

## **Questions on the UAPF**

### **- Soon I'm going to retire, where can I apply for a pension?**

In order to receive both the basic and solidarity (PAYG) pension from the state budget, and pension benefits from the UAPF at the expense of compulsory pension contributions and (or) compulsory occupational pension contributions (if any), when you reach retirement age, you should apply with a single application to the State Corporation (PSC) at the place of residence with the presentation, among other things, of an identity document, as well as information about a bank account.

Documents can be accepted by employees of the State Corporation 10 days before the beneficiary reaches retirement age.

Pension benefits from the UAPF are established from the date of application (the day the beneficiary's application is registered with the State Corporation or the date the right to pension benefits from the UAPF arises) and are made until the pension savings on the individual pension saving account of the contributor are exhausted.

### **- My wife and I wanted to transfer our pension savings to an insurance company, but she does not have enough of them to transfer. Heard that we can combine our pension savings, how to do it?**

Quite right, the Law of the Republic of Kazakhstan dated July 12, 2022 No. 138-VII *On amendments and additions to certain legislative acts of the Republic of Kazakhstan on the regulation and development of the insurance market and the securities market, banking activities* introduced amendments and additions to the pension legislation, which entered into force on September 12, 2022, including allowing contributors (beneficiaries), in cases provided for by law, to conclude a pension annuity agreement together with spouses or close relatives.

A joint annuity is a product that implies the participation in a pension annuity agreement of two insureds (assureds) who are spouses or close relatives in accordance with the Code of the Republic of Kazakhstan *On Marriage (Matrimony) and Family* and simultaneously insured.

A joint annuity, unlike the classic pension annuity, allows you to combine pension savings and redistribute income under a pension annuity agreement.

It should be noted that in order to conclude a pension annuity agreement, the amount of pension savings must be sufficient to ensure benefit of at least 70 percent of the subsistence minimum (1.4 times the subsistence minimum in the event that a pension annuity agreement is concluded by two persons), established by the law on the republican budget and effective as of January 1 of the relevant financial year.

The list of persons entitled to transfer pension savings to an insurance organization, and the package of documents required for this can be found here on the Fund's website.

### **- My brother is going to leave for permanent residence in Germany. What will happen to his retirement savings??**

In accordance with the provisions of the Law of the Republic of Kazakhstan *On Pension Provision in the Republic of Kazakhstan*, those who have left for permanent residence outside the Republic of Kazakhstan (hereinafter referred to as permanent residence outside RK) foreigners and stateless persons who have pension savings in the UAPF, who submitted documents specified by the legislation of the RK, confirming the fact of departure.

In turn, departure for permanent residence outside the Republic of Kazakhstan is carried out after registration of documents for departure by the internal affairs bodies.

Compliance with this legislative requirement is necessary for the person who left for permanent residence outside the Republic of Kazakhstan to fulfill all obligations to the Republic of Kazakhstan and its citizens for debts, loans, alimony and other obligations, if any.

Pension benefits from the UAPF to foreigners and stateless persons who have left for permanent residence outside the Republic of Kazakhstan are paid at a time within 10 working days from the date of receipt or receipt of documents by the UAPF.

The list of required documents, depending on the method of their submission to the UAPF (in person / through postal services / a third party), the requirements for their execution, as well as application forms and samples of their completion, depending on the type of payment currency, samples of powers of attorney can be found here on our website.

In addition, the completed package of documents can be sent to the UAPF for a preliminary check using the electronic service "[Preliminary check of documents for benefit](#)" on the UAPF website.

Please note that payments of pension savings are made only to the beneficiary's bank account and can be requested by the beneficiary in any of the following currencies: tenge, Russian rubles, euros, US dollars or pounds sterling.

**- I am a pensioner and the other day I received a message on messenger from an unfamiliar number, which offers assistance in withdrawing 50% of my pension savings. Can I trust them?**

The legislation of the Republic of Kazakhstan provides for the use by pensioners of their pension savings formed at the expense of CPC and (or) compulsory occupational pension contributions (hereinafter - COPC) in order to improve living conditions and (or) pay for medical treatment for themselves or their spouse, or close relatives in case of provided that the amount of the pension ensures the replacement rate of the beneficiary's average monthly income at a level not lower than 40 percent, determined in the manner determined by the Government of the Republic of Kazakhstan. At the same time, the lump-sum pension benefit cannot exceed 50 percent of the amount of pension savings at the expense of the CPC and (or) COPC of the contributor (beneficiary) as of the date of receipt of the initial electronic notification from the authorized operator.

In this regard, we strongly recommend that you do not trust and ignore such "fake" messages and remind you that all transactions conducted by UAPF are carried out free of charge.

**- I have a small company producing plastic windows, which employs excellent craftsmen. I would like to transfer voluntary contributions to their pension accounts as an incentive. How to do this and will there be positive moments for me in this case?**

Voluntary pension contributions (VPC) can be transferred both by a contributor - an individual at the expense of his income in his favor, and by a contributor - an individual or legal entity in favor of the beneficiary. The frequency of VPC is determined by the contributor independently.

At the same time, the employer, by transferring VPC in favor of his employees, **receives tax advantages**, since VPC paid by the tax agent at his own expense in favor of the employee are deductible when calculating corporate income tax, and the amount of VPC paid by the employer in favor of the employee is not treated as employee income and are not considered for personal income tax purposes.

For the employee, this will positively affect the increase in the amount of pension savings formed at the expense of the VPC, and, accordingly, the increase in the amount of pension benefits from the UAPF. In addition, the employee has the opportunity to submit an application to the employer, on the basis of which the latter will regularly transfer VPC to the UAPF in favor of the applicant or a third party.

The basis for opening an individual pension saving account in the UAPF for accounting for VPC is the primary VPC received by the UAPF from an individual in their favor or in favor of a third party / a list of individuals submitted by agents to the UAPF when transferring VPC in the manner determined by the regulatory legal act of the authorized body.

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

You can transfer VPC through second-tier banks and branches of Kazpost JSC. Some STBs provide an opportunity to transfer contributions online (through their mobile application or self-service terminals).

The list of persons entitled to pension benefits formed at the expense of VPC, and the package of documents required for this can be found [here](#) on the UAPF website.