	1.07	57
58	0.22	0.29	0.37	0.44	0.51	0.59	0.66	0.74	58
59	0.12	0.16	0.20	0.24	0.28	0.32	0.36	0.40	59
60									60

Table III:

FACTOR WHERE LENGTH OF PENSIONABLE SERVICE IS

Age of Officer	3 years	4 years	5 years	6 years	7 years	8 years	9 years	10+ year	Age of Officer
44	1.04	1.38	1.73	2.07	2.41	2.76	3.11	3.45	44
45	1.01	1.35	1.69	2.03	2.37	2.71	3.04	3.38	45
46	0.99	1.33	1.66	1.99	2.32	2.65	2.98	3.32	46
47	0.97	1.30	1.62	1.95	2.27	2.60	2.92	3.25	47
48	0.95	1.27	1.59	1.90	2.22	2.54	2.86	3.17	48
49	0.93	1.24	1.55	1.86	2.17	2.48	2.79	3.11	49
50	0.91	1.21	1.52	1.82	2.12	2.42	2.73	3.03	50
51	0.89	1.18	1.48	1.77	2.07	2.36	2.66	2.96	51
52	0.86	1.15	1.44	1.73	2.02	2.30	2.59	2.88	52
53	0.84	1.12	1.40	1.68	1.96	2.24	2.52	2.81	53
54	0.82	1.09	1.37	1.64	1.91	2.18	2.46	2.73	54
55	0.80	1.06	1.33	1.59	1.86	2.12	2.39	2.66	55
56	0.74	0.99	1.24	1.49	1.73	1.98	2.23	2.48	56
57	0.68	0.91	1.14	1.37	1.60	1.82	2.05	2.28	57
58	0.62	0.83	1.04	1.24	1.45	1.66	1.86	2.07	58
59	0.55	0.73	0.92	1.10	1.28	1.46	1.65	1.83	59
60	0.47	0.62	0.78	0.94	1.09	1.25	1.40	1.56	60
61	0.38	0.51	0.63	0.76	0.89	1.01	1.14	1.27	61
62	0.29	0.39	0.48	0.58	0.68	0.77	0.87	0.97	62

Age of	3	4	5	6	7	8	9	10+	Age of
Officer	years	year	Officer						
63	0.19	0.26	0.32	0.39	0.45	0.52	0.58	0.65	63
64	0.09	0.13	0.16	0.19	0.22	0.25	0.28	0.32	64
65									65

Table IV: Instructions for obtaining the appropriate factor from Tables I to III

(i) Read off from the table the factors for officer's age at his last birthday and his:

(a) completed years of service;

(b) completed years of service plus one year.

- (ii) Subtract i(a) from i(b), divide the difference by 12 and multiply the result by the number of completed months of service, if any, in excess of the completed years of service.
- (iii) Add i(a) and ii.
- (iv) Repeat steps to iii for the officer's age at his next birthday.
- (v) Divide the difference between iii and iv by 12 and multiply by the number of completed months of age, if any, since the officer's last birthday.
- (vi) If iv is greater than iii, add v to iii, if iv is less than iii subtract v from iii, vi is the factor required. The result of step vi will be rounded to two decimal places, rounding up if the result ends in.005.

N. H. Nicholls Clerk of the Privy Council

EXPLANATORY NOTE

(This note is part of the Order)

This Order makes provision for the retirement during the year preceding the ending of British sovereignty over Hong Kong of members of Her Majesty's Overseas Civil Service and Her Majesty's Overseas Judiciary in the pensionable service of the Government of Hong Kong and for the payment to them of compensation.

Article 2 defines the persons ("entitled officers") who are entitled to opt for retirement in accordance with the Order and article 3 provides their right to retire; the latter article will also be law in Hong Kong.

Articles 4 to 6 determine which entitled officers are entitled to compensation under this Order. The amount of compensation to which an entitled officer is eligible is determined (subject to a maximum of £120,000 increased annually in line with United Kingdom Retail Price Index) by his notional emoluments, as calculated in accordance with article 8, and factors relevant to his age and length of service as set out in Tables at the end of the Order. Under article 11, compensation may be paid, at the entitled officer's election, in one discounted lump sum (article 7(5)) or in five annual instalments. Special rules apply to officers who have already received compensation under an administrative Hong Kong Government Scheme (article 9) or if an officer transfers to the Home Civil or Diplomatic Services (article 10). Outstanding balances of instalments are payable to an officer's dependants on death (article 13).

The Order provides for the payment of interest on outstanding instalments (article 12) and for the Secretary of State to satisfy an entitled officer's tax liability on his compensation (article 16).