Content

Title：	Act Governing the Retirement, Bereavement Compensation, Discharge with Severance Pay Benefits for the Teaching and Other Staff of School Legal Persons and their Respective Private School(s) Ch
Date：	2019.05.01
Legislative：	1. Presidential Order No. Hua-Zong-I-Yi-09800169161 enacted and promulgated on July 8, 2009: the full text of 41 articles; to take effect from January 1 2010, the date set by the Executive Yuan in Executive Yuan Order No. Yuan-Tai-Jiao-0980110568, issued December 28, 2009. 2. Presidential Order Hua-Zong-Yi-Yi-Zi No.10200225091 promulgated December 11, 2013: Amendment of Articles 8 and 41, taking immediate effect. 3. Presidential Order Hua-Zong-Yi-Yi-Zi No.10400067411 promulgated June 10, 2015: Amendment of Article 39. 4. Presidential Order Hua-Zong-I-Yi-Zi No. 10800041971 promulgated May 1, 2019: Amendment of Articles 4, 8 to 10, 20, and 21, and addition of Article 16-1.
Content：	**Chapter I General Principles** **Article 1** This statute has been formulated to protect the retirement, bereavement compensation, resignation, and severance pay rights and interests of the staff of school foundations (which are referred to as “school legal persons” in the title of this Act) and their private schools, and to promote the sound development of private schools (including post-secondary level colleges and universities). **Article 2** In this Act the term “competent authority” refers to: the Ministry of Education at the central government level; the municipal government at the special municipality level; and the county government or county-level city government at the county or county-level city respectively. **Article 3** In this Act the term “staff” refers to the paid, full-time, currently employed principal (president), teachers, and other staff employed within the establishment staffing of a registered private school, and staff of school foundations. The “staff of school foundations” referred to in the preceding paragraph is restricted to those staff members employed within the establishment staffing number of a private school established by a school foundation. **Article 4** Retirement, bereavement compensation, resignation, and severance payments for the staff of school foundations and their private schools shall be made through a fund. The staff, private schools, and each competent authority for schools shall jointly contribute an amount of money on a monthly basis to establish a retirement, bereavement compensation, resignation, and severance fund (hereunder referred to as “the Retirement and Compensation Fund”), from which such payments shall be made. In conjunction with relevant agencies, the central competent authority shall assist private schools, school foundations, and staff representatives to form the ROC Private School Staff Retirement and Bereavement Compensation Fund Management Committee (hereunder referred to as “the Fund

Management Committee”) and commission it to handle the Retirement and Compensation Fund revenue and expenditure, management, utilization, and deliberations and to review and make final decisions regarding retirement, bereavement compensation, resignation, and severance matters.

The number of members of the Fund Management Committee who are staff representatives and experts recommended by staff is not permitted to comprise less than two thirds of the full committee. The central competent authority shall also act in conjunction with relevant agencies to form the Private School Retirement and Bereavement Compensation Fund Supervisory Committee, to be responsible for the supervision of the Fund, and its review and assessment.

When the Fund Management Committee has been established, the management committee of the former ROC Private School Teacher and Staff Retirement and Compensation Fund that was established in accordance with the provisions of the Private School Act (hereunder referred to as “the former private school retirement fund”) before this Act took effect shall be integrated into the Fund Management Committee, after which all the rights and obligations of the management committee of the former private school retirement fund shall be assumed by the Fund Management Committee.

The Fund Management Committee shall set up a school fund reserve account for each private school and set up individual Retirement and Compensation Fund accounts for each of their staff members.

A school foundation and its private school(s) are not permitted to formulate its own provisions governing retirement, bereavement compensation, resignation, and severance and use its own such provisions instead of the retirement, bereavement compensation, resignation, and severance system set out in the provisions of this Act.

Regulations governing the organization, meetings, and administration of the Fund Management Committee and of the Supervisory Committee referred to in Paragraph 2, and other related matters, shall be prescribed by the central competent authority.

Article 5

When a staff member applies for retirement, bereavement compensation, resignation, or severance payments, that staff member or his or her survivors shall complete an application form and attach appropriate documentary evidence and receipts, and submit these to the employing school. The school shall compile the application documents and forward them to the Fund Management Committee which shall review and decide whether to give approval within two months from the day following its receipt. If necessary, the time limit may be extended and the applicant will be notified about this. Only one extension may be granted, and the extension is not permitted to exceed one month.

Article 6

The right of a staff member or his or her survivors to lodge a claim for any payment in accordance with the provisions of this Act is not permitted to be attached, assigned, or provided as security.

Article 7

The right to lodge a claim for payment of retirement money, bereavement compensation, or a severance payment for years of service before this Act took effect is extinguished ipso facto if not exercised within five years from the date that such a claim becomes exercisable.

Chapter II　Contributions to the Retirement and Compensation Fund

Article 8

Within two months from the beginning of each semester, private schools shall make staff retirement, bereavement compensation, resignation, and severance reserve fund contributions to the Fund Management Committee in accordance with the following provisions:

1. Private schools at the senior secondary school level and above (i.e. including private colleges and universities): contribute an amount equivalent to three percent of their tuition.

2. Private elementary schools and private junior high schools: contribute an amount equivalent to 2.1 percent of their miscellaneous fees.
The Fund Management Committee shall remit two-thirds of the contribution amount specified in the preceding paragraph into the school fund reserve account of each particular private school, to act as a reserve for its monthly contributions to the Fund to be made in accordance with the provisions of this Act. The remaining one-third shall be remitted into the former private school retirement fund to be used to pay the retirement, compensation, and severance payments that teachers and other staff are entitled to, based on their years of service before this Act took effect.
If a private school fails to pay its contribution by the deadline stipulated in Paragraph 1 or if it does not contribute the full amount, an additional late payment fee of three percent of the overdue contribution amount will be imposed each day from the day following the original deadline until the day immediately before the contribution is paid in full. The maximum additional late payment fee that may be imposed is equivalent to double the contribution amount. The revenue from late payment fees shall go into the school fund reserve account of the private school concerned.
The amount of money jointly contributed in accordance with the provisions of Article 4, Paragraph 1 shall be equivalent to 12 percent of double the staff member's base salary (based on seniority), and the respective proportions to be paid into each individual's Retirement and Compensation Fund account each month by each of the joint contributors are set out below:
1. The staff member shall contribute 35 percent.
2. The school fund reserve account shall contribute 26 percent.
3. The private school shall contribute 6.5 percent.
4. The competent authority for the school shall contribute 32.5 percent.
If any shortfall occurs in the contribution referred to in Subparagraph 2 of the preceding paragraph, the private school concerned shall pay the difference.
The contribution referred to in Paragraph 4, Subparagraph 3 may first be remitted from the reserve funds in the school fund reserve account. At the end of each semester, any surplus remaining in the school fund reserve account may be paid into each individual's Retirement and Compensation Fund account in a lump sum payment on a pro rata basis, based on each private school staff member's base salary (based on seniority) and weighted according to the number of days the person worked that semester.
The competent authority for the school shall have the responsibility of making the contributions stipulated in Paragraph 4, Subparagraph 4 for a maximum period of 42 years. For any years of service that exceed this maximum, the remainder of the contributions, apart from the individual contributions to be paid by principals (presidents) or teachers, shall be paid by the private school.
When a civil servant, educator, government worker, member of the military forces, person who worked in a public enterprise, or person who worked in another government position who has already received a retirement (or discharge) pension or payment transfers to take up a teaching or other staff position in a private school, the private school shall be responsible for paying the contribution of the competent authority for the school stipulated in Paragraph 4, Subparagraph 4.
If a staff member has been employed for less than a full month, the contribution to be made is calculated from the person's actual salary income as follows: take the base salary (based on seniority) at that staff member's pay level, divide it by the number of days in that month, and multiply the resulting figure by the actual number of days the person has been employed.
A staff member who considers that an error has been made by the school where they work(ed) regarding their period of service or the contribution amount(s) shall raise an objection with the school within one month from the contribution date, and request an alteration.
The amount contributed by a staff member in accordance with the provisions of Paragraph 4, Subparagraph 1 is not counted as part of their taxable salary in the contribution year.
The retirement, severance, and bereavement compensation payments for a staff member's years of service before the Retirement and Compensation

Fund was established shall be paid from the former private school retirement fund. If any shortfall occurs, it may be paid by the competent authority for the school, through a budget allocation, or an annual adjustment within the scope of the annual budget. Such payments are not subject to the restrictions set out in the provisions of Articles 23, 62, and 63 of the Budget Act.
When there are no longer any teaching or other staff members employed at any private or public school who had any years of service at a private school before this Act took effect, the Fund Management Committee shall remit the full amount of the contributions paid by individual private schools in accordance with the provisions of Paragraph 1 into their respective school fund reserve accounts, and each private school shall handle such matters in accordance with the provisions of Article 9.
After the amendments promulgated June 9, 2023 take effect, during a period in which a staff member takes unpaid parental leave in accordance with ordinances, the staff member may choose to bear the full contribution payment burden and continue to pay the Retirement and Compensation Fund contributions in accordance with the provisions of this Act. In such cases the period of unpaid parental leave will be calculated in the person's years of service. Payment of the required Retirement and Compensation Fund contributions for the parental leave period may be deferred for three years.

Article 9

A private school shall carry out the procedures required for increasing its contributions to the retirement, bereavement compensation, resignation, and severance pay reserve funds for its staff, and may make such additional contributions to the reserve funds based upon consideration of the school's financial situation and its major development objectives. A staff member also may make additional contributions to the reserve funds. The amount of such additional contributions that does not exceed an amount equal to the amount required to be contributed under Paragraph 4, Subparagraph 1 of the preceding article shall also not be counted as part of his or her taxable salary in the contribution year.

Any increased contributions to the retirement, bereavement compensation, resignation, and severance pay reserve funds and to the staff reserve funds made in accordance with the preceding paragraph shall be fully disclosed in financial statements, and the Fund Management Committee may be delegated to handle matters pertaining to their revenue and expenditure, management, and utilization.

Article 10

The Fund Management Committee shall examine and consider the size of the Retirement and Compensation Fund created in compliance with the provisions of Article 8, and design a range of investment portfolios with different returns and risks for staff to choose from. If a staff member has not chosen a portfolio, the Fund Management Committee shall allocate the contributions for that staff member to an appropriate portfolio based on the age of the staff member. The implementation regulations governing this shall be prescribed by the central competent authority.

Before the offering of a choice of investment portfolios referred to in the preceding paragraph is implemented, the Retirement and Compensation Fund shall be uniformly managed and utilized by the Fund Management Committee.

The return on the Fund during the period of its uniform management and utilization, and the return on an investment portfolio that the Fund Management Committee has rated as having the lowest level of risk after offering a choice of investment portfolios is implemented are not permitted to be lower than the 2-year term deposit rate of local banks. If any shortfall occurs, it shall be made up in full by the National Treasury.

If, after deducting the principal paid into the fund by the staff member and the interest it has earned, the retirement pay, bereavement compensation, or severance payment received by a staff member for years of service after this Act took effect is lower than the standards governing the calculation of retirement pay, bereavement compensation, or severance pay for any years of service before this Act took effect, each respective

competent authority shall make up the difference.

Article 11

If the competent authority for a school or a private school fails to make monthly contributions to the Retirement and Compensation Fund for its staff in accordance with the provisions of this Act, or fails to contribute the required amounts in full, thereby causing any staff member to suffer a loss, it shall be liable for damages. This shall not apply, however, if the failure is due to a cause not attributable to the competent authority for the school or to the private school.

The right to lodge a claim referred to in the preceding paragraph shall be extinguished if not exercised within two years from the time that the staff member discovers the loss, and within five years from the time the loss occurred.

Chapter III Integration of Different Retirement and Compensation Funds

Article 12

The years of employment of a staff member before and after this Act took effect shall be calculated in aggregate.

A staff member's years of service after this Act took effect shall be limited to those years in which monthly contributions have been made to the Retirement and Compensation Fund. Years of service in which contributions have not been made to the Retirement and Compensation Fund, or years of service for which retirement pay, a resignation-related refund, or severance pay have previously been approved and paid, shall all be excluded from inclusion in the years to be counted.

Except when other provisions in this Act apply, the retirement, bereavement compensation, resignation, and severance payments for a staff member for the years of service after this Act took effect are paid from the cumulative principal and interest paid into the staff member's individual Retirement and Compensation Fund account by the Fund Management Committee out of the Retirement and Compensation Fund. The same applies for the years of past employment of public school principals (presidents) and teachers for whom contributions have been made into the Retirement and Compensation Fund referred to in this Act and for whom no retirement payment, severance pay, or resignation-related refund has yet been approved and paid, or applied for.

The standards for calculating the aggregated years of service before this Act took effect, and the corresponding retirement pay, bereavement compensation, and severance payments basis points and the maximum basis points shall be handled in accordance with the provisions formerly governing the retirement, bereavement compensation, and severance payments for private school staff before this Act took effect. Retirement, bereavement compensation, and severance payments for years of service before this Act took effect shall be paid by the Fund Management Committee out of the former private school retirement fund.

Any years during which a private school principal (president) or teacher was formerly employed as a paid qualified principal (president) or teacher within the establishment staffing of a public school, for which no retirement payment, resignation-related refund, or severance pay has yet been approved and paid and for which written verification has been provided by his or her former employing school, may be included in the person's aggregate years of service, and retirement, bereavement compensation, or severance payments calculated using the approved rate for his or her years of service, shall be approved and made in accordance with the provisions below:

Years of service at a public school before (and including) January 31, 1996: shall be paid by the competent authority of the school where the person was last employed.

Years of service at a public school after (and including) February 1, 1996 shall be paid by the Public Service Pension Fund Management Board.

Article 13

When a person who has already received retirement pay, a resignation-related refund, or severance pay once again takes a position as a private school staff member, that person is not required to pay back the payment already received. When the person subsequently applies again for retirement, resignation, or severance pay, or his or her survivors apply for bereavement compensation, his or her years of service shall be counted beginning from the month in which the new position was taken.

Chapter IV　Retirement

Article 14

Retirement of staff members is divided into voluntary retirement, age-mandated retirement, and mandatory retirement.

Article 15

A staff member's voluntary retirement shall be approved in either of the following circumstances:

The staff member has reached the age of sixty.

The staff member has been employed for twenty-five full years.

A private school that is undertaking staff retrenchments in accordance with ordinances in conjunction with an organizational restructuring, cessation of its operations, or an amalgamation may approve voluntary retirement for a staff member who does not meet the requirements set out in the preceding paragraph but to whom any of the following circumstances pertain:

The staff member has been employed for twenty full years or longer.

The staff member has been employed for ten full years or longer, and has reached the age of fifty.

The staff member has been at the highest seniority pay level in his or her position for three full years.

The central competent authority may consider lowering the age stipulated in Paragraph 1, Subparagraph 1 for people whose job positions have restrictive physical requirements. It is not, however, permitted to be lower than fifty-five.

Article 16

When a staff member reaches the age of sixty-five, a private school shall take the initiative to carry out the procedures for that staff member's age-mandated retirement. However, his or her service may be extended if one of the following circumstances pertains:

If the term of appointment of a principal (president) has not yet expired, the person may continue to serve in the position until the term of his or her appointment ends; the person may also continue to serve if re-appointed after that term of appointment. However, no extension of an appointment is permitted once a person reaches the age of seventy.

The term of appointment of a professor at a junior college or an institution of higher education may be extended based on teaching needs, and subject to the person's agreement to continuing his or her service. However, each such extension is not permitted to exceed one year, and such extensions may only continue until the academic semester in which the person reaches the age of seventy.

Article 16-1

If a teacher who has been seconded in accordance with regulations takes unpaid leave satisfies the provisions of the preceding article during the unpaid leave period, the teacher may arrange their retirement within five years after the day they turn sixty-five.

If the circumstances set out the preceding paragraph pertain to a teacher during the period between the date that this Act took effect and May 2, 2019 and the person has not yet arranged their retirement, they may arrange their retirement within one year from the day the May 23, 2023 amendments to this Act take effect.

Article 17

After this Act takes effect, if a private school appoints a principal (president) or a full-time teacher who is aged over sixty-five acting in accordance with the provisions of the Private School Act, the contributions to the Retirement and Compensation Fund shall all be made by the private school, apart from the individual contributions made by the principal (president) or teacher in accordance with the provisions of Article 8, Paragraph 4, Subparagraph 1.

Article 18

If there is solid evidence that a staff member who has been employed for five years or longer has become unable to competently perform his or her duties because of a physical or mental disability, but the person is unwilling to produce a medical certificate verifying treatment by a hospital that meets or exceeds the hospital assessment standards set by the central competent heath authority, then the staff member shall be ordered to obtain medical treatment, after the private school's supervisory personnel and human resources personnel have reported the matter to the principal (president) and approval has been given. If after two academic semesters the staff member is still unable to competently perform his or her duties or has still not been treated, the school shall take the initiative to carry out the procedures for the staff member's mandatory retirement.

Article 19

For retirement purposes, a staff member's age shall be determined by calculating from the birth date recorded in his or her household registration.

When a principal (president) or teacher retires voluntarily in accordance with the provisions of Article 15, the standard effective date for such retirements will be February 1 or August 1, unless there is some special reason to retire on some other date and the employing school certifies that the retirement will have no adverse effect on teaching.

When age-mandated retirement is imposed on a staff member in accordance with the provisions of Article 16, if the staff member's birth date falls during the period from August 1 to January 31 of the following year, the effective date of retirement will be no later than February 1 of the following year; if the staff member's birth date falls during the period from February 1 to July 31, the effective date of retirement will be no later than August 1.

The standards for determination of the "special reason" referred to in Paragraph 2 shall be handled in accordance with the relevant provisions for public schools.

Article 20

The retirement payment methods are as follows:

For service of less than fifteen years: retirement pay shall be paid in a lump sum.

For service of fifteen years or longer: the staff member shall choose one of the following payment methods:

(1) a lump-sum payment;

(2) regular periodic payments; or

(3) a combination of a lump-sum plus regular periodic payments. The standards governing the permitted proportion of the lump-sum payment and of the regular periodic payments, for the combination payment method shall be prescribed by the central competent authority.

For a lump-sum payment: the staff member shall receive both the principal and interest in his or her individual Retirement and Compensation Fund account, and the retirement pay payable for his or her years of service before this Act took effect in one lump sum.

For regular periodic payments: using the total amount that the staff member would have received in a lump-sum payment, the staff member shall be enrolled in annuity insurance that is in compliance with the provisions of the Insurance Act, or the Fund Management Committee shall provide an arrangement for the staff member to claim installment payments, to provide

the regular periodic retirement pay payments.

For staff members that choose regular the periodic payments provided by the Fund Management Committee referred to in the preceding paragraph: within six months from April 9, 2019, the date of effect of the amendments to articles, the Fund Management Committee shall design a range of investment portfolios with different returns and risks for the staff members to choose from, and the staff member shall assume sole responsibility for the profit/loss resulting from their choice of portfolio. The regulations governing the implementation of the regular periodic payments, the method for claiming the payments, and other relevant matters shall be prescribed by the central competent authority.

When a staff member who chooses regular periodic payments, or a lump-sum plus regular periodic payments retires, he or she may use his or her retirement payment or social insurance benefits, duly received in accordance with the law, to purchase the annuity insurance referred to in the provisions of Paragraph 3 with a lump-sum payment.

In the case of payments made in accordance with the provisions of Paragraph 1, Subparagraph 2, Item (3), each retirement payment shall be calculated based on the ratio between the lump-sum payment and the periodic payments.

As well as being exempt from the requirement of fifteen years of service or longer stipulated in Paragraph 1, Subparagraph 2, to become eligible to receive regular periodic payments, a person who retires because of illness or injury caused as a result of his or her duty shall also receive an additional lump-sum twenty percent payment from the private school in accordance with the lump-sum retirement payment standards of the former private school staff retirement provisions in effect before this Act took effect. If a person’s period of service is less than five years, it shall be deemed to be five years.

The wording “because of illness or injury caused as a result of his or her duty” in the preceding paragraph refers to any illness or injury which has been verified by the employing school as having occurred as a result of any of the circumstances listed below, and for which a medical treatment certificate issued by a hospital that meets or exceeds the hospital assessment standards set by the central competent heath authority has been provided:

a hazard occurring while undertaking duties;
an accident occurring at the place of work;
an accident or hazard encountered while commuting to or from work; or
sparing no effort and excessively overworking.

A staff member who retired or received severance pay after this Act came into effect may return the retirement pay or severance pay originally received and arrange to receive installment payments in accordance with the provisions of Paragraphs 3 and 4.

Article 21

When a staff member who has chosen regular periodic payments or a lump-sum plus regular periodic payments dies, if the annuity insurance in which the deceased was enrolled in accordance with the provisions of Paragraphs 3 and 5 of the preceding article does not provide for continued receipt of payments by his or her survivors, after deducting the total regular periodic payments already received by the deceased, the insurer shall pay the guaranteed amount due to the deceased in accordance with the annuity insurance the deceased was enrolled in, the insurer shall pay the balance, discounted to present value at the stipulated interest rate, to the survivors in a lump-sum.

If the deceased person has no survivors to receive the payment referred to in the preceding paragraph and did not leave a will giving instructions regarding how any such payment was to be used, after using the amount necessary for funeral expenses, the school where the deceased was formerly employed may use the balance exclusively to offer general or special scholarships for students studying there.

The scope, order of entitlement, and proportional entitlements of the survivors referred to in Paragraph 1 shall be in accordance with the provisions of the annuity insurance contract; if the contract does not contain any such provisions, the handling of such matters shall be governed

by the provisions of the Civil Code.

Chapter V　Severance and Resignation

Article 22

If any of the circumstances listed below pertain to a staff member, and that person does not meet the criteria for retirement, the private school may give the staff member a severance payment in accordance with the provisions of applicable ordinances and procedures. However, a severance payment made to a principal (president) shall be paid by the school foundation; when necessary, the competent authority for the school may order it to make payment.

Because of adjustments to departments, graduate institutes, subjects, divisions, or curricula, or the school reducing the number of courses, or ceasing operations, or dissolution of the school, work is no longer available for the staff member in his or her current position, and no other appropriate work is available.

The staff member is unable to competently perform his or her work because of physical or mental disability, and a certificate verifying this has been issued by a hospital that meets or exceeds the hospital assessment standards set by the central competent heath authority.

The quality of the staff member's work in his or her current position, consistently fails to meet teaching standards, and this has been reviewed and verified by the school's teaching staff evaluation committee.

The staff member has been made subject to a guardianship order (or made subject to an interdiction order before November 22, 2009) or an assistance order, which has not yet been revoked.

Article 23

Staff severance payments shall be calculated using the standards for lump-sum payments.

Article 24

A staff member who resigns without meeting the requirements to receive any retirement or severance pay may collect the principal and interest in his or her individual Retirement and Compensation Fund account in a lump sum. However, a staff member who exploited an opportunity offered by his or her position to commit a crime for which he or she was convicted and sentenced may only recoup the principal and interest from his or her own contributions to the Fund.

If during his or her period of employment, as referred to in the proviso in the preceding paragraph a staff member exploits an opportunity offered by his or her position to commit a crime, and if the person is convicted and sentenced only after a resignation payment or severance pay has already been paid to the staff member in accordance with the provisions of this Act, the staff member shall pay back the principal paid to him or her from the contributions of the private school and the competent authority for the school and the interest it earned.

Article 25

With the exception of any person who has exploited an opportunity offered by their position to commit a crime for which they have been convicted and sentenced, as referred to in the preceding article, a staff member who meets the criteria for resignation payment or severance pay is entitled to refrain from collecting their resignation payment or severance pay which was duly approved in accordance with provisions. From the date the person reaches the age of 60, the Fund Management Committee will pay the person the principal and interest of any resignation or severance pay that they have not yet collected, or it may apply the provisions of Paragraph 3 and Paragraph 4 of Article 20, mutatis mutandis.

If a person in the circumstances referred to in the preceding paragraph dies before reaching the age of 60, the principal and interest of any resignation payment or severance pay that they have not collected shall be paid by the Fund Management Committee to the person's survivors in a lump

sum. The handling of the scope of entitlement, order, and proportional entitlements of the survivors referred to in Paragraph 1 shall be governed by the provisions of the Civil Code.
The handling of the scope of entitlement, order, and proportional entitlements of survivors of a person who was enrolled in the annuity insurance referred to in Paragraph 1 shall be in accordance with the stipulations of the annuity insurance contract; if the contract does not contain any such stipulations, the handling of such matters shall be governed by the provisions of the Civil Code.
Chapter VI Bereavement Compensation

Chapter VI　Bereavement Compensation

Article 26

If a staff member either meets with either of the following circumstances, his or her survivors shall be paid bereavement compensation:
death caused by illness or injury; or
death caused as a result of duty.
With the exception of a staff member whose death is caused by commission of a crime or suicide, his or her survivors shall be paid the same bereavement compensation as that paid in the case of a death caused by illness.
The term "death as a result of duty" in Paragraph 1, Subparagraph 2 refers to a death which has been verified by the employing school as having occurred as a result of any of the following circumstances:
a hazard occurring while undertaking duties;
an accident occurring at the place of work;
an accident or hazard encountered while commuting to or from work; or
sparing no effort and excessively overworking.

Article 27

The bereavement compensation payment methods are as follows:
For service of less than fifteen years: bereavement compensation shall be paid in a lump sum.
For service of fifteen years or longer: the staff member's survivors shall choose one of the following bereavement compensation payment methods:
(1) a lump-sum bereavement compensation payment; or
(2) bereavement compensation annuity payments.
For a lump-sum bereavement compensation payment: the staff member's survivors shall receive both the principal and interest in the staff member's individual Retirement and Compensation Fund account, and the bereavement compensation payable for his or her years of service before this Act took effect in one lump sum
For a bereavement compensation annuity: the staff member's survivors shall be enrolled in annuity insurance that is in compliance with the Insurance Act, using the total amount that his or her survivors would have received in a lump-sum payment, to provide a periodically paid bereavement compensation annuity.
Persons who choose a bereavement compensation annuity may at the time of the bereavement compensation purchase in full the annuity insurance referred to in the preceding paragraph with a lump-sum payment using the whole or a part of a payment from social insurance or some other lawful resignation payment system.

Article 28

If a staff member's death was caused as a result of his or her duty, in addition to the bereavement compensation made in accordance with the provisions of the preceding paragraph, an additional one-off payment of 25 percent of the bereavement compensation shall be made; for a death caused as a result of a hazard occurring while the person was undertaking his or her duties, an additional payment of 50 percent shall be made.
If a person referred to in the preceding paragraph as having his or her death caused as a result of his or her duty had been employed less than fifteen years, the period of employment shall be deemed fifteen years; in the case of a death caused by a hazard occurring while the person was

undertaking his or her duties, if the person had been employed fifteen years or more but less than thirty years, the period of employment shall be deemed thirty years

The additional amounts of bereavement compensation referred to in the preceding two paragraphs shall be paid by the private school in accordance with the former provisions and standards governing private school staff bereavement compensation in effect before this Act took effect.

Article 29

One-half of the bereavement compensation for a staff member's survivors shall be distributed to his or her spouse who has not remarried, and the remainder shall be divided evenly among the other survivors in the following order:

his or her children; if the staff member was an only child, his or her parents;

his or her parents.

When there are multiple survivors within either of the two categories referred to in the preceding paragraph, if any of them dies or waives the right to receive part of the bereavement compensation, his or her share shall be redistributed evenly among the remainder of the eligible survivors in the same category. If there are no survivors in the first category, the bereavement compensation shall be distributed evenly among the survivors in the second category.

If the staff member left behind a will which designates the order in which the survivors referred to in Paragraph 1 are to receive bereavement compensation, the bereavement compensation shall be distributed as the staff member's will instructed.

If there are no survivors in the categories referred to in Paragraph 1, or if bereavement compensation is not handled in accordance with this Act, the staff member's heirs may apply to the Fund Management Committee to be paid the principal and interest in the staff member's individual Retirement and Compensation Fund account. If the deceased person has no heirs, the former employing school may, after using the amount necessary for funeral expenses, use the balance exclusively to offer general or special student scholarships for students studying there.

Chapter VII　Management and Supervision

Article 30

Apart from the uses stipulated in the provisions of Article 31, the Retirement and Compensation Fund may only be utilized to make resignation, bereavement compensation, and severance payments for the staff of private schools, and resignation-related refunds for the staff of private schools who resign.

Article 31

The scope of utilization of the Retirement and Compensation Fund is as follows:

purchase of domestic and foreign government bonds, treasury bills, short-term notes and bills, beneficiary certificates, bonds, stocks of exchange-listed or OTC-listed companies, and derivative financial instruments for hedging-purposes;

depositing in a bank designated by the Fund Management Committee;

participation in Retirement and Compensation Fund personnel welfare loans, and investment in related real estate facilities;

Investment in government-approved registered venture capital enterprises; and/or

other investments that yield a beneficial return-on-investment for the Retirement and Compensation Fund, subject to the Fund Management Committee reporting to and obtaining approval from the central competent authority.

Article 32

The competent authorities, the Fund Management Committee, insurance enterprises handling annuity insurance business, and their related

personnel are not permitted to externally disclose any confidential information obtained in the course of handling business pertaining to registers of staff members and related information and are not permitted to seek to obtain any illegal benefits, and they shall diligently perform the fiduciary duties of prudent administrators, and seek maximum economic benefit for staff members.

Article 33

The Fund Management Committee shall set up separate accounts for and separately handle the financial matters and revenue and expenditure of the former private school retirement fund, the Retirement and Compensation Fund, and the reserve funds that private schools have delegated the fund to manage and utilize in accordance with Article 9, Paragraph 2. The Fund Management Committee shall handle the associated accounting reports and annual accounts in accordance with regulations.

Regulations governing the revenue and expenditure, management, utilization, and allocation of any surplus or deficit of the Retirement and Compensation Fund and of the former private school retirement fund, and other related matters shall be prescribed by the central competent authority.

Article 34

The Fund Management Committee shall review the revenue and expenditure, utilization, and any surplus or deficit of the Retirement and Compensation Fund and then publicly disclose their findings on a monthly basis, and submit them to the central competent authority for recordation. When necessary, the central competent authority may audit the registers of staff members, records of contributions, and associated material.

Article 35

The expenses incurred by the Fund Management Committee carrying out the various operations required in association with this Act may be paid from the former private school retirement fund and included in the annual budget.

Article 36

If a private school acts in breach of the provisions of this Act governing contributions to the Retirement and Compensation Fund, after receiving a report from the Fund Management Committee, the competent authority for the school shall order the school to remedy the situation within a specified period. If the situation is not satisfactorily remedied within the specified period, the competent authority shall suspend financial incentives and subsidies to that school in whole or in part.

Article 37

If a staff member who is retiring, resigning, or leaving employment with severance pay or a survivor who is lodging a claim to receive bereavement compensation is not satisfied with a review and approval decision made regarding his or her retirement, resignation, severance, or bereavement compensation payments, the person may initiate the remedy procedures available under the law.

Chapter VIII　Supplementary Provisions

Article 38

All account books, receipts, and operational revenue and expenditure pertaining to the Fund Management Committee handling matters in accordance with the provisions of this Act are without exception exempt from taxation.

Article 39

The provisions of this Act apply, mutatis mutandis, to the handling of the retirement, severance, resignation, and bereavement compensation payments of full-time, qualified, paid personnel in the categories listed below employed within the establishment staffing of a private school:

research personnel appointed in accordance with the Employment

Guidelines for Research Personnel at Universities;
professional technicians appointed in accordance with the Employment Regulations for Teaching Positions for Professional Technicians at Universities;
professional and technical teachers selected and appointed in accordance with the Regulations Regarding the Selection and Appointment of Specialized Technical Personnel at Junior Colleges; and
Foreign nationals holding a full-time post within the establishment staffing of a registered private school at any level as a qualified, paid teacher or in a capacity listed in any of the preceding three subparagraphs.

The provisions of this Act also apply, mutatis mutandis, to the principal and staff of a private preschool that has completed its registration.

Article 40

The Enforcement Rules of this Act shall be prescribed by the central competent authority.

Article 41

The date of effect of this Act shall be prescribed by the Executive Yuan.

The amendments to this Act take effect from the date of promulgation.

Data Source： Laws and Regulations Retrieving System