

## ANNOUNCEMENT

### **How to return money from an insurance annuity to UAPF?**

According to the Law of the Republic of Kazakhstan *On Amendments and Supplements to Certain Legislative Acts of the Republic of Kazakhstan on the Regulation and Development of the Insurance Market and the Securities Market, Banking Activities*, a number of amendments are introduced to regulatory legal acts, including from September 12, 2022, Article 60 Law of the Republic of Kazakhstan *On pension insurance in the Republic of Kazakhstan* (hereinafter - the Law).

Clause 14 of Article 60 of the Law establishes that persons who have concluded a pension annuity contract have the right, no earlier than two years from the date of its conclusion, to apply to the insurance organization to change the terms of the contract in terms of reducing the amount of insurance benefits and returning money to the UAPF. The amount of money to be returned to the UAPF is equal to the difference between the redemption amount under the pension annuity contract on the date of its amendment and the amount of the insurance premium calculated on the basis of the amount of benefit determined by clause 2 of Article 59 of the Law on the date of amendment to the pension annuity contract.

In other words, the insurance organization must have an amount that ensures a lifelong monthly insurance benefit of not less than 70 percent of the subsistence minimum effective on the date of making changes to the pension annuity contract.

We emphasize that the effect of this clause also applies to legal relationships arising from pension annuity contracts concluded before the Law came into effect.

In order to return money to the UAPF, the contributor (beneficiary) from 12.09.2022 should apply to the insurance organization with which the contributor (beneficiary) has concluded a pension annuity contract, with an application to change the terms of the contract in terms of reducing the amount of insurance benefits and returning money to the UAPF.

*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))*