

## ANNOUNCEMENT

### **Unclaimed amounts of guarantee compensation will be transferred to VPC IPSA in UAPF**

From May 1, 2022, **unclaimed during the year** amounts of guarantee compensation on guaranteed deposits in the Kazakhstan Deposit Guarantee Fund (KDGF) will be transferred to the UAPF to be credited to individual pension saving accounts (IPSA) for recording voluntary pension contributions (VPC).

In the event that a depositor in a second-tier bank (STB), who was a member of the compulsory deposit guarantee system and who was deprived of a license to conduct all banking operations, does not apply to the KDIF within one year from the date of commencement of the payment of the guarantee compensation, the KDIF will transfer the unclaimed the amount of the guarantee compensation to the UAPF to be credited to the IPSA for accounting for VPC.

This provision was included in the Law of the Republic of Kazakhstan *On Pension Provision in the Republic of Kazakhstan*. Thus, from May 1, 2021 and until May 1, 2022, depositors in STBs that were previously deprived of a license can apply to the KDIF for payment.

Recall that from May 1, 2021, IPSA for accounting for VPC in the UAPF are opened automatically (without application). The basis for opening an IPSA in the UAPF to account for VPC are:

- ***the primary VPC received by the UAPF from an individual in his favor or in favor of a third party / a list of individuals submitted by agents to the UAPF;***
- ***a list of depositors (beneficiaries) with unclaimed amounts of guaranteed compensation on guaranteed deposits, submitted by KDIF***

At the same time, the identification of an individual in whose favor payments are made is carried out according to personal data (full name, IIN, date of birth) specified in the electronic format of the payment order when transferring VPC, and all the necessary information: about the details of a valid document proving the identity of an individual, about the place of permanent residence, UAPF receives other information from the relevant information systems of state bodies.

The contributor (beneficiary) is considered to have acceded to the pension agreement at the expense of VPC from the date of receipt of the initial amount.

If an individual has an open IPSA in the UAPF to account for VPC, then the unclaimed amount of the guarantee compensation will be credited to this account. It should be noted that the unclaimed amounts of guarantee compensation credited to the IPSA will be invested in the same manner as other pension assets.

It is worth emphasizing that, according to paragraph 1 of Article 33 of the Law of the Republic of Kazakhstan *On Pension Provision in the Republic of Kazakhstan*, the right to pension benefits from the UAPF at the expense of VPC arises for the following persons with pension savings:

- 1) over the age of fifty;***
- 2) who are disabled;***
- 3) foreigners and stateless persons leaving or leaving for a permanent place of residence outside the Republic of Kazakhstan, who submitted documents, determined by the legislation of the Republic of Kazakhstan, confirming the intention or fact of departure;***
- 4) having pension savings within the limits of the VPC amounts and the investment income accrued on them, which have been in the UAPF for at least five years.***

To return the unclaimed amount before the above conditions, the depositor (beneficiary) can apply to the KDIF in accordance with the Law of the Republic of Kazakhstan *On the compulsory guarantee of deposits placed in second-tier banks of the Republic of Kazakhstan*. KDIF, in turn, will send a notification to the UAPF on the return of funds. At the same time, if there are no funds left on the IPSA for VPC accounting after returning to the KDIF / payments, then the IPSA is automatically closed after one month.

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*The UAPF was established on August 22, 2013 on the basis of GNPf APF JSC. The UAPF founder and shareholder is the Government of the Republic of Kazakhstan represented by the State Institution “Committee of State Property and Privatization” of the Ministry of Finance of the Republic of Kazakhstan. UAPF pension assets are managed by the National Bank of the Republic of Kazakhstan. From January 1, 2016, the functions for developing proposals to improve the management of pension assets were transferred to the National Fund Management Council. In accordance with the pension legislation, the UAPF attracts compulsory pension contributions, compulsory occupational pension contributions, voluntary pension contributions, pension benefits, individual accounting of pension accumulations and benefits, provides the contributor (beneficiary) with information on the status of his pension accumulations (for more information visit [www.enpf.kz](http://www.enpf.kz))*