

In the Name of God

Social Security Law

Of

THE ISLAMIC REPUBLIC

OF IRAN

Social Security Law

Chapter one

Definitions – General

Article 1. For the purpose of implementing, extending and expanding various types of social insurance, and developing a consistent system appropriate to social security requirements*, a Social Security Organization, hereinafter called the “Organization”, is established.

Article 2. Definitions:

1. An “Insured” is a person who is individually covered by social security and, by paying certain sums as an insurance contribution, is entitled to enjoy the benefits set forth in this law.
2. “Family of the insured” refers to a person or persons who enjoy the benefit, of this law through the insured.
3. “Place of work” refers to the location at which the insured work under direction of the employer or his agent.
4. “Employer” is a real person or a legal entity at whose direction or on whose account the insured works.

All persons who have administrative responsibility for the place of work as managers or supervisors shall be considered as agents of the employer. The employer is responsible for fulfillment of all obligations, which the said agents undertake with respect to the insured.

5. “Wages”, “Salary” or “Compensation” * as used in this Law includes any money or benefit paid in cash or in kind on a regular basis or formula to the insured for his work.
6. “Contribution” refers to money which is paid to the Organization under the provisions of this Law in order to be entitled to the benefits provided for in this Law.

7. "Sickness" is an abnormal physical, mental or emotional condition, which requires treatment or which produces a temporary disability to work, or both simultaneously.
8. "Accident", as used in this Law, refers to an unforeseen event occurring as the result of the operation of an external cause or causes and which produces physical or mental injury to the insured.
9. "Sickness Benefits" applies to money, which pursuant to this Law is paid to the insured in lieu of wages or salary during a period of pregnancy, temporary sickness or disability to work and failure to receive wages or salary.
10. "Medical Aid Devices" (Prosthetic and Orthopedic) refers to equipment used for the purpose of strengthening one of the senses.
11. "Marriage grant" is an amount paid to the insured under certain conditions in order to compensate for expenses incurred in getting married.
12. "Family Allowances" is an amount, which an employer pays under certain conditions to an insured who has a child or children.
13. "Total Disability" refers to a decrease in the ability of the insured to work such that he is able to earn more than one-third of his previous income by engaging in his former occupation or in any other work.
14. "Partial Disability" refers to a decrease in the ability of the insured to work such that he is able to earn only a portion of his income by engaging in his former occupation or in any other work.
15. "Retirement" refers to the state of an insured who is no longer employed as the result of having reached the retirement age provided in this Law.
16. "Pension" refers to sums of money, which under the conditions set out in this law are paid to the insured as compensation for the loss of a part or the whole of this income or in the event of his death are paid to his survivors to secure their livelihood.
17. "Lump sum compensation for the loss of use of a limb" is an amount, which is paid in a lump sum to the insured, as compensation for the loss of use of a limb or as compensation for reduction in his income.

18. "Funeral and Burial Grant" is a fixed amount paid for the purpose of covering the expenses related to the funeral and burial of the insured where his family handles this matter.

Article 3. The social security provided for in this law covers the following:

- A. Accident and sickness
- B. Maternity and Confinement
- C. Sickness Benefits
- D. Disability
- E. Retirement
- F. Death

Note. Persons covered by this law shall be entitled to the Marriage Grant and Family Allowances according to the regulations pertaining thereto.

Article 4. Persons covered by this law shall consist of:

- A . Individuals who in any capacity work for wages and salary .
- B . Persons having a trade or profession or who are self-employed.
- C . Persons receiving pensions for retirement, disability or death.

Note 1. Employees of Ministries, Government organizations and companies and organizations affiliated with the Government, who according to the pertinent laws are entitled to some of the benefits referred to in Article 3 of this law, shall be covered by the provisions of this law with respect to other benefits (referred to in Article 3 hereof) where special laws providing such benefits for such employee do not exist, all according to regulations to be adopted by the council of Ministers as

proposed by the Ministry of Social Welfare and approved by the State Organization for Administrative Affairs and Employment .

Note 2. Persons governed by the Imperial Armed Services Law and artisans governed by the Army * Artisan' s Cooperative and Retirement Insurance Law shall not be subject to this law but shall be governed by their own special law and Regulations.

Note 3. The rate of the contribution, which in consideration of Article 28 of this law must be paid by guile members and other persons having a trade

or profession and the self-employed, shall be determined according to Regulations to be proposed by the Ministry of Social Welfare and approved by the committee on social welfare and the committee on Economic Affairs and Finance of the Houses of Parliament .

Note 4. Persons subject to the Law for the Protection of staff Employees Against the effect of Old Age, Disability and Death shall continue to be subject to the provisions of said Law.

Organizations covered by said law are bound on notification from the National Health Insurance Organization, to deduct their own share of the medical insurance contribution and that of the insured and to pay same to said organization through their respective protection Fund. The rate of medical insurance contribution under this Article shall be pursuant to the criteria and provisions for medical insurance as set out in the law covering Medical Treatment for Government Employees and the method of collecting the applicable contribution shall be exactly the same as provided in the law for the protection of staff Employees Against the effects of Old Age, Disability and Death .

Article 5. Foreign nationals who are employed in Iran in accordance with the pertinent labor laws and regulations, except in cases where according to protocols and bilateral and multi-lateral treaties between Iran and other countries special arrangement have been provided for, shall be subject to this law provided that they are not subject to the law for the protection of staff Employees Against the effects of Old Age, Disability and Death .

Article 6. The implementation of each item of the coverage provided for in Article 3 of this Law shall be put into effect with respect to the rural population and their families in the various regions of the country gradually as the Organization's capabilities are expanded, as recommended by the Board of Directors and

approved by the High Council of the Organization with due regard to Article 117 of this law .

Article 7. Individuals employed in occupations which until the enactment of this law were not covered by social insurance, shall on recommendation of the Board of Directors and approval of the Minister of Health, Hygiene and Medical Education become subject to the provisions of this law in the following order:

A. Coverage set out in Sections C,D,E and F of Article 3 of this law shall be gradually implemented taking into consideration the capabilities of the Organization . According with due regard to Article 28 of this law, the rate of contribution until the end of the year 1354 (20 March 1976) shall be 19% of the salary or wages, and from the beginning of the year 1354 (21 March 1976) shall be 21% of the salary or wages. In the year 1354 the employer will pay 13%, the Insured 4%, and the Government 2%, and from 1354 onward, the employer shall pay 14%, the insured 5%, and the Government 2%.

B. Coverage set out in Sections A and B of Article 3 of this law shall be implemented gradually and on the condition that the Organization has provided the necessary equipment and facilities for medical treatment of insured persons. The obligation of employers or persons subject to the provisions of this law by virtue of this Article to pay this insurance contribution shall commence from the data notice of their insurance coverage is published in the newspaper or a written notice is given.

Article 8. The insurance of individuals and of persons employed in occupations which were until the data of enactment of this law in any way covered by the provisions of the Social Insurance Law or Rural Social Insurance Law shall continue with due regard to the provisions of this law.

Note. The conditions relating to the continuation of all or a part of the insurance coverage specified in this law for those persons who have been excluded from the category of insured persons for a reason other than the reasons set out in this law, shall be determined according to pertinent Regulations. In any event, payment of the total insurance contribution in such cases shall be born by the insured.

Article 9. The performance of the obligations arising out of the coverage's set out in sections A and B of Article 3 of this Law shall be the responsibility of the National Health Insurance Organization .

Article 10. From the effective data of this Law, the Social Insurance Organization and the Rural Social Insurance Organization shall be merged into the Social Security Organization. All duties, obligations, claims, budgetary allocations and assets of such organizations and their employees with the preservation of their rights, records (of service) and employment benefits, which shall Regulations referred to in Article 13 of this law, shall be transferred to this Organization.

Article 11. The medical facilities and equipment of the Social Insurance Organization, which have been provided out of the reserve funds of the said Organization, shall be placed at the disposal of the National Health Insurance Organization while maintaining the title of ownership thereto.

Note. The employees of the medical units mentioned in this Article shall, while preserving their rights, records (of service) and employment benefits, be transferred to the National Health Insurance Organization.

Chapter Two

Organs and Organization

Article 12. The Organization which is to be administered under the supervision of the Minister of Health, Hygiene and Medical Education shall be a legal entity having financial and administrative independence. Its financial affairs shall be administered exclusively according to the provisions of this law.

Article 13. The Financial and Procurement Regulations of the Organization, Which shall be drawn up by the Ministry of Health, Hygiene and Medical Education and the Ministry of Economic Affairs and Finance, and the Employment Regulations, as ratified by the State Organization for Administration and Employment, shall after ratification by the Council of Ministers be approved by the relevant Committees of the Houses of Parliament. The present regulations shall remain in force.

The Ministry of Social Welfare is bound, within one year from the date of enactment of this law, to draw up said regulations and submit them to the Houses of Parliament until their approval by the Parliament; the present regulations shall remain in force.

The financial, administrative and employment affairs of the National Health Insurance Organization shall be governed by the present Financial, Administrative and Employment Regulations of the Organization, until approval of the Employment regulations of the Organization, the employees of the National Health Insurance Organization shall be governed by the present regulations of the Social Insurance Organization.

Article 14. The Organization for the performance of its functions shall have a central organization, branch offices and agencies.

Article 16. The members of the High Council are :

A- Eight representatives from the Government.

- The Ministry of Health, Hygiene and Medical Education, who shall be the Chairman of the High Council,
- The Ministry of Labor and Social Affairs or his Deputy Minister,
- The secretary General of the Management and Planning Organization or his Deputy,
- The Minister of Finance and Economic Affairs or his Deputy,
- The Minister of Heavy Metal Industry or his Deputy,
- The Minister of Industry,
- The Minister of Mines and Metallurgy or his Deputy,
- The Minister of Co-operatives Affairs or his Deputy,

B- Five representatives from employers, three representatives from the insured's.

Article 17. The representatives of employers, Guides and insured persons shall be appointed as members of the High Council for a period of three years. Such representative may be changed during their tenure on the High Council and are eligible for re-election .

Article 18. The internal regulations of the High Council of the Organization shall be forced after approval by the Council.

Article 19. The duties and powers of the High Council of the Organization are as follows :

- (A) Approval of the administrative regulations which have been delegated to it according to this law.

- (B) Making decisions on the policy and general course of action to be followed for social security on the proposal of the Board of Directors.
- (C) Examining and approving the Budget, Financial Report and the Balance sheet of the Organization.
- (D) Determining the salary and perquisites of the members of the Board of Directors after the confirmation of the Council for salaries and wages, determining the Auditor's (Inspector's) fees, and fixing the attendance fees of the members appointed to the High Council.
- (F) Taking decisions regarding release of the debts of employers whose debts are less than twenty thousand rials and who, as determined by the Board of Directors, are unable to pay said debts. With respect to employers who for any reason are unable to pay the outstanding insurance contribution, or where payment of the entire debt in one sum is beyond the financial ability of the employer and would result in closure or suspension of the operations of the operations of his place of work, the High Council may, on the proposal of the Board of Directors, exempt the employer from payment of the whole or part of the penalties specified in this law. The High Council may also make arrangements for dividing the debt into installments to allow an adequate grace period.
- (G) Taking decisions on other matters, which as determined by the Chairman of the High Council require review by the High Council.

Note 1. The duties and powers of the High Council for Social Security provided for in Article 3 of the Law for protection of staff employees against the effects of Old Age, disability and Death are transferred exactly as stated to the High Council for Social Security provided for in this law and aforesaid Council is dissolved.

Note 2. Whenever any one of the members of the High Council resigns or dies or absents himself from three consecutive meetings without any reasonable excuse, his successor shall be appointed in the manner mentioned above for the rest of the specified period. Decision as to whether or not an excuse is reasonable lies with the Chairman of the High Council.

Article 20. The Board of Directors shall consist of five members as follows :

The Deputy Minister of the Ministry of Health, Hygiene and Medical Education responsible for Social Security who shall be the Chairman of the Board of the Directors and Managing Director of the Organization .

Two members of the Board of Directors on the proposal of the Minister of Health, Hygiene and Medical Education and approval of the Council of Ministers .

One representative of the workers and one representative of the employers, on the proposal of the Minister of Health, Hygiene and Medical Education and approval of the Council of Ministers .

Note : The term of membership of the members of the Board of Directors is three years and each member may be re-elected . In the event that their removal becomes necessary before expiration of the specified term and also in the event of death or resignation of any one of them, another person will be appointed for the remaining term in the order mentioned above.

The members of the board of Directors after completion of their term of office shall continue this function until the selection of a new Board of Directors.

Article 21. The duties and powers of the Board of Directors are as follows:

- (1) Proposing to the High Council the general policy and course of action to be followed and the programs to implement social security.
- (2) Approval of the administrative and internal manual of the Organization as proposed by the Chairman of the Board of Directors and the Managing Director within the limits of pertinent regulations.
- (3) Confirmation of the Administrative Regulations under this Law to be proposed to the competent authorities.
- (4) Approval of the program, budget, financial report and the balance sheet of the organization for consideration by the High Council.
- (5) Approval of the organizational chart within the limits of the budget approved by the High Council.
- (6) Approval of all transactions involving more than five million Rials.

Article 22. Decisions of the Board of Directors shall be valid when approved by a majority of votes.

Article 23. The auditor (Inspector) shall be appointed for each fiscal year on the nomination of the Minister of Economic Affairs and Finance and approval by the High Council. The auditor (Inspector) does not have the right to interfere in the affairs of the organization but may inform the Chairman of the Board of Directors and the Managing Director of the organization of his views. An auditor (Inspector) may be re-elected.

Article 24. The duties and powers of the auditor (Inspector) are the same as stipulated in the commercial code for the inspector of a company. The auditor (Inspector) may, with the knowledge of the Chairman of the Board of Directors and Managing Director, examine the books of the organization and may secure any type of explanation and information as he may consider necessary to carry out his responsibilities.

Article 25. The annual balance sheet, financial report and statements of assets and liabilities of the organization shall be given to the auditor (Inspector) at least 30 days before their consideration in the High Council and shall after examination be submitted to the High Council with auditor's (Inspector's) report. The auditor (Inspector) is bound to submit to the Board of Directors a copy of his record ten days before the convening of the meeting of the High Council.

Article 26. The duties and powers of the Chairman of the Board of Directors and Managing Director are as follows:

- 1) Execution of programs and resolutions of the High Council and the Board of Directors.
- 2) Preparation and drawing up of the budget, program, financial report and the balance sheet and recommendation thereof to the Board of Directors, and submission of the budget to the High Council at least three months before the end of the year.

- 3) Proposal of the organizational chart for the organization to the Board of Directors with due regard to the approved program and budget.
- 4) Approval and transaction of business involving amounts up five million Rials.

Article 27. The Chairman of the Board of Directors and Managing Director, who is responsible for managing the affairs of the organization and is charged with the execution of this law and resolutions of the High Council and the Board of Directors, is the head of the entire organizational structure and shall have full authority to manage the affairs of the organization within the limits of this law and its regulations. The Chairman of the Board of Directors and Managing Director shall represent the organization before both real persons or legal entities and all legal authorities, and may exercise this right personally or through attorney or representatives as he may appoint .

Note. The Chairman of the Board of Directors and Managing Director may, on his own responsibility, delegate a part of his authority and responsibility to any one of the members of the Board of Directors or any one of the employees of the organization. In the event that the Chairman and Managing Director for any reason such as sickness, leave or travel can not perform his duties for a period of time, one of the members of the Board of Directors, nominated by the Chairman of the Board of Directors and Managing Director and approved by the Ministry of Health, Hygiene and Medical Education, Shall assume responsibility for all his duties. In such case one of the employees of the organization selected by the Minister of Health, Hygiene and Medical Education shall, during the absence of the Chairman and Managing Director, participate in the Meeting of the Board of Directors with the right to vote.

Chapter Three
Sources of Income – Basis
for Calculation of Insurance Contribution and
the Manner of its Collection

Article 28. The source of income of the organization are as follows:

- 1) The insurance contribution from 1st Mehr, 1354 (23 September, 1975) until the end of the year 1354 (March 20, 1976) shall be at the rate of 28% of wages or salaries, 7% of which shall be borne by the insured, 18% by the employer and 3% shall be provided by the by the Government.
- 2) Income obtained from the funds, reserves and properties of the organization.
- 3) Money obtained from penalties and cash fines specified in this law.
- 4) Grants and gifts.

Note 1. From the beginning of the year 1355 (March 21, 1976) , the employer's share toward the insurance contribution shall be 20% of the wage or salary of the insured, which together with the Government will increase the insurance contribution 30% of the wage or salary.

Note 2. The Government is required to provide its share toward the insurance contribution as a lump sum in the Annual National Budget and to pay same to the organization.

Note 3. The organization shall, at least once every three years, conform its financial affairs with actuarial principles and report thereon to the High Council.

Article 29. 9% of the basis for calculating the insurance contribution referred to in Article 28 of this law, as the case may be, shall be allocated to secure the expenses arising from coverage's mentioned in section A and B of Article 3 of this law, and the balance shall be allocated to the remaining undertakings.

Note . Sickness benefits for a period of sickness of an insured which is not paid by the employer, shall be borne by organization.

Article 30. Employers are bound to deduct from all the money and benefits mentioned in section 5 of Article 2 of this law the specified insurance contribution and to pay same together with their own share of the contribution to the organization.

Note . The value of non-cash regularly paid benefits, such as food-stuffs, cloths and the like, shall be determined as a fixed amount in accordance with a regulation to be approved by the High Council upon the proposal of the Board of Directors; and insurance contribution shall be collected on the said value.

Article 31. In the case of insured persons the whole or part of whose wages or earnings is secured through customers or clients, the approximate income of every class or profession must be determined as a fixed amount upon the proposal of the Board of Directors and approval of the High Council, and shall form the basis for collection of the insurance contribution.

Article 32. In the case of insured persons who receive wage, the insurance contribution shall calculated and collected on the basis of their total monthly earning. This insurance contribution shall in no case be less than the insurance contribution applicable to the minimum wage of ordinary laborers.

Article 33. The insurance contribution of apprentices shall be paid in proportion to their wages or salaries and such contribution shall in no case be less than the rate applicable to the lowest wage or salary. In the event that the wage or salary of the apprentice is less than the lowest wage, the payment of the difference in the apprentice's share of said insurance contribution shall be borne by the employer.

Article 34. Where the insured works for two or more employers, each one of them is bound to deduct from his wage or salary the insurance contribution in proportion to the wage or salary he is paying, and to pay the same organization together with his own share of the contribution.

Article 35. The organization may, where necessary and with the approval of the High Council of the organization, classify the wages or salaries of insured persons engaged in certain occupations and collect the insurance contribution on the basis of a fixed income and calculate and pay cash benefits on the same basis.

Article 36. The employer is responsible for the payment of his share of the contribution and that of the insured to the organization and is bound, at the time of payment of wages or salaries and benefits, to deduct the share of the insured and pay it to organization adding his own share thereto. Where the employer fails to deduct the insured's share of the contribution, he shall be personally responsible for its payment. Delay in payment or non-payment of insurance contribution by the employer shall not absolve the organization of its responsibility and undertaking toward the insured.

Note . Insured persons, the whole or part of whose earnings is derived in the manner set out in Article 31 of this law, are bound to pay their share of the insurance contribution to the employer for payment to the Organization, but in any

event the employer shall be responsible for the payment of the insurance contribution.

Article 37. Upon the transfer and assignment of institutions and places of work governed by this law, or the profits thereto, whether the transfer is absolute, conditional, as a mortgage by means of a deed, a legal settlement or lease and whether the transfer is by means of an official or ordinary deed, the transferee is required to demand from the transferor a certificate from the organization to the effect that there is no outstanding debt on account of insurance contribution and related charge Registrars of legal instruments are required at the time of the drawing up the documents, to enquire of the organization concerning the debts of the transferor. In the event that the organization does reply to the Registrar of Legal Instruments within 15 days of receipt of the enquiry form at the office of the organization, the registrar of legal instrument may register the transaction without clearance being obtained.

Where the organization gives notice that the transferor has a debt, the transaction may be concluded upon payment of the debt, which payment, however, shall not deprive the transferor of his right to protest the assessment of the organization and secure a review of the amount of insurance contribution.

Where the transaction is concluded without presentation of said certificate, the transferor and the transferee shall have joint and several responsibilities for payment of the claims of the organization. Ministries, Governmental organizations and companies as well as municipalities, Guiles and other authorities concerned are bound to demand a certificate of settlement of account for insurance contribution from applicants for renewal of licenses for business or any other activity. In any event renewal of a business license depends upon producing a certificate of settlement of account for insurance contribution.

Note. The organization is bound to issue a certificate of settlement of accounts and deliver same to the applicant no later than one month after registration of an application.

Article 38. Where the performance of work is entrusted to real persons or legal entities on a contract basis, the employer should, in making the contract, bind the contractor to insure his workers as well as the workers of subcontractors with the organization and to pay the whole of the insurance contribution as set out in Article 28 of this law. Payment of 5% of the total value of the contractor's work by the employer shall be subject to presentation of a certificate of settlement of accounts from the organization. In the case of contractors who submit in due time a list of wages and insurance contributions of their employees to the organization, and pay accordingly; an amount equivalent to the insurance contributions paid shall be released from said amount (5% withheld) at the request of the organization. If the employer pays the last installment to the contractor without asking for the certificate of settlement of account from the organization, he shall be responsible for the payment of the specified insurance contribution and related penalties. The employer then has the right to demand and recover from the contractor the sums paid to the organization on this account.

All Ministries, Government organizations, and companies, municipalities, the Chamber of Guides, non-government institutions and charitable and public welfare institutions are subject to this Article.

Article 39. The employer is required to pay each month's insurance contribution to the organization no later than the end of the following month. He shall also submit to the organization a list of wages or salaries of the insured persons. Such list shall be prepared in accordance with the regulations on the manner of preparing and transmitting payroll lists as approved by the High Council of the organization. The organization shall at the latest within six months of the date of receiving the payroll list investigate the records and documents of the employer and if it finds errors, discrepancies or inconsistencies, will proceed according to Article 100 of

this law and collect the balance due. If the employer refrains from producing any documents, the organization will arbitrarily determine the balance due on the insurance contribution and demand and collect same.

Article 40. Where an employer fails to transmit the payroll list mentioned in Article 39 of this law, the organization may arbitrarily determine the insurance contribution and demand and collect the same from the employer.

Article 41. Where the type of work requires, the organization may on proposal of the Board of Directors and with the approval of the High Council of the organization, determine the proportion which wages bear to the work performed, and demand and collect the insurance contribution based on such proportion.

Article 42. If the employer should object to the amount fixed by the organization for the insurance contribution and penalties for delayed payments, he may, within 30 days of the date of notification, submit his protest to the organization in writing. The organization is required within thirty days of the date of receipt thereof to present same to a Board of First Instance for Assessing Claims.

Where no protest is received from the employer during the period specified, the assessment of the organization shall be final and the amount of insurance contribution and the penalties as determined will be collected in accordance with the Article 50 of this law.

Article 43. Boards of First Instance for assessing claims of the organization shall be composed of the following persons:

- (1) A representative of the Ministry of Health, Hygiene and Medical Education who shall be the Chairman of the Board.

- (2) One person representing the employer, selected by the Chamber of Commerce, Industry and Mines of Iran in the case of businessmen and industrialists, a representative from the pertinent guild introduced by the chamber of Guilds in the case of guild members, professionals or self-employed persons.
- (3) One person selected by the High Council of Social Security.
- (4) The representative of the workers selected by the Minister of Health, Hygiene and Medical Education in the case of workers covered by the Social Security Law.

Decisions of the Boards of First Instance for Assessing Claims are final and binding and in cases where the amount demanded by the organization for insurance contribution and penalty is two hundred thousand Rials or less, or where no protest is made within the specified time. If the amount claimed be more than two hundred thousand Rials, the employer and the organization have the right to appeal within twenty days from the date of receipt of actual or legal notification of the decision of the Board of First Instance for Assessing Claims.

Article 44. The Assessment Review Boards shall be convened in Tehran and be composed of the following persons:

- (1) A representative of the Ministry of Health, Hygiene and Medical Education who shall be the Chairman.
- (2) One of the judges of the Ministry of Justice selected by the Ministry of Justice.
- (3) One person selected by the High Council of social security.
- (4) A representative of the organization selected by the chairman of the Board of Directors and Managing Director.
- (5) One person representing the employer selected by the Chamber of Commerce, Industry and Mines of Iran in the case of businessmen and industrialists, or one representative of the Chamber of Guilds in the case of guild members,

professionals and the self-employed. Decisions of a Review Board are final and binding.

Note . Boards of First Instance and Review Boards shall notify the employer of the hearing dates. Employers shall be free to attend hearing for purpose of giving explanation.

Article 45. The procedure for lodging a protest and petition for review, convening meetings of the Boards, method of investigation, issuance of decisions and notification shall be in accordance with regulations to be approved by the High Council of the organization on the proposal of the Board of Directors.

Article 46. The organization may at the request of an employer divide his debts into 36 monthly installments; in such case the employer shall pay to the organization interest equivalent to 12% per annum on the outstanding balance due. In case the employer does not pay any of the installments on the specified date, the remaining installments shall immediately become due and payable and shall be collected according to Article 50 of this law.

Note. In cases where, due to a financial crisis which causes a halt in operations at the place of work, payment of the insurance contribution on the date due is not possible, the employer may, at the time specified in this Article, ask for a reduction in the amount of damages and delay penalties. In such case Boards of First Instance and Assessment Review Boards shall examine the request of the employer and issue the appropriate decision. In any case, the amount of damages and delay penalty shall not be less than 12% per annum on the delayed insurance contribution.

Article 47. When visited by an inspector from the organization, employers are required to make available to him the list of wages, salaries and other benefits of insured persons, as well as the books of account and necessary documents. Inspectors of the organization may make copies or photocopies of all or any part of the said books of account and documents and may refer to any of the heads, staff and workers at the place of work and to authorities concerned in order to secure necessary information. Inspectors of the organization have the right to inspect the places of work covered by this law and have the same powers and responsibilities set out in Article 52 and 53 and of the Labor Law. The result of the inspection shall be reported by the organization to the employer at the most within one month.

Article 48. From the date that the organization, with due regard to Article 7 of this law, announces that a new group is subject to insurance coverage, it shall be bound to carry out its legal obligations to the insured persons in accordance with the regulations; and employers are bound to pay the insurance contribution to the organization as of the date said group has been announced as being subject to insurance coverage.

Note. In cases where the payroll list is not sent on the specified date by the employer, the organization may calculate the wage or salary of insured persons on the basis provided in Article 40 of this law for calculating the insurance contribution and consider the same as the basis for payment of cash benefits. In cases where calculations of the wage or salary of the insured in the above manner is not possible, the organization may pay the cash benefits, on account, on the basis of the lowest wage or salary.

Article 49. The claims of the organization arising out of the execution of this law shall be considered as preferred claims.

Article 50. The claims of the organization for insurance contribution, delay penalties and cash fines, which arise from the implementation of this law, or

former social insurance. Laws, and the rural Social Insurance Law, as well as the expenses incurred according to Article 65 and 89 and the damages mentioned in Article 99 and 100 of this law shall be considered as claims supported by binding documents, and according to the law concerning the Execution of the Contests of official Documents may be collected by the enforcement agents of the organization.

The administrative regulations of this Article shall be prepared by the organization at the latest within six month of the date of enactment of this law, and shall become effective upon the approval of the said regulations, the provisions of this Article will be implemented by the enforcement agents for judgments of the courts of the Ministry of Justice in accordance with regulations under Article 35 of the Social Insurance Law.

Chapter Four

Financial Provisions

Article 51. Before the beginning of the month of Day (22 December) of each year, the Board of Directors is required to prepare the budget for the entire organization for the following year and present it to the High Council of the organization. The High Council of the organization is required to approve the budget for the following year no later than the 15th Esfand (5 March) and notify the board of Directors accordingly.

Note. The share of the National Health Insurance organization to cover expenses arising out of Sections

A and B of Article 3 of this law shall be separately stated in the budget of the organization in accordance with Article 29.

Article 52. The balance of the income after deduction of expenses, all income from fines and delay penalties interest on fized deposits, dividends on securities, profits from investments, as well as income derived from the sale transfer or use of property of the organization shall be credited in its entirety to the reserve account.

Note 1. Each year on the proposal of the Board of Directors, the High Council of the organization shall assign an amount out of the reserves for the purchase of immovable property, and the provision of new buildings, or installations and equipment, for which no provision has been made in the budget of the organization.

Note 2. The development of medical facilities shall be financed out of the reserve funds, on the proposal of the National Health Insurance Organization as confirmed by the Board of Directors of the organization and approved by the High Council . Said facilities will be put at the disposal of the National Health Insurance Organization, but the title thereto will remain in the organization.

Article 53. The reserves of the organization shall be deposited with the Workers Welfare Bank. The said bank shall manage the investment of said reserve funds through a committee with the approval of the High Council of the organization.

Chapter Five

Accidents, Illness, Pregnancy and Confinement

Article 54. Insured persons and members of their families may enjoy benefit of medical services, in case of injury due to accident or illness, from the date they become subject to this law. The said medical services which are the responsibility of the National Health Insurance Organization shall include all out-patient medical treatment, in-patient treatment, supply of required medicines, and diagnostic testing.

Article 55. Medical services covered by this law are provided in two ways:

- (a) The direct method for insured persons who are doctors, clinics, hospitals and other medical facilities belonging to the organization.
- (b) The indirect method for insured persons who are free to select any doctor, clinic and hospital and under which the organization shall carry out its medical obligations by paying for such medical services.

Note . The rules applying to use of the methods set out above, shall be fixed according to regulations to be prepared within six months of the date of the enactment of this law, which shall be approved by the Technical Council of the National Health Insurance Organization.

Article 56. For the purpose of rehabilitation, recovery and restoration to work of insured persons who have been injured and who have lost their former jobs, the National Health Insurance Organization shall work through specialized institutions for the disabled to enable such persons to be employed in other suitable work, all pursuant to regulations proposed by the Technical Council of the above mentioned organization and approved by the High Council of the organization.

Article 57. In the event that the treatment of a patient necessitates his transfer from a village or district to another district, the procedure for such transfers shall be according to rules to be proposed by the National Health Insurance Organization and approved by the Technical Council of the said organization.

Article 58. The members of the family of an insured who are entitled to the benefits stipulated in Article 54 of this law are:

- (1) The wife of the insured.
- (2) The husband of an insured wife provided that he is supported by her and he is over 60 years of age, or is found to be disabled according to the findings of the Medical Board referred to in Article 91 of this law,
- (3) Children of the insured person who meet one of the following conditions:
 - (a) Are under 18 years of age, are unmarried daughters under 20 years of age or when they are exclusively occupied as students as certified by an official educational institution,
 - (b) Are unable to work due to illness or defect of limb as certified by the National Health Insurance Organization .
- (4) Parents supported by the insured provided that the age of the father exceeds 60 years and that of the mother 55; or when they are disabled, according to the findings of the Medical Boards referred to in Article 91; and provided that in any event they are not receiving any pension from the organization.

Article 59. Insured persons who are under medical treatment or are convalescent and according to the findings of the National Health Insurance Organization are temporarily unable to work, provided they are not engaged in any work and do not receive any wage or salary, shall be entitled to receive sickness benefits under the following conditions :

- (a) The insured is under medical treatment as a result of an occupational disease,
- (b) Where the insured, due to illness and according to a doctor's certificate requires a complete rest or bed rest and on the date of his illness was working or on paid leave.

Article 60. Employment related accidents are accidents which occur to the insured in the course of performing his duties or as a result thereto. “In the course of performing his duties” refers to all times when the insured is working at the place of work or affiliated institutions or the buildings or compounds thereof or, on the instructions of the employer, is carrying out an assignment outside the limits of the place of work. Time spent in visiting a clinic, hospital or for medical or convalescent treatment and time spent by the insured in going from home to the place of work and returning thereto is considered as in the course of performing his duties, provided that the accident occurs during the normal hoarse of going to the place of work or return there from. Accidents which occur to an insured while trying to save other insured persons and assist them are considered as employment related.

Article 61. Occupational disease shall be determined according to a schedule to be proposed by the Board of Directors and approved by the High Council of the organization. The period during which the National Health Insurance Organization is responsible for the treatment of each occupational disease after a change of work by the insured shall be as specified in the said schedule.

Article 62. The period for payment of sickness benefits during illness and the amount thereof shall be as follows:

- (1) Sickness benefits shall be paid from the first day upon which the insured, according to the findings of the National Health Insurance Organization, is considered unable to work due to accident or occupational disease. In cases where unemployment or treatment is due to an illness, if the patient is not hospitalized, sickness benefits will be paid from the fourth day.
- (2) Payment of sickness benefits will continue so long as the insured, as determined by the National Health Insurance Organization, is unable to work but does not qualify as disabled according to the provisions of this law.

- (3) Sickness benefits of an insured, who has a wife or child or dependent father or mother, shall be paid at the rate of three fourths of his last daily wage or salary.
- (4) Sickness benefits of an insured, who has no wife or child or dependent father or mother, shall be equivalent to two-thirds of his last daily wage or salary, except when the insured is hospitalized at the expense of the National Health Insurance Organization in which case the sickness benefits shall be equivalent to one half his last daily wage or salary.
- (5) Whenever the National Health Insurance Organization transfers an insured to another district for medical treatment and he is treated as an outpatient in addition to the applicable sickness benefits, payment equivalent to one hundred percent of the daily sickness benefits shall also be made for each day of his stay. Subject to the decision of the doctor treating him, so long as the patient needs a companion, in addition to traveling expenses, the organization shall also pay to the companion of the patient an amount equivalent to fifty percent of the salary or wages of the insured.

Article 63. In case of sickness or accidents, the last daily wage or salary of the insured for the purpose of calculating the sickness benefits for the period of sickness consists of the total amount received by the insured, on the basis of which the insurance premium has been collected during the last 90 days before the beginning of his sickness, divided by the number of working days. With regard to insured persons who receive piece work compensation, the last wage consists of the total amount received by the insured on the basis of which the insurance contribution has been collected during the last 90 days before the beginning of his sickness divided by 90, the sickness benefits payable on the minimum wage of an ordinary sickness laborer. Where an insured who receives piece work compensation has received sickness benefits during a part of the said three months, the average wage, which was the basis for calculating the said sickness benefits, shall be considered to be the daily wages during the period of sickness and will be considered in the calculation.

Article 64. In cases where employers in accordance with other laws and regulations are required to pay salary or wages to their insured employees who are ill, the National Health Insurance Organization shall be responsible only for their medical treatment according to the provisions of this law.

Note . In cases where employers are bound, in accordance with other laws, to pay the wages of their tubercular workers, the organization shall be responsible only for their treatment according to the provisions of this law.

Article 65. In cases of employment related accidents, the employer is required to take the necessary initial steps to prevent worsening of the person involved in the accident, and should inform the organization of the case within three working days. In case the employer incurs expenses for his initial actions, the National Health Insurance Organization shall repay the expenses incurred.

Article 66. If it is proved that the accident is the direct result of non-compliance with technical safety regulations, or that the sickness is due to a failure by the employer or his agent to observe sanitary and hygiene regulation and required precautions, the National Health Insurance Organization and the organization shall pay the expenses related to the treatment, sickness benefits, pensions etc, and shall claim and collect same from the employer in accordance with Article 50 of this law.

Note 1. The party at fault may exonerate himself by paying to the organization a sum equivalent to ten years pension mentioned in this Article.

Note 2. If the insured is covered by the regulations regarding third party insurance, in case of an accident the organization or the National Health Insurance Organization or the other party himself may provide the insured with the assistance provided for in this law, and the insurance companies involved shall then be bound

to pay the damages sustained by the organizations within the limits of their liabilities to the third party.

Article 67. A female insured or the wife of a male insured, who has a record of paying the insurance contribution for 60 days within the one year prior to delivery, may enjoy the pregnancy and confinement benefit provided she is not working. The pregnancy and confinement benefit shall be equal to two thirds of the last wage or salary of the insured according to Article 63, and the maximum that may be paid shall not exceed a total period of 12 weeks covering the time both before and after delivery, without deducting the first three days thereof.

Article 68. A female insured or the wife of a male insured, who has a record of paying the insurance contribution for 60 days within the one year prior to delivery may enjoy the medical assistance and examinations and treatment before, during and after delivery. The National Health Insurance Organization may, on application by the insured, pay a cash amount in lieu of the above benefits. The said amount shall be determined in regulations to be prepared by the Board of Directors of the National Health Insurance Organization and approved by the High Council of the organization.

Article 69. In case a female insured or the wife of a male insured suffers from diseases which would make it harmful for her to breast-feed her child, or if she dies after delivery, the required milk will be supplied up to the age of 18 months.

Chapter Six

Disability

Article 70. Whenever insured persons are considered to be incurable as diagnosed by the doctors in charge of their treatment, and after notice concerning the results of their convalescent treatment and concerning their return to work has been given, said insured persons if totally or partially disabled according to the finding of the Medical Committee referred to in Article 91 of this law, shall be dealt with as follows :

- (a) If the degree of the insured's loss of ability to work is 66% or more, he shall be considered to be totally disabled.
- (b) If the degree of the loss of the insured's ability to work is between 33% to 66%, and it was caused by an employment related accident, he shall be considered to be partially disabled.
- (c) In case the degree of the loss of insured's ability to work is between 10% to 33% and it was caused by an employment related accident, he shall be entitled to lump sum compensation for loss of limp.

Article 71. An insured who, as the result of an employment related accident or occupational disease is considered to be totally disabled, shall without regard to the period during which he has paid the insurance contribution be entitled to a pension for employment related total disability.

Article 72. The amount of monthly pension for an employment related total disability is equal to one thirty-fifth of the average wage or salary of the insured multiplied by the years during which the insurance contribution has been paid, provided it is not less than fifty percent of his average monthly wage or salary nor is it in excess of one hundred percent thereof . With regard to insured persons who

have a dependent wife or child or a father or mother and whose pension is less than 60% of their average wage or salary, there shall be paid an additional 10% of the pension as a contribution, provided the total pension and contribution do not exceed the 60%.

Note 1. A husband or child or parents shall be considered as dependent on the insured under the following conditions:

- (1) The age of the husband exceeds 60 years, or he is found by the Medical Committee mentioned in Article 91 of this law to be totally disabled, and in either case he does not receive any pension under this law and is supported by his wife.
- (2) The children of the insured who meet the conditions mentioned in clause 3 of Article 58 of this law.
- (3) The age of the father exceeds 60 years, or that of the mother 55 years, or they are found by the Medical Committee mentioned in Article 91 of this law, to be disabled, and are supported by the insured, and in any event receive no pension under this law.

Note 2. The average monthly wage or salary of the insured mentioned in this Article is the total of his wage or salary on the basis of which the insurance contribution has been collected during the 720 day period preceding the employment related accident or the beginning of the occupational disease resulting in the disability, divided by the working days and multiplied by thirty .

Article 73. An insured who due to an employment related accident has lost his ability to work by 33% to 66% shall be paid a pension for an employment related partial disability.

The amount of pension shall be the result derived from multiplying the percentage of disability times the amount of the total disability pension as determined in accordance with Article 72 of this law.

Article 74. An insured who due to an employment accident has lost the ability to work by 10% to 33% shall be entitled to receive the lump sum compensation for loss of limb. The amount of this compensation shall be 36 times the applicable pension as stipulated in Article 72 of this law multiplied by the percentage of disability.

Article 75. An insured who during the 10 years period preceding the occurrence of a non-employment related accident or the beginning of his sickness, has paid the insurance contribution for at least one year of work including the insurance contribution for ninety days of work during the one year period preceding the accident or sickness, which resulted in the disability, shall in case of total disability be entitled to a monthly pension for non-employment related total disability.

Note. The calculation of the average wage and the disability pension mentioned in the above Article shall be made in accordance with Article 72 of this law, and Note 2 there under.

Chapter Seven

Retirement

Article 76. Persons covered by this law who meet the following conditions shall be entitled to a retirement pension.:

- (1) They shall have paid the stipulated insurance contribution for at least ten years before they apply for retirement.
- (2) The male shall have completed 60 years of age and the female shall have completed 55 years.

Note . For persons who before applying for retirement have worked at least either twenty consecutive years or twenty five non-consecutive years in a region with a bad climate or under conditions of difficult and hazardous employment injurious to health, the age of retirement shall be 55 years. Those who have worked a full thirty years and have paid the stipulated insurance contribution to the organization, may ask for a retirement pension when they completed 55 years of age . “ A region with a bad climate “and” employment injurious to health” shall be defined in accordance with regulations approved by the Council on Ministers.

Article 77. The retirement pension shall be one thirty of calculating retirement pension shall be the total wages or salary of the insured on the basis of which the insurance contribution has been paid during the last two years during which the insurance contribution has been paid divided by twenty-four.

Article 78. The employer may apply to the organization for the retirement of insured persons who have continued to work for five years or more after attaining the age of retirement stipulated in this law.

Article 79. Employees of Government companies the majority of the shares of which either now belong to or may hereafter belong to the private sector under the law shall be treated as follows :

- (1) The employees covered by Article 33 of Employment Regulations for Government Companies, and the employees of Government companies who are subject to special regulations regarding retirement and stipends, shall continue to be subject to said regulations.
- (2) The employees of Government companies now covered by the Social Insurance Law shall subject to the provisions of this law.
- (3) Other employees shall be subject to the law for the Protection of staff Employees against the Effects of Old age, Disability and Death.
- (4) The method for calculating the Government service of employees mentioned in Clauses (1) and (3) above, the amount of pension contributions payable by the employee and employer, and also the manner of fix-ing the pension or stipend of such employees and their duties shall be according to regulations to be prepared by the Ministry of Health, Hygiene and Medical Education with the cooperation of the State Organization for Administrative Affairs and Employment and approved by the High Council for Social Security.

Chapter Eight

Death

Article 80. Eligible survivors of a deceased insured will receive a survivors pension under one of the following circumstances:

- (1) On the death of an insured who was retired.
- (2) On the death of an insured totally disabled pensioner.
- (3) On the death of an insured who during the last ten years of his life has paid the insurance contribution for at least one working year.
- (4) In cases where death of the insured is due to an employment related accident, or an occupational disease.

Article 81. The eligible survivors of the deceased who are entitled to survivors pension are :

- (1) The permanent wife of a deceased insured so long as she has not remarried.
- (2) The children of the deceased provided that they are under 18 years of age or are exclusively devoted to studying, or due to illness or loss of limb are certified by the Medical Committee mentioned in Article 91 of this law as being unable to work.
- (3) The parents of the deceased provided, firstly that they were supported by him and secondly that the age of the father exceeds 60 years and that of the mother 55 years, or that, according to the findings of the Medical Committee mentioned in Article 91 of this law, are disabled and in any event are not drawing a pension from the organization.

Article 82. The survivors of an insured woman shall benefit from a pension under the following circumstances:

- (1) A husband provided, firstly, he was supported by his wife, and secondly, his age exceeds 60 years or according to the opinion of the Medical Committee mentioned in Article 91 of this law he is disable and is in no way receiving a pension from the organization.
- (2) Children provided that the following conditions exist:
 - (a) their father is not living or he meets the conditions mentioned in section 1 of this Article, and is not benefiting from another pension.
 - (b) Their age is under 18 years or they are exclusively devoted to studying until completion of their education or, when due to illness or loss of limb as certified by the Medical Committee mentioned in Article 91 of this law they are not able to work.
- (3) Parents provided, firstly that they were supported by the deceased and secondly that the age of the father exceeds 60 years, and the mother 55 years, or that as a result of the finding of the Medical Committee mentioned in Article 91 of this law they are disabled and in any event are not drawing a pension from the organization.

Article 83. The pension share of each of the survivors of a deceased insured is as follows:

- (1) The amount of pension of a widow of an insured is equivalent to 50% of a pension due to the insured.

Where an insured male has several permanent wives, the pension will be divided equally among them.

- (2) The amount of pension of each of the children of the deceased insured is equivalent to 25% of the pension due to the insured. Where a child has lost both his parents, his pension will be twice the aforesaid amount.

- (3) The amount of pension of each of the parents of the deceased insured is equivalent to 20% of the pension due to the insured. The total pension of the survivors of the deceased insured should not exceed the amount of pension due to the deceased. If the total amount of pension exceeds this amount, the share of each of the beneficiaries die; or is disqualified to receive a monthly pension, the share of the remaining survivors will be increased with the consideration to the classifications set out in this Article. In any case the survivors of the insured shall enjoy 100% of the pension provided for survivors of the deceased.

Note . The pension due to the deceased insured means his pension as of the date of his death. In the case of an insured who dies due to any kind of accident or illness, the pension due is the pension payable to the insured in the event of his total disability.

Article 84. Where an insured dies, his funeral and burial expenses shall be by the National Health Insurance Organization.

Chapter Nine

Marriage Grant and Family Allowances

Article 85. In cases of first marriage, an amount equivalent to one month's average wage or salary will be paid as marriage grant to the male or female insured under the following circumstances:

- (1) The employee's relationship with the employer not several at the date of the marriage.
- (2) The insurance contribution has been paid to the organization for at least 720 working days during the five year period before the marriage.
- (3) The marriage is permanent and has been registered in an Official Marriage Register.

Note 1. The average wage or salary mentioned in this Article is the total amount received by the insured during the year period before the marriage, on the basis of which the insurance contribution was paid, divided by 24.

Note 2. Where both parties are eligible according to the provisions of this Article, the marriage grant will be paid to both.

Article 86. Family allowances will be paid only for two children of an insured provided that:

- (1) The insured has a record of having paid the insurance contribution for at least 720 working days.
- (2) The age of the children is less than 18 years or they are exclusively devoted to studying until the end of their education, or when due to illness or loss of limb,

according to the findings of the Medical Committee mentioned in Article 91 of this law, they are not able to work. The amount of the monthly family allowances for each child is equivalent to three times the lowest daily wage of an unskilled laborer in the various region of the country.

Article 87. The payment of family allowances is the responsibility of the employer and it must be paid to the insured on paying his wage or salary.

Note . Whenever a dispute arises between the insured and the employer regarding payment of family allowances, settlement of the dispute will be conducted as stipulated in the Chapter on “Settlement of Disputes” in the labor law.

Chapter Ten

General Regulations for Benefits

Article 88. It is the responsibility of employers to carry out sanitary and hygienic measures in the work environment. Insured persons, who in their work environment are in contact with harmful substances such as poisonous gases, radiation, etc., must have a medical check-up at least once a year by the National Health Insurance Organization.

Article 89. Persons who are or become retired or disabled under the former social insurance laws or under this law, members of their immediate family and persons who receive survivors pension, will be entitled to the medical services provided for in sections A and B of Article 3 of this law from the National Health Insurance Organization on paying 2% of their pensions. The difference between the amounts paid by insured persons mentioned in this Article and the amounts which should be paid according to the regulations of the law for the provision of medical treatment for Government Employees shall be provided by the organization.

Article 90. Persons employed in the place of work should have the physical ability appropriate for the type of work assigned to them. For this reason employers are required to arrange for a medical check-up before their employment. If, after recruiting those covered by this law, it is found that the aforesaid were not fit and able for the assigned work at the time of recruitment, that the employer was negligent in making a medical check-up and as a result, the insured is involved in an accident or his illness is aggravated, the National Health Insurance Organization and this organization shall carry out the provisions of this law with respect to the insured, and the expenses related thereto shall be demanded and collected from the employer according to Article 50 of this law.

Article 91. In order to ascertain the measure of physical and mental disability of insured persons and the members of their family, Medical Committee of First Insurance and Medical Review Committee shall be formed. The procedure for convening the committee, appointment of their members, the manner of investigating and the insurance of rulings on the basis of a schedule of degrees of disability shall be according to regulations to be proposed by this organization and approved by the High Council.

Article 92. For the purpose of supervising the proper performance of Medical duties resulting from implementation of this law three medical insurance experts selected by the Minister of Health, Hygiene and Medical Education, will be members of the Technical Council of the National Health Insurance Organization mentioned in Article 4 of the law for provision of medical treatment for government employees.

Article 93. Changes in the degree of disability will require revision of the amount of pension in the following cases:

- (1) Total disability pension shall, in case of cessation of the conditions of total disability, be terminated immediately on resumption of work by the pensioner. In case of a reduction of the degree of work-related disability to the measure mentioned in Article 73 to 74 of this law, depending on the case, either a work related partial disability pension or compensation for the loss of limb shall be paid.
- (2) A work related partial disability pension mentioned in Article 73 of this law is subject to review within five years form the date of pension is established. If it is found in such review that the insured has ceased to meet one of the stipulated conditions, his pension will be terminated and if he is covered by Article 74 of this law he will receive the compensation mentioned in the said Article.

- (3) In cases where the degree of partial disability resulting from work increases, and such increase is due to the accident which caused the disability, the partial disability pension, depending on the case, shall either be changed to a work-related total disability pension, or the amount of partial disability pension shall be increased.

Article 94. In cases where during the same period, the insured is entitled to two or more cash benefits under this law only the cash benefit which is the larger shall be payable except that the receipt of marriage grant family and birth allowances shall not prevent the receipt of other benefits provided for.

Persons supported by the insured shall be entitled to the legal benefits of the social insurance program during the military service of the insured . The organization is bound to pay the insurance contribution of these persons according to the rates of the National Health Insurance organization.

Article 95. After completion of service and resumption of work in institutions covered by this law, the period of military service of those covered by this will be considered as part of their period of paying insurance contribution.

Article 96. The organization is required to increase the amount of all retirement pensions, total disability pensions and collective total survivors pensions at periodic intervals not less than once a year, in consideration of increase in the cost of living and that proportion with the approval of the Council of Ministers.

Chapter Eleven

Violation-Criminal Provisions

Article 97. Any person who, on the basis of false documents and certificates or by use of false titles and means secures the benefits provided for in this law for himself, or arrange for members of his family or third parties to secure said benefits, shall be sentenced to pay a cash fine equal to twice the damages sustained by the National Health Insurance Organization or this organization and in case of repetition, to misdemeanor imprisonment from 61 days up to 6 months.

Article 98. Employers who do not pay the insurance contributions provided under this law, within the stipulated period, in addition to payment of the half per thousand of the outstanding amount for each day of delay.

This delay penalty shall also be collected in accordance with the provisions of Article 50 of this law.

Article 99. Employers, who within one year of the enactment of this law reach an agreement with the organization regarding arrangement for payment of their outstanding debts due before Farvardin 1354 (21 March 1976) shall be exempted from payment of delay penalty and other fines. In addition, employers, who within the aforesaid one year object to an assessment made by the organization regarding payment of former debts of such employers or whose workers have not in practice been able to enjoy any part of the stipulated legal benefits, may refer the matter to the Boards for Assessing Claims, provided for under Article 43 and 44. The aforesaid Boards shall examine the evidence and documents presented by the employer and shall make an appropriate decision. With respect to debts in excess of Rials 200,000 the matter may at the request of the employer or the organization be re-examined by a review Board whose decision shall be final and binding . The aforesaid Board may, at the request of the employer arrange for the employer to the employer to pay his outstanding debt in at most 36 monthly installments. During

this period the employer must pay to the organization interest at the rate of 12% on his outstanding debt.

With respect to debts which have arisen before Farvardin 1354 (March 21, 1976) and have become final as a result of the expiration of the statutory period for objection provided in this law or the Insurance of a decision by the Boards mentioned in Article 43 and 44 of this law, if the employer concerned has arranged before the enactment date of this law for payment of the original amount of his debt, he shall be exempted from paying any unpaid delay penalty. With respect to debts arising from Farvardin 1354 (March 21, 1976) where the employer is in default on the arrangements agreed upon by the organization for payment of his debt, all exempted fines and penalties shall be collectible.

Article 100. Employers who fail to prepare a list of wages or salaries as provided in this law and relevant regulations, and employers who fail to send to the organization a list of wages of insured persons within the period stipulated in Article 39 or who do not send a list wages according to arrangements previously agreed to by the organization shall be required to for which no list of wages has been submitted.

This penalty shall be collected according to Article 50 of this law through Insurance of an execution order.

Article 101. The organization must examine the list of wages submitted by the employer within six months from date of receipt. Where the organization finds a discrepancy in the number of insured persons or the amount of wages or salary or the period of work it should notify the employer accordingly. Where the employer does not accept the finding of the organization, he may request the Boards for Assessing Claims mentioned in Article 43 and 44 of this law to examine the matter . If, in its decision, in addition to paying the insurance contribution shall be

required to pay a penalty equal to one twelfth of the difference, which sum shall be collected by insurance of an execution order under Article 50 of this law.

Article 102. Where the employer or his agent prevents of the organization from acting or fails to present the relevant books and documents or to submit copies or photocopies thereof to the inspector, he will be liable to a cash fine of five hundred Rials up to ten thousand Rials. The report of the Inspectors of the organization in this regard shall have the same validity as that of officers of the Ministry of Justice.

Article 103. Employers, who intentionally withhold any amount in excess of the amounts stipulated in this law as insurance contribution from the wages or salary and benefits of the insured persons, shall in addition to being required to refund said amounts, be sentenced to imprisonment for a period of 61 days up to 6 months.

Article 104. The funds and properties of the organization are deemed to be public funds and properties, and any illegal use of the said funds or misappropriation of said properties is deemed to be embezzlement or illegal possession, and the perpetrator will be prosecuted according to the Criminal Code.

Article 105. If any person whose testimony would authorize the benefits provided for in this law to be enjoyed, gives false testimony he shall in addition to making indemnity for the damages sustained, be sentenced to imprisonment for misdemeanor ranging from 61 days to six months.

Article 106. All penalties and funds received from cash fines under this law shall be credited to the account of the organization and shall be deemed to be part of its income.

Article 107. Claims and law suits of the organization shall be considered by the judicial authorities without waiting for their turn on the calendar.

Article 108. Employers who do not pay the final assessed insurance contribution of insured persons within one month after notification by the organization, or who do not make arrangements for its payment by agreement with organization, shall be sentenced to pay twice the amount of penalty provided for in Article 97 of this Law.

Article 109. Where the Employer is a legal entity the penal responsibilities provided under this Law shall apply to the managing director of the company or any other person whose action or failure to act causes injury or loss to the organization or insured persons.

Chapter Twelve

Miscellaneous Provisions

Article 110. The Organization shall be exempted from paying any type of taxes and levies, including urban renewal taxes and others and the payment of stamp charge for litigation. The organization and National Health Insurance organization shall likewise be exempted from paying customs duties and levies for that portion of medicines, equipment and supplies for hospitals and clinics whose exemption has been previously confirmed by the Ministry of Economic Affairs and Finance.

Article 111. Under no circumstances may the total disability pension, the retirement pension or the collective total pension of survivors be less than the wage of an unskilled worker.

Article 112. Insured persons who receive a pension any other cash benefit from the organization under this Law shall be exempted from paying any kind of taxes with respect to amounts they receive.

Article 113. All personnel of the organization shall be deemed to be the same as official Government employees with respect to payment of taxes and levies on salaries and benefits.

Article 114. The regulations on age and the period of service required for the calculation of early retirement pensions for the personnel of the organization shall be pursuant to the Rules and Regulations of the Civil Employment Law and changes and amendments thereto

The pension of these persons shall be equal to the average salary benefits received during the last two years of service which has been the basis for payment of the insurance contribution.

Article 115. Those persons, whose pensions were established under former Social insurance Laws up to the enactment of this Law, shall receive their pensions from

the organization. The provisions of article 96 will likewise be observed with respect to those covered by this Article.

Article 116. With regard to the undertakings set out in Article 3 of this Law, the records payment of insurance contribution for insured persons with the Iran Insurance Company, the Social Welfare Foundation, the Workers cooperative and Insurance fund, Workers Social Insurance Organization and the Social Insurance Organization also the records of persons who have been voluntarily insured, shall be considered as part of their records for purposes of their enjoying the benefits provided for in this Law, provided that:

- 1) The place of work or institution in which the insured was employed has insured its workers and staff employees with one of the aforesaid institutions, and the employment of the insured in said place of work or institution is proven.
- 2) The benefit requested shall have been provided for in the law under which the insurance contribution was paid.

Article 117. The amount of insurance contribution for rural persons covered by the Rural Social Insurance Law and the manner of collecting same, the types of legal benefits and financial sources to provide for the expenses relating to the rural persons shall be in accordance with Regulations to proposed by the Ministry of Health, Hygiene and Medical Education and approved by the pertinent committees of both Houses of parliament. Until the approval of the aforesaid Regulations, the existing laws and regulations under the Rural Social Insurance Law shall remain in force.

Article 118. From the effective date of this Law, the Social Insurance Law enacted in the year 1339 and the amendments thereto, the Law for Increasing pensions of certain pensioners subject to Social Insurance Law, the Law for providing Education for workers children and other laws in conflict with Law are superseded.

Note 1. All financial liabilities, properties and assets of the fund for providing Education for workers children shall be transferred to the organization.

Note 2. The personnel of the fund for providing Education for workers children shall be transferred to the organization and shall be subject to the employment regulations and rules of the organization.

Note 3. The Administrative Regulations of the former Social Insurance Law which are not inconsistent with this Law remain in force until such time as the Administrative Regulations under this Law are drafted and approved.

The above law consisting of 118 Articles and 40 Notes, after being enacted by the senate in its session held on Monday 19/3/1354 was enacted by the National chamber of Deputies in its session held on Tuesday, the third of the month of Tir, one Thousand Three Hundred and Fifty Four.

***THE LAW FOR THE ESTABLISHMENT
OF THE MINISTRY OF HEALTH AND
SOCIAL WELFARE***

(Dated: 4.7.1976)

Article 1. For the purpose of providing health and Social welfare, medical services, rehabilitation, Social Security, family planning population control, and implementing other duties entrusted to the two Ministries of Health and of Social Welfare, and creation of a coordinating system for the performance of the said services, from the date of the ratification of this Law, the Ministry of Health and of Social Welfare, and creation of a coordinating system for the performance of the said services, from the date of the ratification of this Law, the Ministry of Health and Social Welfare shall be established.

Article 2. All duties, powers and responsibilities of the Ministers & the Ministries of Social Security Welfare and Health with their personnel, credits, assets and obligations shall be transferred and delegated accordingly to the Minister and the Ministry of Health and Social Welfare. The performance of the duties and services in the areas of Health and Social Welfare which are executed by other governmental companies, upon the proposal of the Ministry of Health and Social Welfare and approval of the council of Ministers shall be delegated to the Ministry of Health and Social Welfare. The authorities and responsibilities which according to appropriate laws and regulations were entrusted by the above-said Ministers shall be delegated accordingly to the Minister and the Ministry of Health and Social Welfare. The Imperial Armed Forces are excluded from this law.

Article 3. The executive duties of the Ministry of Health and Social Welfare in the provinces and counties shall be delegated to the Regional Health and Social Welfare Organizations of each province, or county. The above said organizations shall be affiliated to the Ministry of Health and Social Welfare and shall be established in the centers of each province (ostan) or country (Farmandarie Kol). Upon the proposal of the Ministry of Health and Social Welfare, the By-laws for these organizations shall be approved by the council of the Ministers.

Note. The Financial and Trade Regulations of the Regional organizations which shall be prepared by the Ministry of Health and Social Welfare and Ministry of Finance and Economic Affairs, and the Employment Regulations which shall be confirmed by the state organization for Employment and Administrative Affairs, and the council of Ministers, shall be approved by the relevant committees of both Houses of parliament.

The present financial and employment provisions of the Social Security Organization shall remain in force until the ratification of the above-said provisions.

Article 4. The Ministry of Health and Social Welfare shall be responsible for planning, determining the procedures and the required critexias, coordination, supervision and evaluation of the organizations and the affiliated units, for studying and writing the budget to be proposed to the plan and Budget organization, and for making research and studies at national level.

Upon the approval of the council of Ministers, the implementation of special health schemes, shall be undertaken by the Ministry of Health and Social Welfare.

Article 5. The Ministry of Health and Social Welfare has prepared the detailed organization for its Central Structure according to Note 2 of Article 8 of the Civil Employment Act, which shall be implemented after the approval by the State Organization for Employment and Administrative Affairs.

As long as the organizational structure of the above mentioned Ministry has not been approved by the State Organization for Employment and Administrative Affairs, the organizational structure and regulations of the former Ministries of Health and Social Welfare shall remain in force.

Article 6. All the administrative responsibilities and personnel of the Social Security Organization, except for the personnel required for the Fund, subject to Article 10 of this Law, shall be transferred to the Regional Health and Social Welfare Organizations in each province and county.

Obligations, debts, claims and assets of the said organization shall be transferred to the Social Security Fund subject to Article 10 of this Law.

Article 7. All the personnel, assets, credits and obligations of the National Health Insurance Organization, the Welfare Services Organization, and the Rehabilitation Society shall be transferred to the Ministry of Health and Social Welfare, and upon the approval of the Minister of Health and Social Welfare, they shall be transferred to the Regional Organizations accordingly.

Article 8. The Laws and Regulations relevant to the organizations and Institutions mentioned in Article 7, as well as the Laws and Regulations relevant to the Social Security Organization shall remain in force with due consideration to Note of Article 3. The Minister of Health and Social Welfare may delegate the administrative duties of the said organizations to the Regional Health and Social Welfare Organizations accordingly.

Note. The administrative duties of the Rehabilitation Society in the central province shall be performed directly under the supervision of the Minister of Health and Social Welfare.

Article 9. The limits, responsibilities and authorities, of the High council of Social Security, the procedures for the appointment of its members, and formation of meetings, shall continue to be in the manner set out in the Social Security Law.

Article 10. For the purpose of concentrating the Funds subject to insurance contributions for Social Security, and other funds, incomes, assets, debts obligations and investments through the Social Security reserves, as well as implementation of the legal obligations entrusted to the Social Security Organization, a fund named the “Social Security Fund” shall be established. The said Fund shall be a legal entity, having financial independence, and shall be

administered in accordance with the financial and employment provisions set forth in Note of Article 3 of this Law, on a tripartite direction basis, upon the approval of the High Council. The Organizational structure and regulations of the Social Security Organization shall remain in force until the ratification of the By-law for the Social Security Fund.

Article 11. From the date of ratification of this Law, the “Law for the protection of Employees Against the Effects of old Age, Invalidity and Death”, shall be superseded, and all those covered by the said Law, shall be subject to the “Social Security Law”.

Note 1. The Funds which have been established according to Article 4 of “The Law for the protection of the Employees Against the Effects of old Age, Invalidity and Death”, upon the announcement of the Ministry of Health and Social Welfare, shall be transferred with all their personnel, assets and obligations, to the Social Security Fund. The funds for the protection of the Government Companies and Institutions which are excluded from the Civil Employment Act, Except for their personnel, shall also be subject to the provisions of this Note.

Note 2. Each one of the Funds for the “protection of Employees Against the Effects of old Age, Invalidity and Death”, which is capable of operating its financial resources, or the relevant institution has provided and secured its provisional deficit, and is not subsidized by the Government budget, may, according to the By-law which shall be ratified by the High Council of the Social Security, be administered separately on the basis of a tripartite direction. But the persons covered by the said Law, shall be subject to the retirement, disability and death provisions of the Social Security Law.

Note 3. The employees covered by the Law for the “Protection of Employees Against the Effects of Old Age, Invalidity and Death” shall pay the insurance contributions, and, for Health services on the basis of “Per Capita System” according to the present provisions.

Note 4. The manner of adjusting the situation of the employees covered by the Law for the protection of Employees, who shall be subject to the Social Security Law, shall be in accordance with a Regulation, which upon the proposal of the Ministry of Health and Social Welfare shall be ratified by the High Council of the Social Security.

Article 12. From the date of the establishment of the Regional Health and Social Welfare Organization in each province and county, the Health Societies of each province or county shall be dissolved and all their properties and assets, obligations, credits, and personnel shall be transferred to the mentioned organizations.

Article 13. In the event that the employees of the organizations and Institutions mentioned in article 7, and Notes 1,2 of Article 11, and Article 12 and 15 of this law, are not covered by the Civil Employment Act, they shall be subject to the employment and retirement provisions of Note of Article 3 of this Law. As for the employees of the Ministry of Health and Social Welfare shall be serving in the Regional Health and Social Welfare Organizations in each province and county, they shall be treated according to Article 144 of the Civil Employment Act as long as they are serving in these organizations.

Note 1. The official employees subject to the Civil Employment Act who according to the provisions of this Article, shall be transferred to the Regional Health and Welfare Organization shall, for the determination of their final grade and execution of Article 30 of the said Act, be subject to the job classification scheme which shall be proposed by the Ministry of Health and Social Welfare, and approved by the state organization for Employment and Administrative Affairs. The insurance for their final grade shall be released after investigation in a committee composed of delegates from the Ministry of Health & Social Welfare, the State Organization for Employment and Administrative Affairs, and the Plan and Budget Organization.

They will later get promotions on the basis of the Civil Employment Act.

Note 2. As long as the employment regulations subject to Note of Article 3 of this Law have not been ratified, the personnel of the organizations and Institutions and

Institutions mentioned in Article 7, and Notes 1,2 of Articles 11 , 12 and 15 of this Law, who are not covered by the Civil Employment Act, shall be covered by their present employment regulations.

Article 14. The Ministry of Health and Social Welfare shall prepare and implement the budgets of the Ministries of Health and Social Welfare for the year 1355 in accordance with the budgets approved by the plan and Budget Organization.

As long as the emergence of the two Ministries have not taken place, the credits approved for the two Ministries and their affiliated organizations shall be used according to the relevant regulations.

Article 15. The centers of Training shall be dissolved and all the responsibilities, sources of income, assets, debts, claims, obligations and personnel, as well as the assets, sources of income and personnel of the units which exist under the title of working camps and poverty houses shall, upon the proposal of the Minister of Health and Social Welfare, be transferred to the Regional Health and Social Welfare Organization in each province or county; until the establishment of the said organizations, these centers shall be administered according to the existing regulations .

Article 16. For the purpose of implementation of research and educational activities in the areas of Health and Social Welfare, the Ministry of Health and Social Welfare, in accordance with the Law for the Government Higher Educational Institution's Board of Trustees, shall establish an institute called the "Institute for Health and Social Welfare Education and Studies".

Article 17. For the purpose of development and renewal of the Health and Social Welfare installations and equipment, the Ministry of Health and Social Welfare, in accordance with a By-law which shall be ratified by the relevant committees of both Houses of parliament, shall establish an institution called "The Organization for the Development for Health and Social Welfare Installations and Equipment".

The Employment Regulation for the said organization, shall, upon the proposal of the Ministry of Health and Social Welfare and approval of the State Organization for Employment and Administrative Affairs, be ratified by the appropriate committees of both Houses of parliament.

Article 18. As long as the Organizations subject to these Law have not been established, the Ministry of Health and Social Welfare shall implement the relevant responsibilities according to the existing provisions.

Form the date of ratification of this Law.

All the Laws which are in conflict with this Law shall be superseded. Date:
13.4.1355 (4,7,1976)

THE BYLAW FOR THE SOCIAL SECURITY FUND

Article 1. The establishment of Social Security Fund is in compliance with article 10 of the “Law for the Establishment of the Ministry of Health and Social Welfare”. The Fund is a legal entity, and shall enjoy financial and administrative independence, and shall be administered in accordance with the note of Article 3 of the “Law for the Establishment of the Ministry of Health and Social Welfare”, and the related Regulations, Bylaws and guidelines, on a tripartite basis.

Article 2. The center for the fund is in Tehran.

Article 3. Duties and Authorities of the Fund are as follows:

3.1. Concentration of all income from contributions which are collected through those covered by the “Social Security Law” and other funds, income, assets, and, debts and obligations of the Social Security Organization.

3.2. Concentration of all income, assets and obligations of the funds, which according to article 4 of the “Law for the protection of Employees Against the Effects of Old Age, Invalidity and Death”, have been established, and have been transferred to the fund in accordance with the note 1 of article 11 of the “Law for the Establishment of the Ministry of Health and Social Welfare”, as well as the concentration and utilization of the fund for the protection of Government corporations and Government Institutions which were not included in the National Employment Act.

3.3. Investment and exploitation of the reserves of the fund.

3.4. Enactment of the obligations of the Social Security Organization and other obligations which have been placed upon the fund by the Law for the Establishment of the Ministry of Health and Social Welfare.

Article 4. The assets and income of the fund are as follows :

4.1. All the funds and assets of the Social Security Organization which in accordance with article 6 of the Ministry of Health and Social Welfare are transferred to the fund.

4.2. All the funds and assets of those funds for the protection of the Employees Against the Effects of Old Age, Invalidity and Death, as well as the funds and assets of the funds for the protections of Government corporations and Institutions, which are not included in National Employment Act, and which according to note 1 of article 11 of the “Law for the Establishment of the Ministry of Health and Social Welfare”, shall be transferred to the fund.

4.3. All contributions which in accordance with the “Social Security Law” and the “Law for the Establishment of the Ministry of Health and Social Welfare” are collected.

4.4. Income derived from utilization of the funds and reserves of the fund.

4.5. The funds collected as penalties for the delay the payment of contributions and sending the lists, as well as other damages and legal cash penalties.

4.6. Donations and gifts which are given to the fund, through personal and legal entities, either by domestic or foreign sources.

4.7. Other income.

Article 5. Organs of the fund are as follows:

- High council of the Social Security
- Board of Directors
- Auditor (Inspector)

Article 6. The High council of the fund is the same as the High council of Social Security prescribed in the “Social Security Law”. The members of the High council, the procedures for their appointment, the manner in which the meetings of the council take place and its duties and responsibilities, are exactly the same as those foreseen in the “Social Security Law”.

Article 7. The Board of Directors of the fund consists of five members as follows: The Deputy-Minister for social Security of the Ministry of Health and Social Welfare, who is also the Chairman of the Board of Directors and the Managing Director of the fund.

- Two members of the Board which are recommended by the Minister of Health and Social Welfare and approved by the council of the Ministers.

- One representative of the employees and one representative of the employers recommended by the Minister of Health and Social Welfare and approved by the council of Ministers.

Note. The tenure of the appointed members of the Board is for three years, and the appointment can be renewed. In the event that, before the expiration of the term of their service, a change is necessitated, or in the event of death or resignation of any of the members, another person, in the manner which has previously been described, shall replace him for the remaining time of his term. The appointed members of the Board of Directors, upon the completion of their term, shall continue to work, until the new members are appointed.

Article 8. The duties and responsibilities of the Board of directors are as follows:

- 8.1. Recommendation of general policies guidelines and work plans of the fund to the High Council of Social Security.
- 8.2. Recommendation of working regulations of the Social Security Law to the High Council of Social Security.
- 8.3. Confirmation of the programs and budget, financial report and balance sheet of the fund, to be proposed to the High Council of Social Security for approval.
- 8.4. Approval of the internal regulations of the fund recommended by the Chairman of the Board and Managing Director.
- 8.5. Approval of the organization structure of the fund within the limits of the Budget approved by the High Council.
- 8.6. Election of two of the members the Board for membership in the Investment Council.
- 8.7. Approval of transactions which their amount exceeds 5 million rials.
- 8.8. Execution of other duties which according to the “Social Security Law” and its regulations, and the related guidelines, have been placed upon the Board of Directors of the Social Security Organization.
- 8.9. Decision-marking in other cases which the Managing Director considers necessary to be brought to their attention.

Article 9. Decisions of the Board must be supported by the majority of the votes, in order to be valid.

Article 10. the Chairman of the Board of Directors and the Managing Director who is responsible for the administration of the affairs of fund, holds the highest executive position and heads all the employees of the fund, his duties and responsibilities are as follows:

10.1. Administration of the programs and decisions approved by the High council and the Board of Directors.

10.2. Preparation of the Budget and programs, financial reports, balance sheets, recommendation of these to the Board of Directors.

10.3. Recommendation of the basic organizational chart as well as any further changes to the Board of Directors, for their approval.

10.4. Recommendation of operational guidelines in employment, finance, trade, etc, and further changes on these to the Board of Directors for their approval.

10.5. Recommendation of internal regulation of the fund to the Board of Directors for their approval.

10.6. Administration of the affairs of the fund within the limits of the guidelines, regulations and approved authorities.

10.7. Approval of transactions up to five million rials.

10.8. The Managing Director represents the fund to all personal or legal entities and legal authorities. He may exert this right personally, or through delegation of authority to those persons whom he appoints for such purposes.

10.9. The chairman of the Board and Managing Director may delegate part of his authorities and duties to any of the members of the Board of Directors, or any of the employees of the fund, with his own responsibility. In the event that the Chairman of the Board and Managing Director cannot perform his functions, due to illness or vacation or travel, for a certain period of time, upon the proposal of the Chairman of the Board and Minister of Health and Social Welfare, one of the members of the Board may perform all his functions. In this case, one of the employees of the fund which will be appointed by the Minister of Health and Social Welfare, with voting power, shall attend the Board meetings in the absence of the Chairman of the Board and Managing Director.

Article 11. The Auditor (Inspector):

The Auditor's (Inspector's) duties are as follows:

11.1. The Auditor (Inspector) will be appointed for each financial year, upon the recommendation of the Minister of Health and Social Welfare, and approval of the High Council. The Auditor (Inspector) is not authorized to interfere in the affairs of the fund. He may, however, make suggestions or recommendations to the Chairman of the Board and Managing Director. The Auditor (Inspector) may be reelected.

11.2. The duties and authorities of the Auditor (Inspector) are similar to those provided by the Trade Law for corporate auditor. The Auditor (Inspector) may, with the previous knowledge of the Chairman of the Board and Managing Director, of the fund, audit the books of the fund and demand any explanation and information which he deems necessary, in order to perform his duties.

Note. The annual balance sheet, the financial report and, the list of assets and debts of the fund, shall be submitted to the Board of Directors and the Auditor by the Chairman of the Board and Managing Director, not later than the month of Shahrivar of the following year, for consideration. The Board of Directors, at the latest within 30 days from the date of reception of the Auditor's views on the balance sheet and its report, shall submit the mentioned balance sheet as well as a copy of the Auditor's report to the High Council of Social Security.

11.3. The Auditor shall submit a copy of his views (report) on the annual balance sheet, the financial report, the list of assets and debts of the fund, at the latest, within 60 days after its reception, to the Board of Directors.

Article 12. For the purpose of implementation of the duties concerning the utilization and investment of the Social Security reserves, with the approval of the High Council of Social Security, an "Investment Board" shall be established, which shall comprise of the following persons:

- The Minister of Health and Social Welfare, who shall head the Board.
- One fully authorized representative of the Ministry of Economics and Financial Affairs.

- One fully authorized representative of the Central Bank of Iran.
- One fully authorized representative of the Plan and Budget Organization.
- General Manager of the Bank Refah Kargaran (Workers Welfare Bank).
- Chairman of the Board and Managing Director, and two members of the Board of Directors of the fund.
- Three experts in financial and economic affairs, selected by the Minister of Health and Social Welfare and approved by the High Council.

Note 1. The tenure for membership of the Investment Board is for three years, and, they may be re-elected. In the event that the elected members should be changed before the expiration of their term of services, or in case of death or resignation of any of the member, another person shall be elected for the rest of the term, in the manner which has been described previously.

Note 2. The arrangements for setting up the meetings of the Investment Board, the views on the ways of investment, the presentation of the related policies, and the manner of submission of the proposals to the High Council of Social Security, should be in accordance with a regulation which shall be approved by the High Council.

Article 13. The financial year for the fund is from the first of the month of Farvardin of each (March 21), to the end of the month of Esfand (March 20th) of the following year, except for the first year, the starting date of which shall be the date of approval of this year, the starting date of which shall be the date of approval of this By law.

Article 14. The fund, in accordance with article 29 the Social Security Law, is required to include annually in its budget and to pay to the related organizations, the expenses pertaining to paragraphs “A” and “B” of article 3 of the Social Security Law, as well as that part of contributions which is allocated for medical care of the insured persons.

Article 15. The Board of Directors is required, before the end of the month Mehr (October 22nd), to make projections for the income collected from contributions

for the following year, and, after the approval of the Board of Directors, shall submit it to the High Council of Social Security. The High Council of Social Security shall approve and communicate the above-mentioned shall approve and communicate the above-mentioned proposal before 15 thc of the month of Aban (November 6th) of the same year.

Article 16. The Board of Directors is required to prepare the total Budget of the fund for the following year, no later than the first of the month of Day (December 22nd), to submit it to the High Council of Social Security. The High Council shall approve and communicate next year's Budget by 15th of the month of Esfand. (March 6th).

Article 17. Until the establishment of the Regional Organizations, subject of article 3 of the Law for the Establishment of th Ministry of Health and Social Welfare, the execution of obligations and collection fo debts and other duties resulting form the “Social Security Law”, shall continue to be performed on the basis of the approved budget of the year 1355 of Social Security Organization, and, the existing set up of the said organization, through the Social Security fund, subject to this Bylaw.

Article 18. This Bylaw was approved in the meeting of the High Council of Social Security which took place on 11th , month of Aban 1355 (November 2nd 1976), and contains 18 articles and 4 notes.

The Bylaw for the Establishment of the Regional Health and Social Welfare Organizations

The Council of Ministers, in the Meeting which took place on 10.8.1355 (1.11.1976), upon the proposal No.525332 dated 30.6.1355 (21.9.1976) of the Ministry of Health and Social Welfare and in accordance with article 3 of the Law for the Establishment of the above mentioned Ministry, has approved the Bylaw of the Regional Health and Social Welfare Organizations of the provinces or counties as follows:

Article 1. The Regional Health and Social Welfare Organizations administered in accordance with this Bylaw, shall be established in each province and county.

Article 2. The functions of each organization shall consist of implementation of the executive duties of the Ministry of Health and Social Welfare in the provinces and counties, subject of articles 1 and 2 of the “Law for the Establishment of the Ministry of Health and Social Welfare.

Article 3. The organs of the Organization shall consist of the following:

- The Council
- The Executive Board

Article 4. The members of the Council are as follows:

- The Governor or the county Head, who shall be the Chairman of the Council.
- One of the Heads of the city council of the province or county who shall be appointed by the Governor or the county Head.
- The Director General of Economics and Financial Affairs of the province or county.
- Four experts in Health and Social Welfare affairs, who upon the proposal of the Governor or the County Head, shall be appointed by the Minister of Health and Social Welfare.

Article 5. The duties and authorities of the council are as follows:

- A. Examination and approval of the programs of the Organization within the framework or the guidelines set by Ministry of Health and Social Welfare.
- B. Examination and confirmation of the Budget prepared by the Executive Board and its expedition to the Ministry of Health and Social Welfare for examination and proposal to the plan and Budget Organization.
- C. Approval of the Budget, with regard to the approved credits in the total Budget and special income, in accordance with the related regulations.
- D. Approval of the organs of the organization based upon the standard which are communicated by the Ministry of Health and Social Welfare.
- E. Approval of the salary and benefits of the Managing Director and other members of the Executive Board, with the approval of the “Council of Salaries and Wages”.

Article 6. The meetings of the council shall take place, upon the proposal of the Managing Director and invitation of the Chairman of the council.

Article 7. The Executive Board of the Organization consists of a Managing Director and two or four members according of the decision of the Ministry of Health and Social Welfare. The member of the Executive Board, shall have the position of Deputy to the Managing Director. For the purpose of selecting the Managing Director, the council of Health and Social Welfare of the province or the county, shall propose 3 people who have scientific and experienced backgrounds on the affairs of Health and Social Welfare, and have a record of service in the organization affiliated to the Ministry of Health and Social Welfare, to the Minister. The Minister of Health and Social Welfare, shall select and appoint one person as the Managing Director from those proposed. The members of the Executive Board, shall be appointed, shall be appointed, upon the proposal of the Managing Director, and approval of the Minister of Health and Social Welfare. The term of service of the Executive Board shall be for three years and they and they may be re-appointed.

Article 8. In the event that, before the expiration of the term of service, with the vote of the majority of the members of the Council, or the decision of the Minister of Health and Social Welfare, the replacement of Managing Director or the members of the Executive Board is necessitated, or in case of death organization of any of them, a successor shall be selected and appointed in accordance with article to work after the termination of their term of service until the appointment of the new Executive Board.

Article 9. The duties of the Executive Board are as follows:

- A. Execution of the legal duties, programs and resolutions of the council.
- B. Preparation of budget, and report of the operations of the Organization for submission to the Board.
- C. Preparation of the Organizational chart for the organization within the framework of the standards set and communicated by the Ministry of Health and Social Welfare.
- D. Examination and approval of the contracts and all transactions, the amount of which exceeds two million rials.
- E. Examination and expression of opinion on all other cases which are proposed by the Managing Director or any of the members of the Executive Board.
- F. Examination of the annual financial resources, and its proposal to the Ministry of Health and Social Welfare, with the approval of the Council.

Article 10. The Managing Director is the highest executive authority in the organization and is responsible for the implementation of the programs of the organization in accordance with the criteria's, standards and operational procedures determined by the Ministry of Health and Social Welfare, and for the administration of the affairs of this organization, he shall function within the limits of the "Law for the Establishment of the Ministry of Health and Social Welfare" this Bylaw and regulations pertaining to the administration, finance or employment, and other related provisions.

Article 11. The Managing Director is the legal representative of the organization before both real persons and legal entities, and may exert this right a attorneys or representatives which he shall appoint before all legal authorities.

Article 12. All financial and obligatory documents and contracts singed by the Managing Director and the person in charge of financial affairs (auditor) of the organization shall be valid.

Article 13. The Managing Director may, with his own responsibility, delegate part of his authority to any one of members of the Executive Board or the employees of the organization Also, during the period of his absence, the Managing Director shall delegate his authorities to one of the members of the Executive Board.

Article 14. Sources of income of the organization are as follows:

- I) Approved appropriation in the general Budget.
- II) Donations and gifts given by real persons or legal entities, either through domestic or foreign sources.
- III) Income obtained through services related to this organization.

Article 15. For the purpose of coordinating the Health and Social Welfare activities of the province or county, a coordinating committee, which is to be chaired by the Governor or the county Head shall be established. The members of this committee shall be composed of the Governmental and non-Governmental authorities, whose responsibilities shall in some way be related to Health and Social Welfare activities.

Note 1. The Managing Director of the Health and Social Welfare organization of the province or county, shall be the Secretary-general of the coordinating committee.

Note 2. The composition of the committee members, the scheduling of the meetings and the scope of their responsibilities shall be in accordance with a guideline which is to be approved by the Ministry of Health and Social Welfare.

LEGAL BILLS AND AMENDMENTS TO THE SOCIAL SECURITY (SSL)

The legal bills listed hereunder have been gradually appended to the Social Security Law over the period 1979-July 1982. Considering that most of the said bills were drafted for short-term execution purposes, it has been decided to confine ourselves in certain cases, to mentioning their titles only, so that the interested parties, at least become familiarized with the titles of the amendments made.

- 1) The legal Bill Concerning Amendment to the Act for the formation of the Social Security Organization approved on 28.4.1359 (July 19, 1979).
- 2) The legal Bill Concerning the Application of Articles 60-70-72-73-74-80-81-82 and 83 of the Social Security Law (approved in June 1975) to all the insured individuals who have sustained disability, partial or total physical incapacity or have become martyred as a consequence of the recent Revolution approved on 26.6.1358 (Sept. 17, 1979).

Single Article. All insured individuals covered by the Social Security Law who have become martyred or have sustained disability, or partial or total physical incapacity, as a result of their struggle for the realization of the Islamic Revolution shall be covered by this bill.

(B) Any accident leading to martyrdom, disability or physical incapacity, either in part or in whole, resulting from the recent Revolution shall be considered as an accident occurred during the work.

(C) Institution and method of calculation of the death pension, the lump sum compensation for disability, pension for partial incapacity and pension full incapacity shall be in accordance with the provision of the Social Security Law.

(D) As regards the time and details of the occurrence of an accident, a certificate shall be issued by the organization employing the insured concerned, to the effect that the accident solely and absolutely occurred during and in connection with the Islamic Revolution is essential. The said certificate shall be accompanied by a

further certificate issued by the prosecutor's office or the independent court situated within the judiciary constituency concerned confirming either that the accident did not result from the usual day-to-day accidents or criminal event, or that according to the public prosecutor's office or the Islamic Revolutionary courts, the commitment of the act, accident was necessary. Any action by the Social Security Law in this regard will be contingent upon the submission of the above said certificates.

Single Article. Article 5, of the Social Security Law approved in June 1974 is amended as follow.

Except for the cases defined here in below, insurance of foreign nationals working in Iran accordance with the relevant rules and relations shall be subject to the provisions of this Law.

(A) Where bilateral or multilateral Agreements on Social Security have been signed between the Islamic Republic of Iran and the government (s) of the country (countries) concerned, where it shall be acted in accordance with the said Agreements.

(B) Where the foreign national proves by virtue of a certificate issued by the competent authorities of his country that for the period of employment in Iran he has already been insured, either fully or in part in his own country or in a third country and for the instances stipulated in Article 3 of this Act in which case he shall be exempted from the requirement of this Act in respect of the said instances already insured.

4) Legal Bill concerning amendment of Article 55 of Social Security Law, approved on 1.7.1358 (Sept. 23,1979).

The Ministry of Health and welfare is hereby authorized to put into effect, article 55 of the Social Security Law (part A-B and the note thereof) approved on 10.5.1354 (Aug.1,1975) and revised as follows.

(A) Priority for medical treatment shall be given to the direct treatment method.

(B) Making use of indirect medical treatment method shall be at Ministry of Health and Welfare's discretion and decision in accordance with the 10.1.1358 (March 30,1979).

Single Article. The employees of the public sector companies covered by the Social Security Law who on the approval date of this bill are still in the employment of the public sector companies may within six months starting from the approval date of this bill apply for their retirement and pension to be dealt with in accordance with the provisions of the Civil Service Act, and the subsequent charges/amendments thereto. If so, the insurance premium contributions so far made for such employees to the Social Security Organization (SSO) shall be transferred to the Retirement Fund and subsequently payments of future contributions shall be in accordance with the requirements of the Retirement Funds.

Similarly, employees who come into the employment of public Sector Company after the approval date of this bill may within six months from the date of their employment apply for their retirement and pension shall be subject to the provisions of the Civil Service Act, otherwise, the provisions of the Social Security Laws shall be applicable in their case.

6) Legal Bill concerning institution of pension for public sector employees and those covered by the Social Security Law who were/will be martyred or become incapacitated in the course of the Islamic Revolution approved on 21.09.1358 (Dec. 12,1979).

Single Article. All employees of the ministries and public sector institutions and companies including governmental Organization whose names are required to be mentioned if the instant order is to be applied in their case, as well as the employees of municipalities and individuals covered by Social Security Law who have/will become incapacitated or were/will be martyred in the course of their struggles for the materialization or safeguarding the achievements of the Islamic Revolution shall with due regard to the relevant regulations shall be subject to the

orders and directives pertaining to incapacity and death while on duty. The pension determined under such orders directives shall be payable to them or to their legal heirs.

Starting from the approval date of the instant bill, the bill concerning the applicability of Articles 80 and 84 of the Civil Service Act advised on 16.12.1357 (March 7,1978), under reference No.692, regarding employees of ministries and public sector companies and organizations who have sustained disability or become incapacitated or been martyred in the course of the Revolution shall be considered as revoked.

7) Legal bill concerning exemption of a part of insurance premiums payable by the insured and employees of small guide workshops subject to Social Security Law (SSL) approved on 24.9.1358 (Dec.15,1979)

8) Legal bill concerning the mode of transfer to the Social Security Organization of the retirement fund contributions deducted from the salaries of the personnel of Atomic Energy Organization of Iran approved on 27.09.1358 (Dec. 18,1979).

9) Legal bill concerning the amendment of the respite stipulated under

Note 1. Article (3) of the legal bill regarding amendment of the Social Security Organization Constitution Act approved on 25.12.1357 (March 16,1979).

10) Legal bill concerning annexation of a note to the legal bill regarding institution of salary for the public sector employees and the individuals covered by Social Security Law (SSL) who become/will become incapacitated or were/will be martyred during the course of the Islamic Revolution of Iran, approved on 27.12.1358 (March 18,1980) .

11) Legal bill concerning amendment of Note 2 and annexation of a note to the legal bill regarding exemption of a part of insurance premiums payable by the insured and employers of small guild workshops subject to Social Security Law approved on 17.2.1359 (May 7,1980).

Note 1. The legal bill concerning exemption of a part of insurance premiums by insured and employers of small guild workshops subject to Social Security Law is amended to read as follow:

Note 2. Employers subject to the instant law may pay the overdue insurance premiums to Social Security Organization within the period 1.1.1358 (21 March 1979) to the effective date of the instant law.

Should they fail to effect payment of the said premiums within the said period, they shall be liable to the Social Security Laws general provisions concerning payments of insurance premiums and fines thereof.

- 3) The following note has been annexed as Note (4) to the Legal Bill concerning exemption of a pray of insurance premiums payable by the insured and employers of small guild workshops subject to the Social Security Law.

Note 4. Differentiating the workshops subject to this Article from the larger workshops of factories shall, in addition to the provisions of the Guild System Law, be made by the Social Security Organization's Supreme Council based on the proposals of the Social Security Organization's board of directors for various guilds on the basis of the following criteria:

- A. The area of the sub-structure.
- B. Number of personnel.
- C. Nature and level of production and services.

12) Legal bill concerning extension of Social and Security to the personnel and guards of the Islamic Revolution Committee, approved on 18.3.1959 (June 8,1980)

Single Article. The Government is hereby authorized to provide all personnel and guards of the Islamic Revolution Committees of Iran, with the Social Support and Security available as per the relevant existing Laws, and as applied to the personnel of the Armed Forces, the Gendarmerie, the police Force and the guards corps of the Islamic Republic of Iran.

The bylaws required for implementation of the above said law will be drafted by the central committee of the Islamic Revolution and put into effect after it has been ratified by the court of Ministers.

13) Legal bill for the Single Article regarding exemption of damages, fines and the interest charge stipulated by Social Security Law (SSL) approved on 13.4.1361 (July 4,1982).

Single Article. The Government is to draw up the Social Security Bill and submit the same to the Islamic Consultative Assembly within a maximum period of six months.

Until such time as the new law is ratified starting from the effective date of the instant article, delayed payment penalties, as well as the interest chargeable for payment of liabilities by instalments and damages for overdue payments as stipulated by the Social Security Law (SSL) shall be eliminated in their entirety.

Note 1. The employer's liabilities in respect of insurance premium shall be dealt with as follows :

- (A) Where it has already been agreed to settle the liability by installments and the same is in progress, all installments. So far paid shall be considered as the principal of the Insurance premium liability and employer's liability and the installments thereof shall be reduced by the amount of the damages, fines and interest payable on the installments.
- (B) Those to whom the bill concerning exemption from a part of employee's and employers insurance premium of small industrial workshops applies and who fail by the approved date of the instant Law, to effect payment of their overdue liabilities, shall, by virtue of the instant Law. Still be subject to the exemption stipulated by the said bill, also, the exemption as per the legal bill concerning exemption of a part of employer's and employee's insurance permium, as approved by the Revolution Council on 24.10.1958 (Dec. 15,1979) shall still continue to apply subsequent to the ratification of the instant Law.

Note 2. Where an employer effects payment of the principal amount of the insurance premium due (without allowing for delayed payment penalties, interest on remaining installments or damages for overdue payments), pursuant to notification of the case by Social Security Organization action shall be taken for cooperation with Social Security Organization through legal channels by the ministries, public sector companies and organizations, municipalities, revolutionary institutions or any other relevant entity as the case may be.

Act Concerning Exemption from payment of Employers

Portion of Insurance premium for Employers having

Maximum of Five Workers on their payroll

Single Article. Starting from the beginning of year 1983, employers of all production, industrial and technical workshops using government services (such as electricity, water, telephone, roads) shall be exempted from payments of employer's contributions of insurance premium for upto five workers. Where number of workers exceeds five persons, payments shall be made for the number of workers in excess of five.

Note 1. The Government is to estimate and provide for the costs of the future years in the budget of the relevant year.

Note 2. Where an employer of a workshop with a workforce capacity of less than five enlists individuals on the workshop's payroll without such individuals being in the employment of the workshop with the intention to benefit from the provisions of this Act, the said employer will for ever, be deported from legal benefits and public services.

Note 3. Factories, mines, contractors and foreign companies do not fall within the scope of the instant law.

Note 4. Where due to critical financial situation an employer subject to Social Security Law is unable to effect payment of his overdue premiums and payment of the liability, whether lump sum or in accordance with Article 46 of Social Security Law, would result in the closure of the workshop or suspension of work, the Social Security Organization's Board of Directors may agree to payment of the liability by up to sixty monthly installments, depending on the circumstances of each case. The said Board may also adopt a decision regarding exemption of a final overdue liability of employers unable to pay their liabilities of not exceeding Rls,100,000 relating to periods ending 30th Bahman 1982.

Note 5. The administrative bylaws of the instant law required for determining the category of the production, industrial and technical workshops shall be worked out by the Ministry of Health on behalf of the Government for approval by the council of Ministers.

Legal Bill Amending the "Social Security Organization Act" approved on 2.5.138 (July 24,1979).

Legal Bill concerning procedure for retirement and compensation for service serene of the personnel of the former Social Services Organization.

Legal Bill concerning application of Articles 60-70-72-73-74-80-81-82 and 83 of Social Security Law approved in June 1975 to all insured individuals who have sustained disability of partial or total incapacity or have been martyred in the course of the Revolution approved on 1.7.1358 (Sept. 23,1979).

Single Article. All insured individuals covered by the Social Security Law who have become martyred or have sustained disability, or partial or total physical incapacity, as a result of their struggle for the realization of the Islamic Revolution shall be covered by this bill.

(B) Any accident leading to martyrdom, disability or physical incapacity, either in part or in whole, resulting from the recent Revolution shall be considered as an accident occurred during the work.

(C) Institution and method of calculation of the death pension, the lump sum compensation for disability, pension for incapacity and pension full incapacity shall be in accordance with the provision of the Social Security Law.

(D) As regards the time and details of the occurrence of an accident, a certificate shall be issued by the company or the organization employing the insured concerned, to the effect that the accident solely and absolutely occurred during and in connection with the Islamic Revolution is essential.

The said certificate shall be accompanied by a further certificate issued by the prosecutor's office or the independent court situated within the Judiciary constituency concerned confirming either that the accident did not result from the usual day-to-day accidents or criminal event, or that according to the public prosecutor's office or the Islamic Revolutionary courts, the commitment of the act, accident was necessary. Any action by the Social Security Law in this regard will be contingent upon the submission of the above said certificates.

Legal Bill concerning Annexation of one Note to the Law regarding Application of Articles 80 and 84 of the Civil Service Act to Employees of Ministries and public sector companies and organization who have sustained Disability or incapacity or have been Martyred in the course of the Recent Revolution.

Note . Employees of municipalities and public sector companies or organization that application of the provisions of the instant bill to whom requires specific mention of their names, as well as all individuals covered by Social Security Law whether Civil Servants or otherwise, shall be subject to the Instant Law, with due regard to the pertinent regulations of the said organization.

LEGAL BILL AMENDING ARTICLE 5 OF SSA

Single Article. Article five of Social Security Law, approved in June 1975, is revised as follows:

Except for the cases defined here in below, insurance of foreign nationals working in Iran in accordance with the relevant rules and regulations shall be subject to provisions of his Law.

- (A) Where bilateral or multilateral Agreements on Social Security have been signed between the Islamic Republic of Iran and the government (S) of the country (countries) concerned, where it shall be acted in accordance with the said Agreements.
- (B) Where the foreign national proves by virtue of a certificates issued by the competent authorities of his country that for the period of employment in Iran he has already been insured, either Fully or in part in his own country or in a third country and for the instances stipulated in Article 3 of this Act in which case he shall be exempted from the requirement of this Act in respect of the said instances already insured.

Legal Bill concerning Amendment of Article 55 of Social Security Law.

Single Article. The ministry of Health and Welfare is hereby authorized to put, article 55 of the Social Security Law (part A-B and the note thereof), approved on 10.5.1354 (Aug. 1,1975) and revised as follows, into execution.

- (A) Priority for medical treatment shall be given to the direct treatment method.
- (B) Making use of indirect medical treatment method shall be at Ministry of Health and Welfare's discretion and decision in accordance with the laws prepared and implemented by the MHW, within 15 days of approval of this Article.

Legal Bill concerning application of the Retirement and pension provisions of the Civil Service Act to Employees of public sector companies covered by the Social Security Law, approved on 17.9.1358 (Dec. 8,1979)

Single Article. The employees of the public sector companies covered by the Social Security Law who on the approval Date of this bill are still in the employment of the public sector companies within six months starting from the approval date of this bill apply for their retirement and pension to be dealt with in accordance with the provisions of the Civil Service Act, and the subsequent charges/amendments thereto. If so, the insurance premium contributions so far made for such employees to the Social Security Organization (SSO) shall be transferred to the Retirement Fund and subsequently payments of future contributions shall be in accordance with the requirements of the Retirement Funds.

Where an employee does not apply for the said transfer, he/she will continue to be covered by the provisions of the Social security Law.

Similarly, employees who come into the employment of public sector company after the approval date of this bill may within six months from the date of their employment apply for their retirement and pension shall be subject to the provisions of the Civil Service Act, otherwise, the provisions of the Social Security Laws shall be applicable in their case.

Legal Bill concerning institution of pension for public Sector Employees and those covered by the Social Security Law were/will be martyred or become incapacitated in the course of the Islamic Revolution approved on 4.10.1358 (Dec. 25,1979)

Single Article. All employees of the ministries and public sector institutions and companies including governmental organizations whose names are required to be mentioned if the instant order is to be applied in their case, as well as the employees of municipalities and individuals covered by Social Security Law who have/will become incapacitated or were/will be martyred in the course of their struggles for the materialization or safeguarding the achievements of the Islamic Revolution shall with due regard to the relevant regulations shall be subject to the orders and directives pertaining to incapacity and death while on duty. The pension

determined under such orders and directives shall be payable to tremor to their legal heirs.

Starting from the approval date of the instant bill, the bill concerning the applicability of Articles 80 and 84 of the Civil Service Act advised on 16.12.1357 (March 7,1978), under reference No.692, regarding employees of ministries and public sector companies and organizations who have sustained disability or become incapacitated or been martyred in the course of the Revolution shall be considered as revoked.

Legal Bill concerning exemption of a part of insurance contributions of the insured and employers of small Guild Workshops covered by Social Security Law approved on 12.10.1358 (Jan. 2,1980)

Single Article. In conformity with the provisions of Article twenty-eight of Social Seriate Law, with a view to help improve financial conditions of the insured and employers for small guide workshops and to enhance their ability to meet their payment obligations as regards insurance premiums, starting from 1.1.1358 (March 21,1979) up to date of the amendment to Social Security Law, vide Article 6 of the legal bill “Amendment to Social Security Organization Act” 9% (nine percent) shall be attributable to the insured and 7% (seven percent) to the employer. The said exemption concerns all small guild workshops which become subject to Social Security Law during the said period, or thereafter.

Note 1. Starting from the approval date of this Article employers subject to the instant Article are duty-bound to prepare their payrolls, enclosed with the list of premiums payable for each month within the due date as stipulated by the Social Security Law and submit the same Social Security Organization and effect the relevant payment. Where there is a delay of more than two months in submission of the list and payment of the relevant premiums for each months applicable and employer becomes liable to pay that month’s premium plus the delayed payment penalties stipulated under Articles 98 and 100 of the same Law.

Note 2. Employers subject to the instant Law may pay their overdue insurance premium for the period 1.1.1385 (March 21,1979) to the approval date of this Law within a maximum period six months from the instant Law and enjoy the abovesaid exemptions.

Failure to pay the relevant premium within the above said six months period will make the employer liable to the general provisions of the Social Security Law concerning payment of insurance premium and fines therefore. Insurance premiums paid by such employers on the basis of Social Security Law in the period falling between 1.1.1358 (March 21,1979) and the approval date of this Law shall be taken account of in the calculations resulting from the implementation of the instant Act.

Note 3. Employers covered By this article who submit payroll and effect payment of premiums as per instant law to Social Security Organization within the time period specified by the Law shall not be liable for payments of any fines or damages stipulated by Social Security Law, unless, by virtue of the instant Act, the general provisions of Social Security Law becomes applicable to their case.

Legal Bill concerning transfer to Social Security Organization Deductions made for Retirement of the personnel of Atomic Energy Organization of Iran approved on 6.10.1958 (Dec. 26,1979).

Single Article. By virtue of this Law the retirement deductions of those of the personnel of Atomic Energy Organization (AEO), (8.5% employee contribution, 14% Organization contribution) who are transferred to one of the companies affiliated to the Ministry of Energy, may be transferred from the said organization retirement fund to Social Security Organization's Account.

The time pertinent to the said retirement deduction which by virtue of the Single Article, are transferable to Social Security Organization, shall be taken into

account in their records of insurance premium payments and will count in making them eligible for the supports as stipulated in the Social Security Law.

Legal Bill Amending the legal Bill concerning procedure for the Retirement and Service-Severance payments to the personnel of the Formerly Social Services Organization approved on 25.5.1358 (Aug 16,1979)

Legal Bill concerning the costs Financed out of the Balance of the ½% credits subject of Article 41 of the Social Security Law Approved on 25.1.1359 (Apr. 14,1980)

Legal Bill concerning benefits and Losses payable for Termination of Service to the Retired, the Recipients of pensions and the Reserve conscripts exempted from continuing their Military Service and working in private sector approved on 23.1.1354 (Apr. 12,1980)

Legal Bill Regarding Amendment of the Respite Stipulated under Note 1 of Article 3 of the Legal Bill Amending Social Security Organization Establishment Act approved on 23.1.1359 (Apr. 12,1980)

Single Article. The respite stipulated under Note 1-Article 3 of the legal bill amending Social Security Organization establishment law approved on 28.4.1358 (July 19,1979) is revised for six month to one year. Thus final deadline will be 9.6.1359 (Aug 31,1980)

Legal Bill concerning Taking into Account the period of political Imprisonment of those individuals insured under SSA for the purpose of Insurance premium payment records approved on 23.1.1359 (Apr.12,1980)

Single Article. With a view to benefit from Social Security Organization commitments provided under Social security Law period of break in the employment of political convicts vide legal bill concerning remedying the effects of political conviction approved by the Islamic Revolution Council on 7.1.1358 (March 27, 1979) shall be taken account of premiums for that period, provided that

prior to the date of conviction, their employment was covered by Social Security Law.

Note. With a view to benefit from Social Security Organization's commitments provided under Social Security Law, the break in the period of employment of political convicts who before the date of their political conviction and prior to the approval date of the Act concerning establishment of the Ministry of Health and Welfare, 16.4.1355 (July 7, 1976) had been employed by entities covered by Act in Support of Employees against the effects of old age disability and death, and similarly for those having record of payment of insurance premium to Iran Insurance Company, Social Welfare Foundation, Workers Cooperation and Insurance Fund, Labourers' Social Insurance Organization, shall also be taken account of for the purpose of their insurance premium payment record with premium payments during the said period.

Legal Bill concerning premature Retirement of the Individuals covered by the Social Security Organization Approved in Tir 1354 (June 1975)

Article 1. Those covered by Social Security Law shall enjoy the retirement pension stipulated by the instant law as follows:

- A) At any age subject to a minimum of thirty years record of premium payment for retirement pension.
- B) The insured who hold a record of over twenty full years and less than thirty full years of payment of insurance premium stipulated in the law shall benefit from the provisions of the instant bill provided that total of their age and period of premium payment be not less than 70 years for the male insured and 65 for the female insured.

Fraction of a year is not to be taken account of legal Bill Annexing one Note to the Legal Bill Concerning Institution of pension, to the public sector personnel and individuals covered by Social Security Law who have or will become disabled or martyred in the course of the Islamic Revolution of Iran.

Single Article. The Note as hereunder is appended to the Legal Bill concerning payment of pension to the public sector employees and individuals covered by the Social Security Law who have or will become disabled or martyred in the course of the Islamic Revolution of Iran approved on 21.1358 (Dec. 12,1979).

Note. The personnel of the Guilds chamber disabled or martyred or in the course of the Islamic Revolution of Iran shall also be covered by the provisions of this law, subject to confirmation and approval of the Imam Khomeini Relief committee.

Legal Bill Amending part of Note 2 and the Annexation of one Note to the Legal Bill concerning Exemption of part of Insurance premium payable by Insured and Employers of small Guild Workshops covered by Social Security Law Approved on 27.2.1359 (May 17,1980)

Legal Bill concerning Treatment of Ary workers covered by Labor and Social Security Law as Technical Employees approved on 4.4.1359 (June 25, 1980)

Legal Bill concerning Extension of Social Support and Security to the personnel and the Guards of the Islamic Revolution committee Approved on 2.4.1359 (June 23,1980)

Single Article. The Government is authorized to offer to all personnel and the guards of the Islamic Resolution committee, the Social Support and Security as provided under the relevant laws in the same manner as offered to the personnel of the Armed Forces, the Gendarmeria and Guards of the Islamic Revolution. The bylaws required for implementation of this act shall be effect after approved by the council of Ministers.

The Law concerning Abolition of Note 3,Article 11 of the Act concerning the Establishment of the Ministry of Health and Welfare-Approved on 21.8.1360 (Nov. 12,1981)

Single Article. Starting from the beginning of Farvardin 1360 (March 1981), Note 3 of the Article 11 of the Act regarding the establishment of the Ministry of Health and Welfare shall be revoked and all the personnel covered in respect of insurance under the provisions of the revoked support for “Office Employees” Act the said Act “Support for Office Employees Against old Age, Incapacity And Death” shall

in all respects, (Premium rate, salary base for deduction of premiums and eligibility for the benefits provided under the Social Security Law, be subject to the provisions of the Social Security Act.

The said Law, consisting of one Single Article, was ratified in accordance with Article 85 of the Constitution, in the session held by the Islamic Consultative Assembly's on Sunday, the 3rd of Aban 1360 (Oct. 25,1981) and was subsequently confirmed by the Guardians council to be tentatively implemented for a period of three years as from the date of approval.

The Act concerning Institution of pension to the Insured who have been or will be martyred or disabled as a consequence of cooperation with the Armed Forces approved on 9.12.1360 (Feb. 28.1981).

Single Article. Those insured covered by Social Security Law approved in Tir 1354 (June 1975) who have been or will be disabled or martyred as consequence of their cooperation with the Armed Forces and taking part in military operations shall be subject to the provisions of the directives stipulated in the instant Act concerning establishment of pension for total disability or death.

Note 1. The insured referred to here in above shall solely mean those covered by Social Security Law who, at the time of joining the Army, either compulsory or voluntarily, were working in a workshop subject to the provisions and benefits for the Social Security Law and whose insurance premium was regularly deducted from their salary and benefits in accordance with the stipulated regulations.

Note 2. Payment of pension to insured individuals who joined the Army, either voluntarily or due to conscription and their salary and benefits of the service period are paid by the Ministry of National Defense, shall continue to be paid by the same Ministry Martyred or disabled.

Note 3. The level of pension to be paid for total incapacity and the total amount of pension payable to the individual covered by this Law shall be 1/24 of total amount of their salary and benefits for the last two years in which insurance premium was paid.

Where records indicate that insurance premiums were paid for a period of less than two years prior to their martyrdom or disability, the amount of the pension payable to them shall be equal to total amount of wage or salary plus benefits received on

the basis of which insurance premium was calculated and paid, divided by number of days worked and multiplied by thirty.

Note 4. Any decision as to whether martyrdom or disability of the individuals covered by this Law occurred as a result of taking part or cooperating in war operation will rest on the high council of cases of death, the Ministry of National Defense.

Note 5. Determination of the level and degree of incapacity of the individuals covered by this law will rest with the Medical committees referred to under the Article 91 of the Social Security Law.

Note 6. Where the Ministry of National Defense determines and pays the pension to the individuals covered by this Law, the said Ministry is obligated to report to Social Security Organization in respect of the amount of Pension along with complete particulars of the martyred or disabled individuals or their dependants.