

On state educational accumulative system

Unofficial translation

Law of the Republic of Kazakhstan dated 14 January 2013 № 67-V.

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This Law regulates social relations in the field of functioning of state educational accumulative system, as well as the conditions, forms and content of its state incentives.

Chapter 1. GENERAL PROVISIONS

Article 1: Basic concepts used in this Law

The following basic concepts are used herein:

1) initial educational endowment – a one-time payment at the expense of budget funds, credited to the depositor's educational accumulation deposit or to the settlement amount under the educational endowment insurance contract;

1-1) educational endowment insurance – an endowment life insurance intended to accumulate funds to pay for educational services, providing for insurance payment as a result of the occurrence of an insured event, including after the expiry of the period established in the educational endowment insurance contract, whichever occurs first;

2) unified register of educational endowment insurance contracts – a single database of registration of educational endowment insurance contracts, under which the operator accrues the initial educational endowment, state premium;

3) an educational endowment insurance agreement (hereinafter the insurance agreement) is an endowment life insurance agreement whereby one party (the policyholder) undertakes to pay the insurance award and the other party (the participating insurer) undertakes to make an insurance payment, calculated, among other things, based on the accrued investment income, as a result of an insured event;

4) educational accumulation deposit – money on the depositor's account with the participating bank, including contributions of the depositor or contributors, including at the expense of payments of target savings from the unified accumulative pension fund for the purpose of paying for education in accordance with the laws of the Republic of Kazakhstan, starting educational endowment, state premium and capitalized remunerations of the participating bank;

5) educational savings deposit agreement (hereinafter deposit agreement) - a bank deposit agreement for accumulating funds to pay for educational services entered into by the depositor with a member bank;

6) a unified register of educational accumulation deposit contracts - a single database of deposit contracts under which the operator accrues the initial educational endowment, state premium;

7) educational services – activities on provision the learner with services aimed at implementation of educational needs of a person and mastering educational programs;

8) authorized body in the field of education – central executive body of the Republic of Kazakhstan which carries out management and intersectoral coordination in the field of preschool, secondary, technical and vocational, post-secondary and additional education;

9) authorized body in the field of science and higher education – central executive body of the Republic of Kazakhstan which carries out management and intersectoral coordination in the field of higher and post-graduate education;

10) a contributor - a resident or non-resident of the Republic of Kazakhstan, who contributes to an educational savings deposit for the benefit of the contributor;

11) a lender - a second-tier bank of the Republic of Kazakhstan licensed to engage in banking lending operations that has entered into an agreement to provide educational loans under the guarantee of a state-authorised organisation;

12) a credit line - granting the borrower a legally enforceable obligation on the part of the lender to disburse money within an agreed limit over a period of time specified in the educational loan agreement;

13) a borrower - a depositor who has entered into an education loan agreement with the lender for the amount of educational services that is insufficient to pay for the educational services;

14) participating bank - a second-tier bank of the Republic of Kazakhstan, a National postal operator that meets the requirements established by this Law and has entered into an agreement on cooperation in the field of the State educational savings system with an operator in the field of the State educational savings system;

14-1) an organization of education – participant – a legal entity established and operating within the territory of the Republic of Kazakhstan, implementing educational programs of technical and vocational, post-secondary, higher, and postgraduate education, and having entered into a cooperation agreement in the field of the State educational accumulative system with the operator of the State educational accumulative system;

15) participating insurance organisation - a legal entity engaged in the conclusion and performance of insurance contracts under a relevant licence of the competent authority for the regulation, control and supervision of the financial market and financial organisations that has entered into a cooperation agreement in the field of the State Educational Savings System with the operator in the field of the State Educational Savings System;

16) state award - funds paid annually on a fixed date from the budget for the actual accrued balance of the educational savings deposit and for the estimated amount under the insurance contract;

17) State educational accumulative system – a system of monetary savings to pay for educational services, governed by the laws of the Republic of Kazakhstan and based on the attraction by member banks of deposits from the population, by member insurance organizations of insurance awards (insurance premiums) and accrual of starting educational endowment, as well as accrual of remuneration, investment income and state premiums on them respectively;

18) operator in the field of the State educational accumulative system (hereinafter referred to as the operator) – an organization determined by a joint decision of the authorized body in the field of science and higher education and the authorized body in the field of education, which coordinates the activities of the participants of the State educational accumulative system and ensures its functioning within the limits stipulated by the legislation of the Republic of Kazakhstan;

19) cooperation agreement in the field of the State educational accumulative system (hereinafter referred to as a Cooperation Agreement) – an agreement between an operator and a participating bank, an operator and a participating insurance organization, or an operator and a participating organization of education, establishing the terms and procedure for their interaction within the framework of the implementation of the State educational accumulative system;

20) beneficiary - a person who is the beneficiary of the insurance benefit under an insurance contract;

21) calculated amount under the insurance contract – the amount accepted for calculation of the state premium, determined on the basis of the formed insurance reserve under the insurance contract, taking into account insurance premiums (insurance premiums), starting educational endowment, investment income, accrued state premiums of previous periods;

22) insurance payment under the insurance contract (hereinafter - insurance payment) - an amount of money stipulated by the insurance contract, including, inter alia, insurance premium (insurance premiums), starting educational endowment, investment income, state premium, and paid by the insurance organization - participant to pay for the educational services of the beneficiary in whose favor the insurance contract is concluded, as a result of the occurrence of an insured event or upon the occurrence of the term specified in the insurance contract;

23) a policyholder - a person who is a parent or other close relative or legal representative of the beneficiary and who has concluded an insurance contract with a participating insurance organization (in accordance with this Law, a policyholder is an insured person);

24) a depositor - a national of the Republic of Kazakhstan, who is a party to the savings agreement;

25) redemption amount is the sum of money that the policyholder is entitled to receive upon premature termination of the insurance contract, fixed pursuant to the procedure

specified by the authority responsible for regulating, monitoring and supervising the financial market and financial institutions.

Footnote. Article 1 - as reworded by Law of the Republic of Kazakhstan № 138-VII of 12.07.2022 (shall be enacted upon expiration of sixty calendar days after its first official publication); as amended by the Law of the Republic of Kazakhstan dated 19.04.2023 № 223-VII (shall be enforced ten calendar days after the date of its first official publication); dated 16.11.2023 № 40-VIII (shall be enforced from 01.01.2024); dated 10.01.2025 № 153-VIII (shall be enforced sixty calendar days after its first official publication).

Article 2. The legislation of the Republic of Kazakhstan on state educational accumulative system

1. The legislation of the Republic of Kazakhstan on state educational accumulative system shall be based on the Constitution of the Republic of Kazakhstan and shall consist of this Law and other regulatory legal acts of the Republic of Kazakhstan.

2. If an international treaty ratified by the Republic of Kazakhstan establishes different rules than those contained in this Law, the rules of an indicated treaty shall be applied.

Article 3. Main objective, tasks and principles of state regulation in the field of the State educational accumulative system

1. The main objective of state regulation of the State educational accumulative system shall be the creation of conditions to ensure accessibility of technical and vocational, post-secondary, higher and postgraduate education.

2. Main tasks of state regulation of the State educational accumulative system shall be:

1) development in society of a culture of monetary savings to pay for educational services ;

2) formation in society of awareness of the choice of a future profession or specialty.

3. Main principles of state regulation of the State educational accumulative system shall be:

1) legality;

2) transparency;

3) the intended purpose of an educational accumulation deposit and educational endowment insurance;

4) voluntary joining of citizens, participating banks and insurance organizations - participants to participate in the State educational accumulative system;

5) state encouragement of population to participate in the State educational accumulative system.

Footnote. Article 3 as amended by the Law of the Republic of Kazakhstan dated 10.01.2025 № 153-VIII (shall be enforced sixty calendar days after its first official publication).

Article 4. Competence of the authorized body in the field of science and higher education
The authorized body in the field of science and higher education shall:

1) on the basis of and in pursuance of the main directions of internal and foreign policy of the state, determined by the President of the Republic of Kazakhstan, and the main directions of socio-economic policy of the state, its defense capability, security, ensuring public order, developed by the Government of the Republic of Kazakhstan, forms and implements the state policy in the sphere of the State educational accumulative system in accordance with the legislation of the Republic of Kazakhstan;

2) annually, jointly with the authorized body in the field of education, develop long-term forecasts of the average cost of education by types of organizations of education;

3) develop and approve jointly with the authorized body in the field of education the methodology of calculation of the state premium;

4) develop and approve jointly with the authorized body in the field of education the standard deposit and insurance contracts in coordination with the authorized body for regulation, control and supervision of the financial market and financial organizations;

5) develop and approve jointly with the authorized body in the field of education the standard cooperation agreements between the operator and a member bank, the operator and an insurance organization – participant, the operator and an organization of education – participant;

6) develop and approve the rules for accrual, use, return of the starting educational endowment in coordination with the authorized body in the field of education;

7) develop and approve regulatory legal acts in the sphere of the State educational accumulative system in accordance with the purpose and objectives of this Law and the legislation of the Republic of Kazakhstan;

8) exercise other powers, provided by this Law, other laws of the Republic of Kazakhstan, acts of the President of the Republic of Kazakhstan and the Government of the Republic of Kazakhstan.

Footnote. Article 4 as amended by the Law of the Republic of Kazakhstan dated 10.01.2025 № 153-VIII (shall be enforced sixty calendar days after its first official publication).

Article 5: Legal foundation for the operation of the State Educational Savings System

1. The State educational accumulative system shall apply to receiving education under educational programs of technical and vocational, post-secondary, higher and postgraduate education in the Republic of Kazakhstan, except as provided by paragraph 7 of Article 11 and paragraph 11 of Article 11-1 of this Law.

2. Participants of the State educational accumulative system are depositor, beneficiary, participating bank, insurance organization - participant, depositor, insurer, operator, organization of education - participant, authorized body in the field of science and higher education and authorized body in the field of education.

Footnote. Article 5 - as reworded by Law of the Republic of Kazakhstan № 138-VII of 12.07.2022 (shall come into force upon expiration of sixty calendar days after its first official

publication); as amended by the Law of the Republic of Kazakhstan dated 19.04.2023 № 223 –VII (shall be enforced ten calendar days after the day of its first official publication); dated 10.01.2025 № 153-VIII (shall be enforced sixty calendar days after its first official publication).

Article 6. Functions of the operator

The operator shall:

1) enter into a cooperation agreement with a participating bank, a participating insurance company;

2) enter into a cooperation agreement with the organization of education - participant;

3) request from the participating bank, insurance organization - participant, organization of education - participant, depositor, insured and (or) beneficiary the necessary information regarding the conclusion, validity of the deposit agreement, insurance agreement, accrual of the state premium and starting educational endowment, cost and payment for educational services, status of the student;

4) register and maintain records of deposit agreements and insurance contracts entered into;

4-1) check whether the depositor or the beneficiary has, accordingly, a deposit agreement or an insurance contract registered with the operator, as well as an insurance contract or a deposit agreement whereby the beneficiary and the depositor are one and the same person;

5) eliminate the depositary contract from the unified register of contracts on educational storage bonuses and stop charging bonuses of the state on it after receiving from a bank-participant of confirming documents on transfer of the depositor in a foreign organization of education and the transfer of the accumulated funds of the investor the international organization of education;

5-1) delete the insurance contract from the Unified Register of Educational Endowment Insurance Contracts and terminate the payment of state awards thereunder upon receipt of supporting documents from the participating insurer confirming the enrolment of the beneficiary in the foreign educational organisation and the payment of insurance benefits under the insurance contract of the foreign educational organisation;

6) twice a year publish in the media data on the fulfilment by the participating bank, the participating insurance organisation of the requirements for participation in the State Educational Savings System imposed hereby;

7) calculate the amount of the state premium, starting educational endowment to be credited to the educational accumulation deposit or insurance contract and submit it to the participating bank or participating insurance organization, respectively;

8) monitor compliance by the participating bank and participating insurance organization with the deadlines for crediting the amounts of state premiums and starting educational endowment to educational accumulation deposits and insurance contracts;

9) recalculate the accrual of the state award in the instances envisaged in Articles 14 and 14-1 hereof;

10) issue a statement-letter on the amount of the state premium, starting educational endowment to be returned to the budget to the depositor, participating bank, policyholder, beneficiary, insurance organization-participant or organization of education-participant;

11) ensure completeness and timeliness of return of the amount of starting educational endowment, state premium to the budget by the participating bank, insurance organization-participant or organization of education-participant;

12) take measures to bring to responsibility the depositor, insurer, participating bank, participating bank insurance organization, organization of education - participant in case of revealing violations of requirements imposed on them by this Law and (or) cooperation agreement in accordance with the procedure established by the laws of the Republic of Kazakhstan;

13) terminate cooperation agreement with participating bank unilaterally in case of non-fulfillment by the participating bank of requirements imposed by paragraph 2 of Article 15 of this Law, as well as demand transfer of depositors' money, credited amount of the state premium under the deposit agreement, starting educational endowment (if any) to another participating bank at the choice of the depositor;

13-1) terminate the cooperation agreement with the insurance organization-participant unilaterally in case of non-fulfillment by the insurance organization-participant of the requirements set forth in paragraph 2 of Article 18-1 of this Law, as well as requires the transfer of the redemption amount and the credited amount of the state premium under the insurance contract, start-up educational capital (if any) to another insurance organization-participant at the option of the policyholder;

14) notify the participating bank or insurer of the need to dissolve the deposit agreement with the depositor or the insurance agreement with the insured if it is discovered that the depositor or the beneficiary has lost his/her citizenship of the Republic of Kazakhstan.

Footnote. Article 6 as amended by Law of the Republic of Kazakhstan № 138-VII of 12.07.2022 (shall be put into effect sixty calendar days after the date of its first official publication); dated 10.01.2025 № 153-VIII (shall be enforced sixty calendar days after its first official publication).

Chapter 2. A deposit agreement and an insurance contract

Footnote. The title of chapter 2 - as reworded by Law of the Republic of Kazakhstan № 138-VII of 12.07.2022 (shall become effective upon expiration of sixty calendar days after the date of its first official publication).

Article 7. Depositary contract

1. The deposit agreement shall be concluded in writing between the participating bank and the depositor in accordance with the requirements of this Law, other regulatory legal acts of the Republic of Kazakhstan and on the basis of a standard deposit agreement.

2. The term of the deposit agreement shall be determined by agreement of the parties.

3. Upon expiration of depositary contract:

1) shall be prolonged automatically for the term of the contract, unless one of the parties expresses the intention to terminate it;

2) shall be extended for another term by agreement of the parties;

3) may be concluded with any other bank-participant at the choice of a depositor with the transfer of the rest money.

Footnote. Article 7 as amended by the Law of the Republic of Kazakhstan dated 29.09.2014 № 239-V (shall be enforced upon expiry of ten calendar days after its first official publication); dated 19.04.2023 № 223-VII (shall be enforced ten calendar days after the date of its first official publication); dated 10.01.2025 № 153-VIII (shall be enforced sixty calendar days after its first official publication).

Article 8. Conditions of depositary contract

1. Depositary contract shall contain the following information:

1) subject of a contract;

2) the amount of the initial contribution set by the participating bank;

3) the period of validity of the contract;

4) the size and payment procedure of award of bank-participant;

5) the amount of the state reward, provided for by this Law;

5-1) amount of the starting educational endowment (if any), set by the legislation of the Republic of Kazakhstan and the conditions for its return;

6) the rights and obligations of the parties;

7) written consent of a depositor on the disclosure of bank secrets to operator;

8) responsibilities of the parties;

9) conditions for termination of the contract;

10) other provisions in accordance with the legislative acts of the Republic of Kazakhstan.

2. Educational storage deposit shall be opened in tenge.

3. Excluded by the Law of the Republic of Kazakhstan dated 10.01.2025 № 153-VIII (shall be enforced sixty calendar days after its first official publication).

4. Bank-participant at the conclusion of the depositary contract shall calculate the recommended frequency of payment and the amount of additional contributions on education storage contributions.

5. On the account of a depositor, contributions from third parties in accordance with the banking legislation of the Republic of Kazakhstan may be made.

Footnote. Article 8 as amended by the Law of the Republic of Kazakhstan dated 10.01.2025 № 153-VIII (effective sixty calendar days after the date of its first official publication).

Article 9. Registration of depositary contract

1. Depositary contracts shall be subject to registration in the unified register of contracts on educational storage deposit for record of educational storage deposits on that are calculated state awards in accordance with Article 12 of this Law.

2. The operator shall register the submitted contracts of deposit by entering the information in the unified register of contracts on education storage contribution and assignment of registration number by a bank-participant.

3. Deposit agreements submitted by a participating bank complying with the requirements hereof shall be subject to registration. The deposit agreement shall not be subject to registration if the depositor has a deposit agreement registered with the operator or an insurance agreement registered with the operator, whereby the depositor is the beneficiary.

Footnote. Article 9 as amended by Law of the Republic of Kazakhstan № 138-VII of 12.07.2022 (shall be enacted upon expiration of sixty calendar days after the date of its first official publication).

Article 10. Reward of bank-participant

1. Bank- participant shall pay the depositor award on the amount of deposit with monthly capitalization in the amount determined by the depositary contract.

2. Reward of bank-participant shall be calculated within depositary contract duration and shall join to the basic amount of educational storage deposit (shall be capitalized).

3. The minimum effective remuneration rate of the participating bank shall not be:

1) below the level of the base rate established by the National Bank of the Republic of Kazakhstan, reduced by two hundred basis points on the date of conclusion or extension of the deposit agreement, for a deposit agreement concluded for a period of up to one year inclusive;

2) below the base rate established by the National Bank of the Republic of Kazakhstan, reduced by three hundred basis points on the date of conclusion or extension of the deposit agreement, for a deposit agreement concluded for a period of more than one year.

Footnote. Article 10 as amended by the Law of the Republic of Kazakhstan dated 10.01.2025 № 153-VIII (shall be enforced sixty calendar days after its first official publication).

Article 11. Disposal of educational storage deposit

1. Within the framework of the State educational accumulative system, the depositor, or their legal representative in the manner and cases established by the civil legislation of the Republic of Kazakhstan, shall have the right to transfer the funds of the educational

accumulation deposit from one participating bank to another participating bank, or from a participating bank to a participating insurance organization, in full, no more than once per calendar year.

2. In the case of awarding an educational grant to a depositor who does not have starting educational endowment, or if the depositor has technical and vocational, post-secondary, higher and (or) postgraduate education, confirmed by the relevant education document, the depositor or in the order and cases established by the civil legislation of the Republic of Kazakhstan, his legal representative shall have the right to:

1) continue accumulation of funds on educational storage deposit;

2) transfer funds from an educational accumulation deposit to an educational accumulation deposit or an insurance contract in favor of a third party who is a citizen of the Republic of Kazakhstan;

3) direct funds from the educational accumulation deposit to pay for educational services for the purpose of obtaining other technical and vocational, post-secondary, higher and (or) postgraduate education;

4) get the funds of educational storage deposit with the capitalized reward of bank-participant and accrued state reward;

5) use funds of the educational accumulation deposit for improvement of housing conditions according to the legislation of the Republic of Kazakhstan.

In this case, the funds of the educational savings deposit, formed through payments of target savings from the unified pension savings fund for the purpose of paying for education in accordance with the laws of the Republic of Kazakhstan (if any), the depositor shall have the right to:

1) transfer to his(her) own bank account opened in second-tier banks with the National postal operator, which opens and maintains bank accounts for crediting payments of targeted savings from the unified accumulative pension fund in order to improve housing conditions and (or) pay for education, for further transfer in US dollars at the exchange rate at the time of transfer to the depositor's target savings account opened in the unified pension savings fund in accordance with the Law of the Republic of Kazakhstan "On the Rights of the Child in the Republic of Kazakhstan";

2) transfer in national currency to his(her) own bank account opened in second-tier banks, with the National postal operator, which opens and maintains bank accounts for crediting payments of targeted savings from the unified accumulative pension fund in order to improve housing conditions and (or) pay for education, in accordance with the Law of the Republic of Kazakhstan "On the Rights of the Child in the Republic of Kazakhstan";

3) send for payment of educational services for the purpose of obtaining other technical and vocational, post-secondary, higher and (or) postgraduate education;

4) continue accumulating funds on the educational savings deposit.

2-1. Depositor, who has a starting educational endowment, in case of awarding him an educational grant or if he has technical and vocational, post-secondary, higher and (or) postgraduate education, confirmed by an appropriate document on education, or in the order and cases established by the civil legislation of the Republic of Kazakhstan, his legal representative shall have the right to receive funds of educational accumulation deposit taking into account capitalized remuneration of the participating bank, accrued state premium and starting educational endowment subject to the presentation of an educational document, and to dispose of the educational accumulation deposit in accordance with subparagraphs 1), 2), 3) and 5) of part one and subparagraphs 1), 2), 3) and 4) of part two of paragraph 2 of this Article.

3. At admission of the depositor to the organization of education - participant on a contractual basis educational services on the application of the depositor or in the order and cases established by the civil legislation of the Republic of Kazakhstan, his legal representative shall be paid to the organization of education - participant in shares (for each academic period or academic year) or in full lump sum (for the entire term of study).

4. In case of death, recognition by the court as legally incapable, missing or declare dead or inability of the depositor to continue education due to health educational storage deposit shall be:

1) is directed by the depositor or in the order and cases established by the civil legislation of the Republic of Kazakhstan, his legal representative or his heirs to an educational accumulation deposit or insurance contract in favor of a third party who is a citizen of the Republic of Kazakhstan;

2) is paid to the depositor or, in the order and cases established by the civil legislation of the Republic of Kazakhstan, to his legal representative or his heirs under the terms of termination of the deposit agreement with retention of the state premium, starting educational endowment (if any).

5. Upon remainder of funds on educational storage contribution after payment of educational services for the entire training period, the depositor or his legal representative shall be entitled to withdraw this amount together with accrued state reward in accordance with the procedure provided for and cases provided for by the civil legislation of the Republic of Kazakhstan.

6. The depositor or in the procedure and cases established by the civil legislation of the Republic of Kazakhstan, his/her legal representative shall have the right to transfer the amount of accumulation deposit with accrued state premium and starting educational endowment (if any) to the deposit of a third person, who is a citizen of the Republic of Kazakhstan, registered in the unified register of agreements on educational savings deposit, in the manner prescribed by the rules of accrual, use, return of starting educational endowment.

7. In the event that a depositor is enrolled in a foreign organization of education on a contractual basis on the depositor's application or in the order and cases established by the

civil legislation of the Republic of Kazakhstan, his/her legal representative, payment for education from the depositor's accumulated funds shall be made by the participating bank in shares (for each academic period or academic year) or in full in a lump sum (for the entire period of education), taking into account the capitalized remuneration of the participating bank, accrued state premium and the starting educational endowment (if any) upon presentation of supporting documents on the enrollment of the depositor to a foreign organization of education. In this case, from the moment the funds are transferred to the foreign organization of education, the accrual of the state premium shall cease.

In the event that a depositor is enrolled in a foreign organization of education on a grant, the depositor or, in the manner and cases established by the civil legislation of the Republic of Kazakhstan, his legal representative shall have the right to receive funds from the educational accumulation deposit, taking into account the capitalized remuneration of the participating bank, accrued state premium and the starting educational endowment (if any) subject to presentation a document on education of the foreign organization of education, recognized in the Republic of Kazakhstan in accordance with the legislation of the Republic of Kazakhstan, as well as to dispose the educational accumulation deposit in accordance with subparagraph 1), 2), 3) and 5) of part one and subparagraphs 1), 2), 3) and 4) of part two of paragraph 2 of this Article.

8. The establishment of a temporary restriction on disposal of property, restrictions on transactions and other operations with property, seizure or foreclosure on money held in bank accounts under a depositary contract shall not be allowed.

Footnote. Article 11 as amended by the Law of the Republic of Kazakhstan dated 05.07.2017 № 88-VI (shall be enforced upon expiry of ten calendar days after its first official publication); dated 16.11.2023 № 40-VIII (shall be enforced from 01.01.2024); dated 10.01.2025 № 153-VIII (shall be enforced sixty calendar days after its first official publication).

Article 11-1. Insurance contract and disposal of the insurance contract

1. The insurance contract shall be concluded in writing between the insurance organization-participant and the insured in favor of the beneficiary, who is a citizen of the Republic of Kazakhstan, in accordance with the requirements of this Law, other regulatory legal acts and on the basis of the model insurance contract.

2. The insurance contract shall be concluded for at least three years.

3. The insurance contract must contain the following information:

- 1) the subject matter of the insurance contract;
- 2) details of the policyholder;
- 3) details of the beneficiary under the insurance contract;
- 4) indication of the insured event;
- 5) the amount of the sum insured;

6) the amount of the insurance award (awards), the procedure and terms for paying the award(s);

7) the terms and conditions of payment and the amount of the deductible;

8) the term of validity of the insurance contract;

9) period of validity of the insurance cover;

10) the amount of the state award established hereby;

10-1) amount of starting educational endowment (if any), established by the legislation of the Republic of Kazakhstan, and conditions of its return;

11) the rights and obligations of the parties;

12) the written consent of the policyholder, beneficiary (legal representative) to disclose the insurance secret to the operator;

13) the liability of the Parties;

14) the cases and procedure for amending the terms and conditions of the insurance contract;

15) terms and conditions of termination of the insurance contract;

16) other provisions under the laws of the Republic of Kazakhstan.

4. The insurance contracts shall be registered in the unified register of education endowment insurance contracts to keep track of the insurance contracts for which the award is charged by the state pursuant to Article 14-1 hereof.

5. The operator shall register the insurance contracts provided by the participating insurance undertaking through entering data into the unified register of education endowment insurance contracts and assigning a registration number. The insurance contract shall not be registered when there is an insurance contract registered with the operator for the benefit of the beneficiary or a deposit contract registered with the operator whereby the depositor and the beneficiary are one and the same person.

6. The sum insured shall be fixed in the insurance contract by agreement between the parties.

7. Tenge shall be the currency of the insurance contract.

8. The insurance premium under the insurance contract shall be paid in a lump sum or in installments in the form of insurance premiums in the amount, procedure, and terms established by the insurance contract, or through payments of target savings of the beneficiary from the unified accumulative pension fund to pay for education in accordance with the laws of the Republic of Kazakhstan.

9. The insured events shall comprise:

1) the insured's survival until the date fixed in the insurance contract;

2) the insured's first or second group disability during the period of insurance cover;

3) death of the insured person during the period of insurance cover, excluding cases provided for in the insurance contract.

10. At receipt of the beneficiary in the organization of education - participant on a contractual basis insurance payment shall be made to the organization of education - participant, except for the case of receipt of the beneficiary in a foreign organization of education.

11. In the event that the beneficiary is admitted to a foreign educational institution on a contractual basis, the insurance payment shall be made by participating insurance organizations upon application by the policyholder, the beneficiary, or their legal representative, in the manner and cases established by the civil legislation of the Republic of Kazakhstan. The payment may be made in installments (for each academic period or academic year) or in full as a lump-sum payment (for the entire period of study), taking into account the investment income, the accrued state premiums, and the starting educational endowment (if any), upon submission of documents confirming the beneficiary's enrollment in a foreign organization of education.

To make an insurance payment upon admission of the beneficiary to a foreign organization of education, the insurance organization-participant opens a bank account in the "escrow account" mode in the name of the beneficiary with a restriction on the right of this person to make expenditure transactions on the bank account exclusively for the purpose of paying for educational services in a foreign organization of education and transfers the amount of the insurance payment to this account.

From the moment the insurance organization - participant transfers the insurance payment to the bank account in the "escrow account" mode, the accrual of the state premium shall cease.

In case of enrollment of the beneficiary in a foreign organization of education on a grant, the policyholder or the beneficiary or his legal representative in the order and cases established by the civil legislation of the Republic of Kazakhstan, shall have the right to receive an insurance payment under the insurance contract taking into account investment income, accrued state bonuses and start-up educational capital (if any), subject to the submission of a document on education from a foreign organization of education recognized in the Republic of Kazakhstan in accordance with the legislation of the Republic of Kazakhstan, and also to manage insurance payments under the insurance contract in accordance with subparagraphs 2), 3) and 4) of part one and subparagraph 1) and 2) of part two of paragraph 13 of this Article.

12. At enrollment of the beneficiary in the organization of education - participant on a contractual basis insurance payment at the request of the insured or the beneficiary or his legal representative in the order and cases established by the civil legislation of the Republic of Kazakhstan shall be made by transferring money to the organization of education - participant by periodic payments (in each academic period or academic year) or in full in a lump sum (for the entire term of training).

13. In case of awarding an educational grant to the beneficiary who has no starting educational capital, or if the beneficiary has technical and vocational, post-secondary, higher and (or) postgraduate education, confirmed by the relevant education document, the policyholder, in case of death of the policyholder - the beneficiary or his legal representative, in the manner and cases established by the civil legislation of the Republic of Kazakhstan, shall have the right to:

1) receive the insurance benefit under the insurance contract, subject to the investment income and accrued award of the state;

2) extend the term of the insurance contract and (or) direct the insurance payment under the insurance contract to pay for educational services for the purpose of obtaining other technical and vocational, post-secondary, higher and (or) postgraduate education;

3) transfer the insurance payment under the insurance contract taking into account the investment income and the state premium to pay for the insurance contract or to an educational accumulation deposit in favor of a third party who is a citizen of the Republic of Kazakhstan.

4) transfer the insurance payment under the insurance contract taking into account the investment income and the accrued state premium for improving housing conditions in accordance with the legislation of the Republic of Kazakhstan.

In cases stipulated by subparagraphs 1), 3) and 4) of part one of this paragraph, the amount of payments of target savings from the unified accumulative pension fund to pay for education in accordance with the laws of the Republic of Kazakhstan (if any), the beneficiary shall have the right to:

1) transfer to his(her) own bank account opened in second-tier banks with the National postal operator, which opens and maintains bank accounts for crediting payments of targeted savings from the unified accumulative pension fund in order to improve housing conditions and (or) pay for education, for further transfer in US dollars at the exchange rate at the time of transfer to the depositor's target savings account opened in the unified pension savings fund in accordance with the Law of the Republic of Kazakhstan "On the Rights of the Child in the Republic of Kazakhstan";

2) transfer in national currency to his(her) own bank account opened in second-tier banks, with the National postal operator, which opens and maintains bank accounts for crediting payments of targeted savings from the unified accumulative pension fund in order to improve housing conditions and (or) pay for education, in accordance with the Law of the Republic of Kazakhstan "On the Rights of the Child in the Republic of Kazakhstan".

13-1. The beneficiary who has a starting educational endowment, in case of awarding an educational grant or having technical and vocational, post-secondary, higher and (or) postgraduate education confirmed by the relevant education document, the policyholder, in case of death of the policyholder - the beneficiary or his legal representative in the order and cases established by the civil legislation of the Republic of Kazakhstan, shall have the right to

receive insurance payment under the insurance contract taking into account investment income, accrued state premium and starting educational endowment subject to presentation of a document of education, as well as to dispose the insurance payments under the insurance contract in accordance with subparagraphs 2), 3) and 4) of part one and subparagraph 1) and 2) of part two of paragraph 13 of this Article.

14. If the amount of the insurance benefit exceeds the amount of the payment for the entire period of education upon expiry of the insurance contract, the insurance benefit in the amount of the excess shall be payable to the policyholder, beneficiary or his/her legal representative under the procedure and in the cases prescribed by the civil legislation of the Republic of Kazakhstan.

15. If the beneficiary dies, is adjudged by a court to be incapable, missing or declared dead, or if the beneficiary is unable to continue studying due to a health condition, the policyholder, in the event of the death of the policyholder, his or her heirs, shall be entitled to:

1) replace the beneficiary named in the insurance contract with another person who is a national of the Republic of Kazakhstan;

2) to receive the surrender value under the insurance contract, taking into account the investment income, the accrued state premium, and the starting educational endowment (if any).

16. Within the framework of the state educational accumulative system, the policyholder shall have the right to transfer the redemption amount including investment income, accrued state premium and starting educational endowment (if any) under the insurance contract from one participating insurance organization to another participating insurance organization or from a participating insurance organization to a participating bank, but not earlier than two years from the date of conclusion of the insurance contract.

17. The calculation and procedure for making insurance payments shall be established by a legal act of the authority responsible for the regulation, control and supervision of the financial market and financial organisations.

Footnote. Chapter 2 as supplemented by Article 11-1 under Law of the Republic of Kazakhstan № 138-VII of 12.07.2022 (shall take effect upon expiration of sixty calendar days after the date of its first official publication); as amended by the Law of the Republic of Kazakhstan dated 19.04.2023 № 223-VII (shall be enforced ten calendar days after the date of its first official publication).; dated 16.11.2023 № 40-VIII (shall be enforced from 01.01.2024); dated 10.01.2025 № 153-VIII (shall be enforced sixty calendar days after its first official publication).

Chapter 3. Crediting, payment and repayment of the state award

Article 12. State award

1. The state award shall be charged for a registered depositary contract for a term, not exceeding twenty years.

2. Charge state reward shall be carried out annually on actually accumulated balance amount of contribution as of 1 January, with a minimum savings of one year. The state award shall be charged on the contractual time.

3. The state award shall be attached to the basic amount of contribution (capitalized).

4. Bonus state reward shall be terminated:

1) in case of expiration of the term of accruals provided for by paragraph 1 of this article;

2) in case of expiration of depositary contract;

3) from the date of death, the entry into legal force of a court decision on recognition of the depositor as incapable, missing or declare to be dead.

5. the state premium shall be calculated in accordance with the methods of calculation of the state premium.

Footnote. Article 12 as amended by the Law of the Republic of Kazakhstan dated 19.04.2023 № 223-VII (shall be enforced ten calendar days after the date of its first official publication); dated 10.01.2025 № 153-VIII (shall be enforced sixty calendar days after its first official publication).

Article 13. The amount of state reward

1. The state award shall be charged at the rate of five percent per annum on the amount of educational storage deposit, but not more than a hundred-fold size of the monthly settlement indicator established for corresponding fiscal year by the law on republican budget.

2. The state award shall be charged at the rate of seven percent per annum, but not more than a hundred-fold size of the monthly settlement indicator established for corresponding fiscal year by the law on republican budget on educational storage deposits, opened in favor of depositors, related to priority categories:

1) children-orphan and children left without parental care, including those of legal age, but not longer than until reaching twenty-three old age;

2) persons with disabilities;

3) children from large families with four or more minor children living together, including children studying full-time in general education or vocational programs in organizations of general secondary, technical and vocational, post-secondary, higher and postgraduate (master's) education, after they reach adulthood until the time of graduation, but not more than until the age of twenty-three;

4) children from families with per capita incomes below the food basket.

3. The right for getting state reward in the amount of seven percent per annum depositors specified in Subparagraph 1) of Paragraph 2 of this Article shall be confirmed by the operator annually by obtaining the necessary information from the authorized agency for protection of children's rights as of 1 January of the year following the year of accrual.

The right for getting state reward in the amount of seven percent per annum depositors specified in Subparagraph 2) of Paragraph 2 of this Article shall be confirmed by the operator

annually by obtaining the necessary information from the authorized agency for social protection of population as of 1 January of the year following the year of accrual

The right for getting state reward in the amount of seven percent per annum depositors provided for in subparagraphs 3) and 4) of paragraph 2 of this article, shall be confirmed by the operator on a quarterly basis by obtaining the necessary information from the authorized body in the field of social protection of population as of the 1st day of the quarter following the confirmed quarter.

The state award in the amount of seven percent per annum shall be accrued in the corresponding year for the months during that has been confirmed the assignment of the investor to priority category.

4. The authorized body in the field of science and higher education and the authorized body for state planning shall submit proposals to increase the state bonus in an amount not lower than the inflation rate annually in the manner established by the legislation of the Republic of Kazakhstan.

Footnote. Article 13, as amended by the Law of the Republic of Kazakhstan dated 13.06.2013 № 102-V (shall be enforced upon expiry of ten calendar days after its first official publication); dated 05.07.2017 № 88-VI (shall be enforced upon expiry of ten calendar days after its first official publication); № 129-VII of 27.06.2022 (shall be brought into force ten calendar days after the date of its first official publication); dated 19.04.2023 № 223-VII (shall be enforced ten calendar days after the date of its first official publication); dated 20.04.2023 № 226-VII (shall be enforced from 01.07.2023); dated 10.01.2025 № 153-VIII (shall be enforced sixty calendar days after its first official publication).

Article 14. Repayment of the state award to the budget

1. Accrued state award shall be returned to the budget in cases:

1) termination of a deposit agreement at the initiative of the depositor or termination of obligations under the deposit agreement due to the expiration of the term without compliance with the intended purpose, with the exception of cases provided for in Articles 11 and 11-1 of this Law;

2) expiration of three calendar years from the date of expulsion of the contributor from the organization of education-participant, if during these three years the contributor was not reinstated in the expelled organization of education-participant or did not enroll in another organization of education-participant;

3) detection of the fact of payment of the state award in the period of accumulation is less than the term provided by this Law;

4) the loss by the depositor of citizenship of the Republic of Kazakhstan;

5) discovery of fact for excessively accrued state award.

2. Repayment of the state award to the budget shall be carried out by bank-participant through the operator's help on his certificate-statement on the amount of the award of the state

, subject to repayment to the budget, within three banking days from the date of receipt by the bank-participant certificates-extracts from the operator:

1) on the grounds provided for by subparagraphs 1), 2) and 3) of paragraph 1 of this Article, the amount of accrued state awards in full amount;

2) on the grounds, provided for in subparagraph 4) of paragraph 1 of this Article, in the part of the amount not used for educational services, in accordance with the calculation method of the state bonus;

3) on the basis provided by Subparagraph 5) of Paragraph 1 of this Article, the amount of excessively accrued state award.

3. In case of expulsion of the depositor from the organization of education-participant, the amount not used for educational services shall be transferred by the organization of education-participant to the educational accumulation deposit of the depositor within three working days from the date of issuance of the order on expulsion.

Footnote. Article 14 as amended by the Law of the Republic of Kazakhstan dated 05.07.2017 № 88-VI (shall be enforced upon expiry of ten calendar days after its first official publication); № 138-VII of 12.07.2022 (shall be put into force sixty calendar days after the date of its first official publication); dated 10.01.2025 № 153-VIII (shall be enforced sixty calendar days after its first official publication).

Article 14-1. Accrual, payment and refund of State Award under the insurance contract

1. The state award shall accrue on a registered insurance contract for a period not exceeding twenty years.

2. The state award under the insurance contract shall be accrued annually on the estimated amount under the insurance contract as of January 1. The state award shall be accrued over the period of effect of the insurance contract.

3. The state premium under the insurance contract shall be added to the calculated amount under the insurance contract and shall be calculated in accordance with the method of calculating the state premium.

4. The award of the state under the insurance contract shall be calculated in the amount stipulated in Article 13 hereof for the deposit agreement.

5. The state's award charge under the insurance contract shall cease to accrue:

1) in case of the expiry of the accrual period specified in paragraph 1 hereof;

2) in the event of expiry of the insurance contract;

3) from the date of death, entry into force of a court ruling declaring the beneficiary legally incompetent, missing or deceased.

6. The accrued state award shall be refunded to the budget in cases of:

1) dissolution of the insurance contract at the initiative of the policyholder, excluding when the contract is dissolved due to the transfer of the redemption amount including

investment income and accrued award from the state to another participating insurance company, or termination of obligations under the insurance contract due to expiry of the term without compliance with the intended purpose;

2) expiration of three calendar years from the date of expulsion of the beneficiary from the organization of education - participant, if during these three years the beneficiary was not reinstated in the expelled organization of education - participant or did not enroll in another organization of education - participant;

3) loss of citizenship of the Republic of Kazakhstan by the beneficiary;

4) the discovery of an overpayment of a state award.

7. The state premium shall be refunded to the budget by the participating insurance undertaking via the operator based on its statement of the amount of the state premium to be refunded to the budget, within five working days of receiving the statement from the operator:

1) on the grounds set out in sub-paragraphs 1) and 2) of paragraph 6 of this Article, in full ;

2) on the grounds provided for in subparagraph 3) of paragraph 6 of this Article, in the part of the amount not used for educational services, in accordance with the methodology for calculating the state prize;

3) on the ground referred to in sub-paragraph 4) of paragraph 6 of this Article, in respect of the amount of the state award that has been overcharged.

Footnote. Chapter 3 as supplemented by Article 14-1 as per Law of the Republic of Kazakhstan № 138-VII of 12.07.2022 (shall enter into force sixty calendar days after the date of its first official publication); as amended by the Law of the Republic of Kazakhstan dated 10.01.2025 № 153-VIII (shall be enforced sixty calendar days after its first official publication).

Chapter 3-1. Accrual, use and return of the starting educational endowment

Footnote. The Law is supplemented with Chapter 3-1 in accordance with the Law of the Republic of Kazakhstan dated 10.01.2025 № 153-VIII (shall be enforced sixty calendar days after its first official publication).

Article 14-2. Starting educational endowment

1. Starting educational endowment shall be accrued under a registered deposit contract or insurance contract.

2. Starting educational endowment shall be accrued to a depositor under a deposit agreement or a beneficiary under an insurance agreement who is five years old in the current calendar year.

3. The depositor or policyholder shall make an annual minimum contribution from the day of accrual of the educational start-up capital and until the depositor or beneficiary is enrolled in a member organization of education or foreign organization of education or until the depositor or beneficiary reaches the age of eighteen.

Determination of the amount of the annual minimum contribution and the procedure for accrual of starting educational endowment shall be carried out in accordance with the rules of accrual, use, return of starting educational endowment.

Article 14-3. Use and return of the starting educational endowment

1. The accrued starting educational endowment shall be subject to return in the events of:
 - 1) establishing the fact of failure by the depositor or policyholder to make the annual minimum contribution in the amount and within the timeframes determined by the legislation of the Republic of Kazakhstan, with the exception of the cases provided for in part two of this paragraph;
 - 2) loss of citizenship of the Republic of Kazakhstan by the depositor or beneficiary;
 - 3) termination of the deposit contract at the initiative of the depositor or termination of obligations under the deposit contract due to the expiration of the term without compliance with the intended purpose, except in cases, provided for in Article 11 of this Law;
 - 4) termination at the initiative of the policyholder, in the event of the death of the policyholder - the beneficiary of the insurance contract or termination of obligations under the insurance contract due to the expiration of the term without compliance with the intended purpose, with the exception of cases provided for in Article 11-1 of this Law.

The starting educational endowment shall not be returned in case of failure to make the annual minimum contribution within the term established by the legislation of the Republic of Kazakhstan by the depositor or in the procedure and cases established by the civil legislation of the Republic of Kazakhstan, by his legal representative or policyholder in case of loss of his income due to restrictions of activity for the period of state of emergency, declaration of emergency, introduction of restrictive measures, including quarantine, or his death.

2. The starting educational endowment shall be returned by the participating bank or insurance organization - participant to the operator in accordance with the rules of accrual, use and return of starting educational endowment.

3. The use of the returned starting educational endowment shall be carried out by the operator in accordance with the rules of accrual, use, return of starting educational endowment.

Chapter 4. Interaction of participants of educational accumulative system

Article 15. Cooperation agreement

1. To participate in the State educational accumulative system, participating bank shall conclude a cooperation agreement with the operator on the basis of the model cooperation agreement.

2. The following requirements shall be presented to banks-participants:

- 1) availability of licenses of the authorized body for regulation, control and supervision of the financial market and financial organizations on acceptance of deposits, opening and maintaining bank accounts of individuals, conducting cash transactions;

2) participation in the system of obligatory insurance of deposits;

3) Is excluded by the Law of the Republic of Kazakhstan dated 05.07.2017 № 88-VI (shall be enforced upon expiry of ten calendar days after its first official publication);

4) absence of effective supervisory response measures, applied by the authorized body for regulation, control and supervision of the financial market and financial organizations, and (or) administrative penalties for administrative offences provided for by parts six, eight of Article 213, Article 227 of the Code of the Republic of Kazakhstan on Administrative Offences, at the time of conclusion (renegotiation) of the cooperation agreement.

The requirements of subparagraph 1) on the availability of a license to conduct cash transactions and subparagraph 2) of part one of this paragraph shall not apply to the National postal operator.

3. The operator shall conclude the cooperation agreement with the organization of education - participant, payment for educational services of which is carried out at the expense of educational accumulation deposit funds, on the basis of the model cooperation agreement.

4. The cooperation agreement shall contain the subject, the rights and obligations of the parties, terms, procedure of their interaction and responsibility.

Footnote. Article 15 as amended by the Law of the Republic of Kazakhstan dated 29.09. № 239-V (shall be enforced upon expiry of ten calendar days after its first official publication); dated 05.07.2017 № 88-VI (shall be enforced upon expiry of ten calendar days after its first official publication), dated 02.07.2018 № 168-VI (shall be enforced from 01.01.2019); dated 03.07.2019 № 262-VI (shall be enforced from 01.01.2020); dated 19.04.2023 № 223-VII (shall be enforced ten calendar days after the date of its first official publication); dated 16.11.2023 № 40-VIII (shall be enforced from 01.01.2024); dated 10.01.2025 № 153-VIII (shall be enforced sixty calendar days after its first official publication).

Article 16. Interaction of participants of state educational accumulative system upon conclusion and validity of depositary contract

1. When concluding the deposit agreement, the participating bank shall verify the compliance of the depositor with the requirements established by this Law, as well as the absence of the valid deposit contract opened in the name of the depositor and the insurance contract concluded in favor of the beneficiary, under which the depositor and the beneficiary are one and the same person.

2. For each deposit contract, the participating bank, within the timeframe and in the manner established by the cooperation agreement, shall provide the operator with information about the depositor, the account status, the movement of the depositor's money, the accrual and amount of the state bonus, the initial educational capital (if any), as well as other necessary information.

3. The operator shall request, and authorized body of documentation and issuance of passports and identification documents shall present information about the confirmation of depositors to citizenship of the Republic of Kazakhstan by 1 January annually.

Footnote. Article 16 as amended by the Law of the Republic of Kazakhstan dated 10.01.2025 № 153-VIII (shall be enforced sixty calendar days after its first official publication).

Article 17. Interaction of participants of state storage system upon calculation and accrual of state awards

1. The Operator shall annually, by April 1 of the current year, on the basis of information submitted by participating banks under deposit agreements, submit to the authorized body in the sphere of science and higher education forecast calculations of state premiums accrual for the forthcoming fiscal year.

2. Based on the results of the reporting year, the operator, after receiving the necessary information from the authorized bodies in the field of social protection of the population, protection of children's rights and for the documentation and issuance of passports and identity cards, shall submit to the authorized body in the field of science and higher education, by January 15 of the year following the reporting year, the final calculation of the state premiums.

3. The authorized body in the field of science and higher education after receiving from the operator the final calculation of the amount of state premiums until February 15 of the year following the reporting year, transfers to the account of the operator the total amount of state premiums in the order established by the legislation of the Republic of Kazakhstan.

4. Within five working days from the date of receipt from the authorized body in the field of science and higher education of the total amount of the state premiums, the operator shall credit the state premium to the participating bank with the submission of information on the amount of the state premium for each concluded deposit contract.

5. A bank-participant shall enlist state awards on accounts of depositors within two working days from the day of receiving from the operator of total amount of state awards.

6. At the end of the financial year, in the event of revealing facts that necessitate additional accrual of the state award for previous reporting years, the operator shall include additional accrued amounts in the final calculation of the state awards for the reporting year in the manner prescribed by Paragraph 2 of this Article.

Footnote. Article 17 as amended by the Law of the Republic of Kazakhstan dated 05.07.2017 № 88-VI (shall be enforced upon expiry of ten calendar days after its first official publication); dated 19.04.2023 № 223-VII (shall be enforced ten calendar days after the date of its first official publication); dated 10.01.2025 № 153-VIII (shall be enforced sixty calendar days after its first official publication).

Article 18. Interaction of participants of state educational accumulative system upon payment of educational services

1. Payment of educational services by means of educational storage deposit shall be carried out on request of the depositor.

2. Upon enrollment, transfer, academic leave, return from academic leave, reinstatement, expulsion from the participating organization of education, including in connection with graduation, the depositor shall submit copies of supporting documents to the participating bank.

3. The organization of education – participant shall:

1) notify the operator of the enrollment, transfer, registration of academic leave, return from academic leave, reinstatement, expulsion from the organization of education - participant, including in connection with graduation, of the contributor by sending copies of the relevant documents;

2) issue a certificate of tuition fees for the required academic period or the total cost at the date of issuing the certificate at the request of a depositor or a bank-participant;

3) excluded by the Law of the Republic of Kazakhstan dated 10.01.2025 № 153-VIII (effective sixty calendar days after the date of its first official publication);

4) when transferring a depositor to another organization of education - participant, transfer the remainder of the payment for educational services made to the account of the receiving organization of education - participant, notifying the operator of this in the manner prescribed by the cooperation agreement between the operator and the organization of education - participant.

The balance of the payment made for educational services shall be the difference between the amount received by the organization of education-participant for the education of the depositor and the amount of the cost of actually received educational services on the date of issuance of the order of expulsion.

Footnote. Article 18 as amended by the Law of the Republic of Kazakhstan dated 10.01.2025 № 153-VIII (shall be enforced sixty calendar days after its first official publication).

Article 18-1. Interaction of participants in the state educational savings system under the insurance contract

1. To participate in the State educational accumulative system, the insurance organization - participant concludes a cooperation agreement with the operator on the basis of the model cooperation agreement.

2. Participating insurance organisations shall be subject to the following requirements:

1) a licence from the authority responsible for regulating, monitoring and supervising the financial market and financial institutions to offer life insurance under the State Education Savings System;

2) participation in the insurance benefits guarantee scheme.

3. Upon entering into the insurance contract, the participating insurance undertaking shall verify that the beneficiary meets the requirements laid down herein and that there is no valid

insurance contract concluded in favour of the beneficiary and a deposit contract whereby the beneficiary and the depositor are one and the same person.

4. For each insurance contract, the insurance organization-participant shall, within the terms and according to the procedure established by the cooperation agreement, submit to the operator information on the beneficiary, the amount of the settlement amount under the insurance contract, the redemption amount calculated taking into account the investment income, the accrual and amount of the state premium, the starting educational endowment (if any).

5. The operator shall request, and the responsible authority for documentation and issuance of passports and identity documents shall submit annually by 1 January, details of confirmation of the beneficiaries' citizenship of the Republic of Kazakhstan.

6. Based on the data submitted by the participating insurance undertakings under the insurance contracts, the operator shall calculate, assess and additionally charge state award in the way and within the time limits stipulated in paragraphs 2, 3, 4 and 6 of Article 17 hereof.

7. The participating insurance undertaking shall charge state awards on insurance contracts entered into for the benefit of beneficiaries within five working days of receiving the total amount of state awards from the operator.

8. Payment for educational services by means of an insurance contract shall be made on the application of the policyholder or beneficiary. Upon submission of a copy of the education services contract, the participating insurance undertaking shall transfer the insurance benefit to the bank account of the educational organisation within five working days.

9. Upon enrollment, transfer, academic leave, return from academic leave, reinstatement, expulsion from the organization of education-participant, including in connection with graduation, the beneficiary or policyholder shall submit to the insurance organization-participant copies of supporting documents.

10. The organization of education – participant shall:

1) notify the operator of enrollment, transfer, academic leave, return from academic leave, reinstatement, expulsion from the organization of education - participant, including in connection with graduation, the beneficiary by sending copies of relevant documents;

2) at the request of the policyholder, beneficiary or participating insurer, provide a statement of tuition fees for the demanded academic period or the full cost of tuition as at the date the statement is issued;

3) excluded by the Law of the Republic of Kazakhstan dated 10.01.2025 № 153-VIII (shall be enforced sixty calendar days after its first official publication);

4) in case of transfer of the beneficiary to another organization of education-participant transfers to the account of the receiving organization of education-participant the balance of

the made payment for educational services, about which notifies the operator in the order provided by the agreement on cooperation between the operator and the organization of education-participant.

11. The balance of the made payment for educational services shall be the difference between the amount received by the educational organization - participant for the education of the beneficiary and the amount of the cost of actually received educational services as of the date of issuance of the order of expulsion.

12. In case of expulsion of the beneficiary from the educational organization-participant, the amount not used for educational services shall be transferred by the educational organization-participant to the bank account of the insurance organization-participant within five working days from the date of issuance of the order on expulsion.

Footnote. Chapter 4 as supplemented by Article 18-1 under Law of the Republic of Kazakhstan № 138-VII of 12.07.2022 (shall become effective upon expiration of sixty calendar days after its first official publication); as amended by the Law of the Republic of Kazakhstan dated 19.04.2023 № 223-VII (shall be enforced ten calendar days after the date of its first official publication); dated 10.01.2025 № 153-VIII (shall be enforced sixty calendar days after its first official publication).

Chapter 5. Final provisions

Article 19. State support of state educational accumulative system

1. Educational storage deposit shall be subject of obligatory insurance of deposits of individuals in accordance with the legislation of the Republic of Kazakhstan.

1-1. Life insurance under the state educational savings system pursuant to the laws of the Republic of Kazakhstan shall relate to guaranteed types of insurance.

2. Within the framework of the State educational accumulative system, the depositor has the right to apply for an educational loan on favorable terms. The educational credit is granted to the borrower under a hundred percent guarantee of the authorized state organization at the amount of the accumulated amount of not less than fifty percent of the amount necessary to pay for education in full, by opening a credit line by the creditor for the remaining amount with the possibility of its adjustment for the amount of increase in the cost of education in the organization of education-participant.

3. Educational organization - participant shall have the right to provide the depositor or beneficiary, participating in the State educational accumulative system, a discount for payment of tuition in the amount determined by agreement of the parties.

Footnote. Article 19 as amended by Law of the Republic of Kazakhstan № 138-VII of 12.07.2022 (shall come into force upon expiration of sixty calendar days after its first official publication); dated 10.01.2025 № 153-VIII (shall be enforced sixty calendar days after its first official publication).

Article 20. The order of the entry into force of this Law

This Law enters into force upon expiry of ten calendar days after its first official publication.

*The President
of the Republic of Kazakhstan*

N. NAZARBAYEV

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