

**BRITISH NORTH BORNEO COMPANY PENSIONS  
ORDINANCE, 1963  
(No. 12 of 1963)**

An Ordinance to make statutory provision for the payment of pensions and other benefits to, or to the dependants of, persons who were in the service of the former State of North Borneo.

**Date of Commencement.**

[28th June, 1963]

ENACTED by the Legislature of North Borneo as follows:-

**Short title.**

1. This Ordinance may be cited as the British North Borneo Company Pensions Ordinance, 1963.

**Interpretation.**

2. (1) In this Ordinance, unless the context otherwise requires –

“the Company” means the British North Borneo Company incorporated by Royal Charter dated the first day of November, 1881;

“officer means an officer of the Government of the Federation or of Sabah –

- (a) who was formerly a pensionable officer in the service of the Company to whom one of the pension schemes applied; and
- (b) who gave due notice under subsection (2) of section 18 of the Pensions Ordinance, 1950, of his desire that the provisions of the pension scheme applicable to him should continue so to apply; and

- (c) who has, since the giving of such notice, continued in the service of the Government of the Federation or of Sabah;

“pension scheme” means any of the pension schemes of the Company set forth in the Schedule to this Ordinance.

(2) For the purposes of any matter arising, or falling to be considered, after the commencement of this Ordinance a pension scheme shall be construed as if for the words “Court of Directors” and “Court” there were substituted the words “local pensions authority”.

**Payment of existing benefits to continue.**

3. (1) Any person who, at the commencement of this Ordinance, is in receipt of a pension or annuity awarded under a pension scheme shall, subject to the provisions of such scheme, continue to be paid such pension or annuity.

(2) Where, under the provisions of a pension scheme, any dependant of a person mentioned in subsection (1) of this section becomes entitled to any annuity upon the death of such person, it shall be lawful for the Government of the Federation to pay such annuity to such dependant in accordance with the said provisions.

**Payment of future benefits.**

4. Where an officer retires from the service of the Government of the Federation or of Sabah after the commencement of this Ordinance, it shall be lawful for the Government of the Federation to pay to such officer, or to his dependants, such benefits as may become payable to him or to them, as the case may be, under the provisions of the pension scheme applicable to such officer.

**Pensions etc. to be charged on Consolidated Fund of the Federation.**

5. There shall be charged on and paid out of the Consolidated Fund of the Federation all such sums of money as may from time to time be granted by way of pension, annuity or other payment in pursuance of the provisions of this Ordinance.

SCHEDULE

PART I

EUROPEAN OFFICERS PENSION SCHEME

The following Regulations applying to European Pensionable Officers have been approved by the Court of Directors with effect from 1st July, 1929.

1. Every Officer shall contribute to the Pensions Fund at the rate of 5 per cent of his substantive salary.
2. No Officer shall be entitled to pension until he shall have completed twenty-five years' service.
3. (a) On or after completion of twenty-five years' service an Officer may be required by the Court of Directors to retire on pension, or he may himself apply for permission to retire on pension; the Court of Directors, however, reserve the right to refuse their permission.  
  
(b) An Officer retiring on completion of twenty-five years' service shall be entitled to a pension equal of one seven-hundred-and-twentieth ( $1/720$ ) of his salary in respect of each completed month of services, plus an additional sixty seven-hundred-and-twentieths ( $60/720$ ) of his salary on account of tropical service.
4. (a) For the purpose of calculating his pension an Officer's salary shall be deemed to be –
  - (i) where an Officer has served as an Officer of a class, the salary of which is based on a scale of increments, for a period of not less than three years immediately preceding the

date of his retirement, the salary payable to him at that date as an Officer of that class;

- (ii) in all other cases, the average amount of the substantive salary payable to the Officer during a period of three years immediately preceding the date of his retirement:

Provided that in the case of an Officer who has received promotion within three years of the date of his retirement any service in a class in which such Officer served for a period of not less than three years shall, for the purpose of calculating his pension, be deemed to be service on the highest salary paid to such Officer in that class.

For the purpose of calculating pensions, allowances and acting pay shall not be taken into account.

- (b) All pensions shall be calculated at the rate of 2s. 4d. to \$1.
- 5.
- (a) In respect of each completed month of service after twenty-five years an Officer shall be entitled to an increase of pension equal to one seven-hundred-and-twentieth ( $1/720$ ) of his salary.
  - (b) In the absence of special arrangements to the contrary all Officers shall retire on the completion of thirty years of service.
  - (c) No pension granted under these Regulations shall in any circumstances exceed four hundred and twenty seven-hundred-and- twentieths ( $420/720$ ) of an Officer's salary.
- 6.
- (a) Officers while on leave shall contribute according to the amount of leave pay (whether half-pay or full-pay) which they receive during such leave.

(b) For purposes of pension full-pay leave shall count as full service, half-pay leave as half-service; leave without pay will not count as service.

7. Officers in the service on 1st January, 1912, shall be allowed full benefit of the Scheme as from the date of joining the service.

8. If an Officer is obliged to retire through ill-health before completing ten years' service his contributions shall be refunded to him.

9. If an Officer is obliged to retire through ill-health after completing ten years' service but before completing eighteen years' service his contributions shall be refunded to him, and, if his ill-health is not occasioned by his own fault, he shall be granted a bonus, to be added by Government, equal to half the amount of his contributions.

10. If an Officer who has completed eighteen years' service is obliged to retire through ill-health he shall be entitled to a pension equal to one seven-hundred-and-twentieth ( $1/720$ ) of his salary in respect of each completed month of service plus an additional sixty seven-hundred-and-twentieths ( $60/720$ ) of his salary on account of tropical service.

11. If an Officer voluntarily retires or is dismissed for misconduct before becoming entitled to pension he shall forfeit all contributions paid in.

12. (a) If an Officer who has completed ten or more years' service is required to retire owing to his post having become superfluous to the requirements of Government, he shall be granted an annual allowance equal to one seven-hundred-and-twentieth ( $1/720$ ) of his salary in respect of each completed month of service calculated in accordance with regulation 4, but in special

circumstances and if the Court of Directors think fit such annual allowance may be increased by an amount not exceeding one-third thereof; provided that in no case shall such annual allowance exceed the pension which would have been granted if the Officer concerned had completed twenty-five years' service.

- (b) If an Officer who has completed less than ten years' service is required to retire owing to his post having become superfluous to the requirements of Government, his contributions shall be refunded to him and he may be granted a gratuity not exceeding one month's salary at the date of retirement for each completed year of continuous service, but in special circumstances and if the Court of Directors think fit such gratuity may be increased by the addition of a sum not exceeding one-third thereof.

**13.** Pensions will accrue from the date of retirement. The amount of leave that may be taken prior to retirement is fixed by Official Regulation No. 90.

- 14.** (a) If an unmarried Officer, or a married Officer who has not completed ten years' service, dies while in service his contributions to the Pension Fund shall be refunded to his estate, but no amount shall be added by Government.

- (b) (i) If a married Officer dies after ten years' service, but before retirement, no refund will be made to his estate, but his widow shall be granted an annuity for life, so long as she remains in widowhood, equal to one one-thousand-four-hundred and fortieth (1/1440) of her deceased husband's salary at the time of his death in respect of each

completed month of his service, such salary to be calculated as set out in regulation 4.

- (ii) If the Officer dies after completing eighteen years' service an addition of sixty one-thousand-four-hundred-fortieths (60/1440) shall be made to the annuity on account of tropical service.

**15.** If a married Officer dies after retirement his widow shall be granted an annuity for life, so long as she remains in widowhood, equal to one-half of the amount of the deceased Officer's pension, provided that no annuity will be payable to the widow of an Officer if such Officer has married after retirement.

**16. (a)** If an Officer dies as a widower leaving issue, an annuity equal to that which would have been payable to his wife had she survived him will be paid to his children in equal shares, provided that in no case shall the annuity paid to any one child exceed the sum of £105 per annum.

**(b)** If an Officer's widow who is in receipt of an annuity dies leaving child or children of such Officer, the amount of her annuity shall be paid to such child or children in the manner provided under paragraph **(a)** of this regulation.

**(c)** For the purpose of this regulation a "child" shall be deemed to mean, in the case of a male, a person who has not attained the age of eighteen years and, in the case of a female, a person who is unmarried and has not attained the age of twenty-one years.

**17.** This Scheme shall be compulsory as regards all Officers joining the pensionable service on or after 1st January, 1912.

- 18.** (a) In the case of the appointment to the service of Officers, other than Cadets, with special qualifications the Court of Directors shall decide to what extent, if any, such Officers shall be credited with years of service for the purposes of pension.
- (b) Years of service so granted shall not count for the purposes of regulations 9, 10 and 14 (b).
- (c) Officers who have received grants of years of service for purposes of pension will be granted tropical service under regulation 3 (b) in proportion to the actual period served by them.

**19.** If an Officer of the service shall be appointed Governor of the State and shall hold that position for a period of not less than three years, he may be awarded upon retirement from the service a pension in respect of that appointment not exceeding £200 per annum in addition to the pension applicable to the total number of years of his service. An Officer so appointed Governor shall continue his membership of the Pension Scheme, and shall continue to pay his contributions based on the salary scale of staff class.

**20.** No Officer shall be granted a pension or bonus without a certificate from the Governor, to the effect that he has discharged the duties of his office with such diligence and fidelity as to justify the grant to him of such pension or bonus.

**21.** If any person to whom a pension or annuity has been granted is adjudicated a bankrupt or is declared insolvent by judgement of the Court, or is convicted before any Court of competent jurisdiction of any crime or offence for which he is sentenced to imprisonment then such pension or annuity shall forthwith cease, but the Court of Directors may at their discretion apply all or any part of the monies to which such pensioner or annuitant would have been entitled by way of pension or annuity for the benefit of the pensioner or annuitant or his wife and children if any.

**22.** It shall be a condition of the grant of every pension or other allowance that the Court of Directors may cancel or reduce it if it be shown to have been obtained by wilful suppression of material facts or to have been granted in ignorance of facts which, had they been known before the retirement of the Officer, would have justified his dismissal or a reduction of salary.

**23.** Throughout these Regulations "married Officer" means an Officer whose marriage has been approved by the Court of Directors. Every Officer whose marriage has not been so approved shall be treated for the purposes of these Regulations as an unmarried officer and no annuity shall be paid to his widow or to his children.

**24.** (1) Officers eligible for benefits under the Scheme may under the conditions set out in paragraph (2) of this regulation, opt to commute one-fourth of a pension in the same manner as is permitted under regulation 23 (1) of the Pensions Regulations, 1963, to Officers who retire under the terms of the Pensions Ordinance, 1963. The multiplying factor will be 10 times for those Officers who retired on or before 14th July, 1954 and 12½ times for those Officers who retired on or after 15th July, 1954.

(2) The conditions governing commutation of pensions under this regulation are as follows:-

- (a) this regulation cannot be extended to pensioners who retired on or before 31st March, 1954;
- (b) Officers must elect to commute in the manner laid down in regulation 23 (2) of the Pensions Regulations, 1963;
- (c) on the death of the pensioner, the widow's or children's pension will be correspondingly reduced; that is, the pension will be calculated on the original pension after commutation.

PART II

PENSION SCHEME FOR OFFICERS OF THE SUBORDINATE  
STAFF

The following Pension Scheme applying to Officers of the Subordinate and Clerical Staff on the fixed Establishment as detailed in the Schedule below has been approved by the Court of Directors.

1. As from 1st July, 1921 each Officer shall contribute to a Pension Fund a proportion of his pay, which shall be deducted from the amount payable to him at the end of each month, such proportion to be on the following basis:-

On salaries up to \$480 per annum	...	3 per cent.
On salaries over \$480 per annum up to \$1,200 per annum	...	4 per cent.
On salaries over \$1,200 per annum	...	5 per cent.

The above rates shall continue in force until 30th June, 1932. As from 1st July, 1932, each Officer shall contribute to the Pension Fund five per cent of his salary.

2. (a) No Officer shall be entitled to a pension until he shall have completed twenty-five years' service.
- (b) No period served as a learner or an apprentice shall be included in the period of service qualifying for pension.

3. On completion of twenty-five years' service an Officer may apply to retire on pension, at the rate of 25/60th of his then full pay, but the Court may withhold their sanction to his retirement until a later period, and will generally do so unless the Officer shall have

reached the age of fifty or shall be medically certified as unfit for further service.

4. For each completed year of service after twenty-five years an Officer will be entitled to an additional 1/60th of his full pay, but each Officer will compulsorily retire on pension on the completion of thirty years' service, subject to a mutual agreement for a further extension of his service, the amount of his pension to one-half of his then full pay.

5. When an Officer is promoted to a higher grade he shall contribute to the Fund the percentage pertaining to the salary actually drawn by him in any month.

6. When an Officer is on half-pay leave his contributions will be based on the pay he then receives.

7. Officers in the Service on 1st July, 1921 will be allowed full benefit of the Scheme as from the date of joining the service. They will not be called upon for arrears of contribution.

8. The Government will contribute to the Fund an annual sum at least equal to the total subscribed by the Officers, until such time as the Fund becomes self-supporting.

9. If an Officer is obliged to retire through ill-health before completing ten years' service his contributions will be refunded to him.

10. In an Officer is obliged to retire through ill-health, not occasioned by his own fault, if he shall have completed 10 years' service at the time of such enforced resignation, he shall be granted a bonus on retirement equal to the total of the amounts contributed by him to the Fund, plus half such amount to be contributed by the Government.

11. If an Officer who has completed twenty years' service is obliged to retire through ill-health, the grant of a pension, under the

special circumstances of the case, will be at the discretion of the Court of Directors.

**12.** If an Officer voluntarily retires or is dismissed for misconduct before becoming entitled to a pension he shall forfeit all contributions paid in.

**13.** If an Officer dies before becoming entitled to a pension his contributions to the Fund will be refunded to his Estate, but no contributions will be made by Government.

**14.** If a married Officer dies after ten years' service, but before retirement, his widow will be granted an annuity for life, or so long as she remains in widowhood, equal to 1/120th of her deceased husband's pay at the time of his death for each year of service completed by him.

**15.** If a married Officer dies after retirement his widow will draw an annuity for life, or so long as she remains in widowhood, equal to one-half of the amount of the deceased Officer's pension.

**16.** No widow will be eligible for any pension unless her name and proof of marriage have been submitted to Government either at the time of marriage or at the time a married Officer joins the Pension Scheme. No annuity will be payable to the widow of an Officer who has married after retirement.

**17.** This Scheme shall be compulsory as regards all Officers joining the service on or after 1st July, 1921, but is optional to Officers who have joined the service before that date.

**18.** No Officer in the Service on 1st July, 1921, will be entitled on retirement to any pension, unless he shall have contributed to the Fund from its commencement.

**19.** In the case of the appointment to the service of Officers with special qualifications, the Courts of Directors shall decide to what

extent, if any, such Officers shall be credited with years of service for the purpose of a pension.

**20.** No Officer shall be granted a pension or bonus without a certificate from the Governor to the effect that he has discharged his duties with such diligence and fidelity as to justify the grant to him of such pension or bonus.

**21.** If any person to whom a pension or annuity has been granted is adjudicated a bankrupt or is declared insolvent by judgement of the Court, or is convicted before any Court of competent jurisdiction of any crime or offence for which he is sentenced to imprisonment, or is banished from any British Colony or British Protectorate or British Protected State, then such pension or annuity shall forthwith cease, but the Court of Directors may at their discretion apply all or any part of the monies to which such pensioner or annuitant would have been entitled by way of pension or annuity for the benefit of the pensioner or annuitant or his wife and children if any.

**22.** It shall be a condition of the grant of every pension or other allowance that the Court of Directors may cancel or reduce it if it be shown to have been obtained by wilful suppression of material facts or to have been granted in ignorance of facts which, had they been known before the retirement of the Officer, would have justified his dismissal or a reduction of salary.

**23.** (a) An Officer who becomes eligible to join this pension scheme after previous service in a non-pensionable appointment shall be eligible for a pension based only on the period that he has contributed to the Fund, except that, subject to regulation 2 (b), his previous service, if continuous, may be counted in computing the date on which he becomes eligible for a pension.

(b) If such Officer dies after ten years' service, but before retirement, his widow will be granted an

annuity for life, or so long as she remains in widowhood, equal to 1/120th of her deceased husband's pay at the time of his death for each completed year that he has contributed to the Fund.

**24.** (1) When an Officer under this Scheme has completed 30 years' service and wishes to serve for a further period, he will be required to opt in respect of his further service –

- (a) either to remain on the terms of this Scheme, in which case service under the age of 20, except for service as a learner or apprentice, will count and his pension to be paid on his eventual retirement will be frozen at the 30 year figure in accordance with regulation 4 of the Scheme;
- (b) or for the new term of this paragraph, in which case service under the age of 20 years will not count as pensionable, but further service will earn pension at the rate of 1/720th for each completed month of service, subject to his pension not exceeding 7/12th of his final pensionable emoluments.

(2) The provisions of the European Officers' Pension Scheme in respect of orphans' benefits will be extended to Officers on the Scheme for Subordinate Staff, and the maximum annuity for any one orphan will be raised from £105 per annum to half the amount of the annuity which would have been payable to the widows, subject to the over-riding condition that resultant benefits payable to widows and orphans arising from this concession shall not operate to increase any present entitlement above the total benefits which would have been payable to a widow or orphan if the Officer has opted to contribute to the Widows' & Orphans' Pension Fund.

(3) Any additional benefits payable under this regulation will come into effect as from the 1st January, 1957, and will apply, so far as is applicable to –

- (a) serving Officers;
- (b) pensioners who retired after the 1st January, 1957;
- (c) widows of pensioners who retired after the 1st January, 1957, such widows being alive and unmarried;
- (d) widows of serving officers who died after the 1st January, 1957, and are granted an annuity for life, such widows being alive and unmarried;
- (e) orphans of pensioners who retired after the 1st January, 1957, such orphans being of a qualifying age;
- (f) orphans of serving Officers who died after the 1st January, 1957, and whose widows would have been eligible for an annuity at the date of death of the Officer, such orphans being of a qualifying age on the 1st January, 1957.

**25.** (1) Officers eligible for benefits under the Scheme may, under the conditions set out in paragraph (2) of this regulation, opt to commute one-fourth of a pension in the same manner as is permitted under regulation 23 (1) of the Pensions Regulations, 1963, to officers who retire under the terms of the Pensions Ordinance, 1963. The multiplying factor will be 10 times for those Officers who retired on or after 14th July, 1954 and 12½ times for those Officers who retired on or after 15th July, 1954.

(2) The conditions governing commutation of pensions under this regulation are as follows –

- (a) this regulation cannot be extended to pensioners who retired on or before 31st March, 1954;

- (b) Officers must elect to commute in the manner laid down in regulation 23 (2) of the Pensions Regulations, 1963;
- (c) on the death of the pensioner, the widow's or children's pension will correspondingly reduced; that is, the pension will be calculated on the original pension after commutation.

Only those Officers of the Subordinate and Clerical Staff expressly included in this Schedule are eligible to join the Pension Scheme.

1. All members employed under the Assistant Officers and Clerical Classification Schemes (Appendices B and C of Part II Volume II of Civil Service List).

2. All members employed under the Printing Department Classification Scheme (Appendix D of Part II Volume II of Civil Service List) in Grade IV or a higher rank.

3. All members employed under the Survey Department Classification Scheme (Appendix E of Part II Volume II Civil Service List) excluding Demarcators, Grade III Draftsmen, and Land and Survey Rangers.

4. All members employed under the Medical Department Classification Scheme (Appendix F of Part II Volume II of Civil Service List) in Grade III or a higher rank, excluding Assistant Surgeons and Vaccinators, Nurse Probationers will, on engagement, have the option of joining the Pension Scheme.

5. All members employed under the Telegraph and Telephone Departments Classification Scheme (Appendix G of Part II Volume II Civil Service List) in Grade III or a higher rank.

6. All members of the Education Department of the rank of Teacher Grade I (Appendix H of Part II Volume II of Civil Service List).

7. All members employed under the Public Works Department Classification Scheme (Appendix I of Part II Volume II of Civil Service List) excluding Apprentices and those on short term agreements and Technical Subordinates below Grade II.

8. All members employed under the Forestry and Agricultural Departments Classification Scheme (Appendix J of Part II Volume II of Civil Service List) excluding Forest Guards and Forest Scalers.

9. All members employed under the Railway Department Classification Scheme (Appendix K of Part II Volume II of Civil Service List) in Grade III or a higher rank excluding Probationer Inspectors.

10. All members of the State Bank Clerical Staff, excluding Learners.

11. Such other members of the Clerical and Subordinate Staff, as Government may from time to time approve in writing.

### PART III

#### PENSION SCHEME FOR NATIVE COMMISSIONED CONSTABULARY OFFICERS.

The following Pension Scheme applying to Native Commissioned Officers in the Armed Constabulary of North Borneo has been approved by the Courts of Directors –

1. A Native Commissioned Officer may be placed on retired pay at any time after completing twenty-five years' total service in the Force exclusive of leave. Retirement will take effect from the date notified in the *Official Gazette*.

2. A Native Commissioned Officer may, after twenty-five years' total service in the Force exclusive of leave, be granted a pension as follows:

Inspector or Jemedar	...	\$20 a month.
Chief Inspector or Subedar	...	\$30 a month.

If accepted for further service after completing twenty-five years' service a Native Commissioned Officer shall receive on retirement an additional pension equal to 1/60th of his annual salary in respect of each year's service in excess of twenty-five years, provided that such additional pension shall not exceed 5/60ths of his salary on retirement.

3. If compelled to retire before completing twenty-five years' total service in the Force, exclusive of leave, otherwise than for misconduct or for unfitness from self-indulgence or wilful neglect, a Native Commissioned Officer shall be awarded a gratuity, in addition to any pension to which he may be entitled in respect of his service in the ranks, at the following rates –

- (a) with less than five years' service – a gratuity equal to one one-half months' pay of his rank; or
- (b) with five and under ten years' service – a gratuity equal to three months' pay of his rank; or
- (c) with ten and under fifteen years' service – a gratuity equal six months' pay of his rank; or
- (d) with fifteen and under twenty-five years' service – a gratuity equal to twelve months' pay of his rank.

If compelled to retire under the conditions specified above, after completing fifteen years' service, a temporary or permanent pension may be granted in lieu of the gratuity laid down in paragraph (d) of this regulation. In such case, the retired pay shall be at such a rate not exceeding 1/25th of the full rate granted by regulation 3 for each year

of the Officer's service, as the Court of Directors shall determine, each case being considered on its merits. No pension shall be granted to any Native Commissioned Officer who has not completed fifteen years' total service in the Force.

4. Consecutive service in the ranks shall be reckoned for the purpose of calculating the above pensions and gratuities.

5. A Native Commissioned Officer will compulsorily retire on pension on completion of thirty years' total service in the Force exclusive of leave.

6. A pension is granted only on condition that it becomes forfeited and may be withdrawn by the Governor –

- (i) on the conviction of the grantee of an offence punishable with rigorous imprisonment for one year or more;
- (ii) on the banishment of the grantee under the provisions of the Banishment Ordinance, 1901, or any Ordinance in lieu thereof.

#### PART IV

#### CONSTABULARY AND PRISONS PENSION SCHEME

The Court of Directors have been pleased to approve the grant of pensions to Non-Commissioned Officers and men of the Armed Constabulary and to Subordinate Members of the Prisons staff on the following conditions –

1. After twenty-one years' continuous good service, the following pensions will be granted –

Constable	...	\$7 a month
Corporal and Lance-Corporal	...	\$9 a month
Lance-Sergeant	...	\$10 a month

Sergeant	...	\$12 a month
Sergeant-Major	...	\$15 a month
Gaoler	...	\$18 a month

Prison Warders will be graded for pension or gratuity in the Constabulary rank, the pay of which corresponds to their pay on retirement.

2. (a) If any member of the Force before completing twenty-one years' service –
- (i) is medically certified as unfit for further duty for any reason except unfitness occasioned by his own fault; or
  - (ii) is discharged, after not less than twelve years' service, as inefficient or on reduction of establishment,

he may, at the discretion of the Court of Directors, receive a gratuity on discharge not exceeding half a month's pay for each completed six months' service.

- (b) If any member of the Force, after not less than twelve years' continuous good service, is dismissed for misconduct he may, at the discretion of the Court of Directors, receive a gratuity on discharge not exceeding half a month's pay for each completed eight months' service.

- (c) The grant of gratuities under this regulation is entirely at the discretion of the Court of Directors and no such gratuity or part thereof can be claimed as a matter of right.

3. A member of the Force, if accepted for further engagement after completing twenty-one years' service, shall receive on retirement an additional pension equal to 1/60th of his annual salary in respect of each year's service in excess of twenty-one years, provided that such additional pension shall not exceed 5/60ths of his salary on retirement.

4. Full pensions or gratuities will be granted only when the candidate's conduct has been uniformly good. If a candidate's conduct has been decidedly bad no pension or gratuity shall be given.

5. If a member of the Force shall be permanently injured and rendered unfit for further service in the actual discharge of his duty, the grant of a pension or gratuity, according to the circumstances of the case, will be at the discretion of the Court of Directors.

6. A pension is granted only on condition that it becomes forfeited and may be withdrawn by the Governor –

- (i) on the conviction of the grantee of an offence punishable with rigorous imprisonment for one year or more; and
- (ii) on the banishment of the grantee under the provisions of the Banishment Ordinance 1901 or any Ordinance in lieu thereof.

7. Members of the Force who are natives of North Borneo may, at the discretion of the Government, be given in lieu of pension a premium-free grant of land in their native district on a ninety-nine years' lease, free of rent during the life time of the grantee, and carrying thereafter a rental not exceeding \$1 per acre. Such grant shall not exceed five acres in the case of a Constable or Corporal, and may be of correspondingly greater area in the case of a Non-Commissioned Officer of higher rank. These grants shall not be transferable during the life of the grantee, except with the special permission of the Governor.

**8.** No service as a bugler or drummer shall count towards a pension until such bugler or drummer has reached the age of eighteen.

**9.** Service for the purpose of regulations 1, 2 and 8 above shall mean service exclusive of leave.

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