

**Ordinance No 01
of 1 May 2025
of the Head of the Governing Board
of the Legal Entity under Public Law called the Pension Fund of Georgia
Tbilisi**

On the Approval of the Statute of the Legal Entity under Public Law called the Pension Fund of Georgia

On the basis of Article 2(6)(l) of the Law of Georgia on Making Amendments to the Law of Georgia on Funded Pension (Legislative Herald, date of issuance: 12/7/2024, registration code 280060000.05.001.102317), the minutes of the meeting No 4 of 30 April 2025 of the Governing Board, the Governing Board **shall establish**:

Article 1

The attached Statute of the Legal Entity under Public Law called the Pension Fund, shall be approved along with its annex.

Article 2

This Ordinance shall enter into force upon its promulgation.

**The Statute of the Legal Entity under Public Law called
The Pension Fund of Georgia**

Part One

General Provisions

Article 1. General provisions of the Pension Fund of Georgia

1. This Statute shall determine the basic principles of the organisation and activities of the Legal Entity under Public Law called the Pension Fund of Georgia (the Pension Fund).
2. The Pension Fund is an independent legal entity under public law established on the basis of the Law of Georgia on Funded Pension (the Law), which is responsible for the implementation, management and administration of the funded pension scheme.
3. The Pension Fund is independent in carrying out its activities, functions and powers, including in relation to organisation, administration and budget.
4. The Governing Board of the Pension Fund (the Governing Board) is the highest governing body of the Pension Fund.
5. The National Bank of Georgia (the National Bank) shall regulate and supervise the activities of the Pension Fund in accordance with the Law and other legal acts.
6. To achieve set goals and fulfil assigned functions, the Pension Fund shall, on its own behalf, acquire rights and duties, enter into agreements, and appear before a court as a plaintiff or a defendant.
7. The terms used in this Statute shall be defined in accordance with the Law.

Article 2. Purposes and functions of the Pension Fund

1. The main purpose of the Pension Fund shall be the implementation and management of the funded pension scheme in accordance with the Law and the legislation of Georgia and shall include:
 - a) ensuring the proper functioning of the funded pension scheme;
 - b) the management of pension assets in accordance with good investment principles, as a fiduciary, in the interests of participants of the funded pension scheme and their successors;
 - c) the analysis and risk assessment of the funded pension scheme, the formation of a view relating to the development and improvement of the funded pension scheme;
 - d) carrying out other relevant activities provided for by the Law and the legislation of Georgia.
2. The main functions of the Pension Fund shall be:
 - a) the registration of employees and self-employed persons who have become members of the funded pension scheme through the electronic system for the administration of pension contributions and the creation of individual retirement accounts in the electronic system for the administration of pension contributions for every participant;



- b) the opening of accounts at the National Bank and/or commercial banks and the management of pension assets, including the monetary resources available at the nominal ownership accounts of the Pension Fund, in accordance with the interests of the participants of the funded pension scheme;
- c) the management and administration of the electronic system for the administration of pension contributions, including through a third party;
- d) the drafting and adoption of legal acts related to the procedures for paying pension contributions, forms for submitting information, and administration of funds paid in excess;
- e) the discussion and carrying out of measures related to pension contributions, including issues related to the violation of the obligation to make a pension contribution;
- f) the conclusion of agreements:
 - f.a) with an asset management company (companies), a specialised depository and entities providing any service for carrying out investment activities or administrative activities and/or supplying goods;
 - f.b) with a person (persons) rendering accounting, audit, legal or actuarial services and other services necessary for the Pension Fund;
 - f.c) on the disposal of immovable or movable property (including equipment or software) necessary for the activities of the Pension Fund;
- g) the request and reception of information regarding any transaction carried out on behalf of the Pension Fund from an asset management company (companies), a specialised depository and persons rendering other services;
- h) the administration of the process of the payment of pensions and pension assets to participants and, in the case defined by this Law, to the successors of participants;
- i) the staffing of the Pension Fund with employees and the establishment of competitive remuneration and conditions;
- j) the preparation of the annual budget of the Pension Fund;
- k) the preparation of the investment policy of the Pension Fund and the investment of pension assets;
- l) the provision of the process of internal audit of the Pension Fund;
- m) the preparation of the risk management framework of the Pension Fund which shall take into account both the internal operational structure and the external market environment;
- n) reporting to participants, the National Bank of Georgia and the Parliament of Georgia.

Article 3. Governing bodies of the Pension Fund and its structure

1. The Pension Fund shall exercise its powers:

- a) through the Governing Board;
- b) through the executive body of the Pension Fund which shall include:
 - b.a) the Director General of the Pension Fund;
 - b.b) the Chief Investment Officer;
 - b.c) the Chief Risk Officer;
 - b.d) the Head of the Internal Audit; and
 - b.e) other executive director(s) appointed by the Governing Board.

2. The organisational structure of the Pension Fund shall consist of the following structural units:

- a) the Investment Service;
- b) the Risk Management Service;
- c) the Internal Audit Department;
- d) the Finance Department;
- e) the Administrative Department;
- f) the Information Technology Department;
- g) the Department of Operations and Fixing/Payment of Pensions;
- h) the Monitoring and Execution Department;
- i) the Department of Human Resources Management;
- j) the Strategic Communications Department;
- k) the Legal Department;
- l) the Dispute Resolution Centre.

3. Except for the cases when the investment and risk management functions are carried out by the relevant services and the claims are reviewed by the Dispute Resolution Centre, the remaining structural units of the Pension Fund shall be developed into departments or divisions subordinated to them in order to properly and efficiently perform assigned functions.

4. The Director General of the Pension Fund (the Director General) shall draft the statutes and structures of every department of the Pension Fund and submit them for approval to the Governing Board. The functions and duties of departments and their employees shall be determined in the job description of every employee approved by the Director General.

Article 4. The Governing Board



1. The Governing Board shall be composed of 9 (nine) members, three of which shall be appointed in accordance with Article 9(4) of the Law, five in accordance with Article 9(5) of the Law and one member shall be appointed by virtue of his/her position.
2. The Governing Board shall, by a majority of its full composition, elect the Chairperson of the Governing Board and his/her Deputy from its members. When electing a Chairperson of the Governing Board and his/her Deputy, it shall be inadmissible for a member of the Governing Board to vote for himself/herself.
3. The following persons cannot be a Chairperson of the Governing Board or his/her Deputy:
 - a) an official member of the Governing Board;
 - b) the executive director of the Pension Fund which is a member of the Governing Board at the same time.
4. The term of office of the Chairperson of the Governing Board and his/her deputy cannot exceed their remaining term as members of the Board.
5. A member of the Governing Board may be reelected as the Chairperson of the Governing Board and the Deputy Chairperson only if his/her total term of office does not exceed 6 (six) years.
6. The Governing Board shall conduct meetings in accordance with the Law and this Statute.
7. The Director General shall attend all meetings of the Governing Board, except for an extraordinary meeting, without the right to vote.
8. The Head of the Legal Department shall attend all meetings of the Governing Board, except for extraordinary meetings, without the right to vote, and shall perform the function of secretary of the meeting of the Governing Board. The Director General and the secretary of the meeting shall prepare the agenda of the meeting of the Governing Board in agreement with the Chairperson of the Governing Board. The secretary of the meeting shall draw up the minutes of the meeting and hand them for signing to the members of the Governing Board, and also keep the minutes and/or transfer their copies to a relevant structural unit. If the meeting of the Governing Board is conducted without the Head of the Legal Department, the chairperson of the meeting shall appoint a secretary of the meeting from the members of the Governing Board.
9. Other employees of the Pension Fund, as well as other invited persons, may attend the meeting of the Governing Board on the basis of a request of the Chairperson of the Governing Board or at least two members of the Governing Board.
10. If, within 5 calendar days after the meeting of the Governing Board, the Chairperson of the Governing Board does not sign the relevant ordinance, the Deputy Chairperson of the Governing Board shall have the right to sign the said ordinance.

Article 5. Procedure for holding a meeting of the Governing Board

1. Meetings of the Governing Board shall be held as appropriate, but no less than once a quarter. A meeting of the Governing Board may be held by using a means of electronic communication. At the end of each year, the Governing Board shall establish a calendar of meetings for the next year.
2. Where appropriate, the Chairperson of the Governing Board or at least 2 members of the Governing Board shall be authorised to convene an extraordinary meeting of the Governing Board. The Director General shall be authorised to request convening an extraordinary meeting of the Governing Board by submitting the relevant request and agenda suggested therefor to the Chairperson of the Governing Board.
3. The meetings of the Governing Board shall be convened and chaired by the Chairperson of the Governing Board and in his/her absence the duties of the Chairperson of the Governing Board shall be performed by the Deputy Chairperson of the Governing Board. The Chairperson of the Governing Board or his/her Deputy shall be authorised to determine a one-time chairperson of the meeting from the members of the Governing Board before the governing meeting is conducted.
4. The secretary of the meeting shall notify every member of the Governing Board of the venue and agenda of the meeting and provide them with the relevant materials at least 5 (five) working days before the date of the meeting.
5. Before each meeting of the Governing Board, it shall be necessary to have a relevant quorum required for making a decision. The Governing Board is authorised to adopt decisions if at least 6 (six) members of the Governing Board with a right to vote attend the meeting of the Governing Board.
6. Each member of the Governing Board shall have 1 (one) vote and may not transfer his/her own voting right to another person. The Governing Board shall be authorised to adopt decisions with the vote of no less than 6 (six) members of the Governing Board. In the case of equal votes, the vote of a chairperson of the Governing Board/the meeting shall be decisive.
7. The working process of the meeting of the Governing Board and decisions made at the meeting shall be documented in the form of minutes by the secretary of the meeting. The minutes shall be signed by the chairperson of the Governing Board/the meeting and the attending members.
8. Holding a meeting and making a decision by the Governing Board, except for the investment policy document, the risk management framework and decisions to be made with regard to the remuneration policy, may take place:
 - a) through teleconference, in compliance with the quorum provided for by this article; or
 - b) by the Chairperson of the Governing Board or the Director General sending, in writing, the issue to each member of the Governing Board, in which case each member of the Governing Board shall notify his/her position on the issue (vote) in writing to the Chairperson of the Governing Board or the Director General in compliance with the quorum provided



for by this article. Any such decision shall be documented in the form of minutes, which shall be approved by the Governing Board at their next meeting held by physical attendance.

Article 6. Functions of the Governing Board

The functions of the Governing Board shall be:

- a) by the end of each calendar year, the approval of the annual budget and the staff list of the Pension Fund for the next calendar year;
- b) the approval of statutes of each department of the Pension Fund;
- c) the supervision of the activities of the Pension Fund and its executive directors and giving relevant instructions to them;
- d) the selection through competition of the Director General, the Chief Investment Officer, the Chief Risk Officer and the Head of Internal Audit, their appointment and dismissal;
- e) agreement on the normative acts to be issued by the Director General;
- f) ensuring an independent financial audit of the Pension Fund;
- g) the review and approval of the investment policy document, risk management framework, framework for the management of conflict of interests and remuneration policy document in accordance with the Law;
- h) if necessary and with the periodicity determined by the Law, the revision of the investment policy document, including the asset placement strategy, and their appropriate update;
- i) the monitoring and assessment of all activities related to the investment of pension assets at least once a quarter;
- j) the selection of a specialised depositary and asset management company (companies);
- k) exercising the function of the risk management of the Pension Fund through the relevant structural unit(s) of the Pension Fund;
- l) ensuring the compliance of the activities of the Pension Fund with the relevant regulations and policy documents;
- m) developing the outsourcing policy for the activities of the Pension Fund;
- n) accounting for the activities of the Pension Fund to the National Bank and the Parliament of Georgia;
- o) requesting the submission of a report from the committees, executive directors and/or any employee of the Pension Fund on the matters determined by the Governing Board;
- p) the approval of the pay package for the executive directors and their deputies and all other employees of the Pension Fund;
- q) exercising other powers as determined for by the legislation.

Article 7. Committees of the Pension Fund

1. The Governing Board shall establish the following standing committees: Audit and Finances Committee, Investment Committee and Remuneration and Nomination Committee. These committees shall be staffed in accordance with Article 12 of the Law.
2. The Investment Committee shall prepare the investment policy document and the procedures for its implementation and submit them for approval to the Governing Board; it shall also select an asset management company and a specialised depositary in compliance with the criteria established by the Governing Board. The Investment Committee shall make decisions regarding the issues related to investment activities in accordance with the investment policy document.
3. The Risk Committee shall prepare the risk management framework and the procedures for its implementation and submit them for approval to the Governing Board. The Risk Committee shall make decisions regarding the issues related to risk management in accordance with the risk management framework.
4. The Audit and Finances Committee shall be authorised to engage the Head of Internal Audit. The Head of Internal Audit shall not be authorised to participate in the decision-making by the Audit Committee. The Audit Committee shall review and supervise the matters related to financial reporting, risk management, internal control system, internal audit activities and audit services of the Pension Fund, and also, in accordance with the legislation of Georgia, select an audit firm to carry out an external audit and submit it for approval to the Governing Board. The audit firm shall be selected from the 4 major audit firms in the world. The Audit and Finances Committee shall be authorised to supervise all financial activities of the Pension Fund, including procurement and disposal of administrative expenses, except for investment activities and activities which, by Law, the relevant regulation of the National Bank (the regulation) or other documents/policy adopted by the Governing Board, are determined as being within the competences of other committees. The Audit and Finances Committee shall establish and approve the procedures for all operations related to the transfers of the Pension Fund, bank operations and payment instruments in accordance with the applicable legislation.
5. The Remuneration and Nomination Committee shall develop the remuneration policy and staff policy in accordance with the applicable legislation and regulations and submit them for approval to the Governing Board. The Remuneration and Nomination Committee shall manage the process of assessing the employees of the Pension Fund, including the executive directors and their deputies and submit for approval to the Governing Board a single package/proposal for rewards. The Remuneration and Nomination Committee shall also establish the rules and procedures for filling in vacant positions of executive directors and prepare proposals for their remuneration package for the purpose of their approval



with the Governing Board. The Remuneration and Nomination Committee shall request information from relevant committees in order to determine the amount of rewards for executive directors and their deputies. In the case of the consolidation and revision of such information as appropriate, it will develop a single package/proposal for rewards and submit it for approval to the Governing Board. The single package for rewards shall be based on the key performance indicators developed by the Remuneration and Nomination Committee and approved by the Governing Board.

6. Each committee shall develop their statutes, which shall determine the mandate of that committee, its area of activities and the procedures which, inter alia, include information on the regular reporting of the committee to the Governing Board, its cooperation with other committees, restrictions relating to membership of the committee and the functions of the members of the committee. The statute of the committee shall be approved by the Governing Board.

7. The activities carried out by the members of the governing Board, the executive directors, or other employees of the Pension Fund shall not be subject to remuneration.

8. The committees may consist of the members of the Governing Board, executive directors, the employees of the Pension Fund or engaged experts. The members of the committee shall be appointed by the Governing Board. To make decisions in a committee, only a member of the Governing Board shall have voting rights. A chairperson of the committee and its deputy shall be selected from the members of the committee.

9. The Chairperson of the Governing Board and the Deputy Chairperson of the Governing Board may be members of a committee, but they cannot be chairpersons of the committee at the same time.

10. A meeting of a committee shall be authorised to adopt decisions if at least two-thirds of the members of the committee are present. Decisions at the committee shall be made by a majority of the votes of those present at the meeting. A meeting of a committee may be held by means of electronic communication.

11. A meeting of a committee may be held and decisions may be made:

a) by means of teleconference, in compliance with the quorum provided for by this article; or

b) by sending, in writing, the issue to each member of the committee by the chairperson of the committee, in which case each member of the committee shall notify his/her position on the issue (vote) in writing to the chairperson of the committee in compliance with the quorum provided for by this article. Any such decision shall be documented in the form of minutes, which shall be approved by the committee at their next meeting held by physical attendance.

12. Unless otherwise determined by the relevant committee, the Director General and the Chief Investment Officer shall attend all meetings of the Investment Committee.

13. Unless otherwise determined by the relevant committee, the Director General and the Chief Risk Officer shall attend all meetings of the Risk Committee.

14. Unless otherwise determined by the relevant committee, the Director General and the Head of Internal Audit shall attend all meetings of the Audit and Finances Committee.

15. Unless otherwise determined by the relevant committee, the Director General shall attend all meetings of the Remuneration and Nomination Committee.

16. The Governing Board shall be authorised to establish other additional committees and determine their composition.

17. Each committee shall be obliged to submit a report on its activities to the Governing Board.

18. The Governing Board shall be authorised to establish special temporary committees to work on specific issues which require targeted expert examination, enhanced supervision, or the management of possible conflict of interests. Conclusions made as a result of the work of such committees shall be recommendatory and the right to make final decisions shall rest with the Governing Board, except when determined otherwise by the National Bank.

Article 8. Advisory group and working group

1. The Governing Board shall be authorised to set up and engage an advisory group to make recommendations, which shall consist of the representatives of employees and employers. Where requested by the National Bank, the Governing Board shall be obliged to comply with the request of the National Bank regarding the set up of the advisory group. The procedure for the selection and operation of an advisory group shall be determined by the Governing Board.

2. An advisory group shall consist of at least 6 (six) members, which are submitted by major employers and employees' confederations/associations on the basis of a request of the Director General.

3. The recommendations of an advisory group shall be reviewed by the Governing Board at the next meeting after receiving the recommendations of the advisory group.

4. The Governing Board or each committee shall be authorised to set up a working group from its members, executive directors and other employees of the Pension Fund, which shall ensure the support of the performance of the functions of the Governing Board or the relevant committee. The working group may not make decisions.

Article 9. The procedure for the selection of executive directors of the Pension Fund

1. The Governing Board shall select the executive directors of the Pension Fund through a competition and appoint them to position for a term of 5 (five) years in agreement with the National Bank. A decision on the announcement of the competition shall be made by the Governing Board.

2. The competition application shall be published through at least 2 (two) local information channels determined by the Governing Board, within at least 15 calendar days.



3. A citizen of Georgia with higher education in the relevant field and no less than 5 years work experience in the relevant management position in accordance with the conditions determined by the Remuneration and Nomination Committee, who meets the eligibility criteria determined by the National Bank, may be appointed as an executive director of the Pension Fund.
4. By a decision of the Governing Board, a competition may consist of the following stages:
 - a) sorting out applications;
 - b) a written test;
 - c) an interview;
 - d) the examination of eligibility.
5. The conditions of a competition, the forms of evaluation of a candidate and a schedule for conducting a competition shall be determined by the Governing Board. The Remuneration and Nomination Committee shall ensure that the competition is conducted in an organised manner and the technical support of the competition shall be provided by the relevant structural unit(s) of the Pension Fund as determined by the Governing Board.
6. The Remuneration and Nomination Committee shall develop a detailed process for the selection and evaluation of the executive directors, which shall be submitted for approval to the Governing Board.
7. Once the competition comes to an end, a report shall be drawn up, which shall be signed by the Chairperson of the Governing Board and the attending members.
8. The Governing Board shall appoint the best candidate for the position of executive director, if the National Bank agrees, or shall refuse to appoint a candidate and reannounce a competition.

Article 10. Dismissal of executive directors of the Pension Fund from office

1. The grounds for the dismissal of an executive director from office shall be:
 - a) a personal application that he/she shall submit to the Governing Board no less than 1 (one) month before the date of resignation from the position;
 - b) the termination of Georgian citizenship;
 - c) the entry into legal force of a court's judgment of conviction against him/her in a criminal case;
 - d) if a court declares him/her missing or dead;
 - e) if he/she is recognised as a beneficiary of support by a court decision unless otherwise determined by the court decision;
 - f) the holding of a position incompatible with his/her status or the carrying out of activities incompatible with his/her position;
 - g) a violation of the requirements established by the legislation and/or the improper exercise of the powers and obligations provided for by law;
 - h) his/her death;
 - i) a decision of the Governing Board;
 - j) a decision of the National Bank in the case of identifying a significant violation.
2. In the case provided for by paragraph 1 of this article, the Governing Board shall be authorised to assign to the deputy of the relevant executive director of the Pension Fund, another executive director, or any relevant employee of the Pension Fund to temporarily perform the duties of the dismissed executive director. In such case, all the functions of the relevant executive director shall be transferred to the acting executive director, provided that the acting director meets the requirements established by the National Bank.

Part Two . Organisational Structure of the Pension Fund

Article 11. Organisational structure and directorate of the Pension Fund

1. The daily activities of the Pension Fund shall be carried out by the relevant executive directors and their deputies.
2. The Director General shall be responsible for the activities and the results of the Pension Fund, except for the areas of investment, risk and internal audit and the issues determined otherwise by law, regulation or the documents (policy) adopted by the Governing Board.
3. The directorate is a part of the organisational structure of the Pension Fund, which consists of all executive directors, except for the Head of Internal Audit. The deputies of the Director General are also members of the directorate. The Director General shall be the chairperson of the directorate. The procedure for the activities of the directorate shall be determined by the statute approved by the directorate, which does not require agreement from the Governing Board.
4. The Chief Investment Officer and Chief Risk Officer shall be obliged to submit, on a regular basis, information and report to the Director General on the activities carried out by them. The Head of Internal Audit shall ensure that information/a report be submitted to the directorate regarding the issues identified during the performance of his/her functions.
5. Every structural unit of the Pension Fund has a manager responsible for the management of the daily activities of the relevant structural unit. The same person cannot be a manager of several structural units simultaneously. A head of department may have a deputy who may also be a manager of an internal structural unit of that department – a division.



The managers of the Investment Service and the Risk Management Service shall be executive directors, the Chief Investment Officer and the Chief Risk Officer. A manager of the Internal Audit Department shall be an executive director, the Head of Internal Audit. The Chief Investment Officer and Chief Risk Officer shall select their deputies and submit them for appointment to the Director General.

6. Unless otherwise determined in Part 2 of the Statute, a manager of each structural unit shall, in coordination with the Director General, prepare the structure and statute of the relevant structural unit, which shall be submitted for approval to the Governing Board by the Director General.

7. Unless otherwise determined in Part 2 of the Statute, in the case of the absence of a manager of a structural unit, his/her deputy shall perform his/her functions. The delegation of powers to the deputy shall be carried out on the basis of a relevant referral to the Director General who shall issue the relevant order.

Article 12. Rights and duties of the Director General of the Pension Fund

1. The Director General of the Pension Fund shall manage the Pension Fund, organise its activities and perform the following functions:

- a) represent the Pension Fund in relations with third parties;
- b) within his/her competence and in accordance with law, appoint to and dismiss from position the employees of the Pension Fund, ensure competitive remuneration conditions and apply incentives for or disciplinary measures against them;
- c) administer the process of the issuance of pensions and pension assets to the participants of the pension scheme and their successors/beneficiaries, in compliance with the principle of the timely payment of all benefits;
- d) every year, prepare and submit to the Governing Board the annual report on the activities of the Pension Fund no later than 2 (two) months after the end of the reporting year, which shall reflect the activities of the Pension Fund during the previous year and also the working plan for the current year;
- e) every year, no later than 2 (two) months after the end of the reporting year, submit to the Governing Board an annual unaudited financial report;
- f) every year, within the time limit determined by law, prepare an annual report on the activities of the Pension Fund in order to be submitted by the Governing Board to the National Bank and the Parliament of Georgia;
- g) to exercise powers provided by law, issue individual administrative acts and, after the agreement with the Governing Board, normative administrative acts, or orders, including a joint normative act together with the Revenue Service;
- h) in accordance with the procedure established by the Governing Board, prepare the annual budget and staff list for review and approval by the Governing Board;
- i) participate in the process of evaluating the structural units subordinated to him/her. Also, in the process of evaluation, consolidate the evaluations of structural units subordinated to other executive directors, and thereafter prepare a single package/proposal for rewards to submit to the Remuneration and Nomination Committee for revision and subsequent approval by the Governing Board;
- j) according to the request of the Governing Board, submit reports to the Governing Board;
- k) in agreement with the Governing Board, approve:
 - k.a) the statutes of the departments of the Pension Fund;
 - k.b) the Code of Ethics of the Pension Fund;
 - k.c) other necessary internal documents;
- l) carry out the keeping and accounting of every document;
- m) conclude agreements with:
 - m.a) an asset management company (companies) and a specialised depositary;
 - m.b) a person(s) providing services and/or goods necessary for the implementation of administrative activities or the popularisation and successful implementation of the funded pension scheme, or any other person;
 - m.c) a person(s) rendering accounting, audit, legal or actuarial services and other services necessary for the Pension Fund;
 - m.d) on the purchasing/disposal of immovable or movable property (including equipment or software) necessary for the activities of the Pension Fund;
- n) open accounts at commercial banks for the purpose of the administration and management of the Pension Fund, as well as nominal ownership accounts at the National Bank and/or commercial banks before the selection of a specialised depositary for the purpose of the placement and management of pension assets;
- o) receive information on any transaction carried out on behalf of the Pension Fund from asset management company (companies), a specialised depositary and other persons providing services;
- p) review and take relevant measures on matters related to pension contributions, including issues related to the violation of the obligation to make contributions.

2. The Director General shall ensure the registration and storage of records related to the management of the Pension Fund, which includes records of all income and expenditure, pension applications and their review, investments made, minutes of the meetings of the Governing Board and correspondence, etc. The records may be destroyed only on the basis of the decision of the Governing Board and only where at least 10 (ten) years have elapsed since preparing the record. In



addition, records related to contributions made in favour of employees or their electronic copies, which certify the right to issue a pension to a beneficiary (a participant or a successor) shall be kept for an indefinite time period.

3. The Director General shall have not more than 2 (two) deputies who shall be appointed and dismissed by himself/herself. In the case of the absence of the Director General, his/her duties shall be performed by one of the deputies of the Director General as determined by his/her individual administrative act, which shall, at the same time, comply with the eligibility requirements established by the National Bank.

4. If, by the expiry of the term of office of the Director General of the Pension Fund, a new Director General is not elected by the Governing Board, the current Director General shall temporarily continue the performance of his/her duties for a term established by the Governing Board after the expiry of the term of office.

5. Where appropriate, the Director General shall be authorised to set up an advisory group to work on specific issues within the Pension Fund on the basis of an order.

6. Unless otherwise determined by law, a regulation, a statute or a document (policy) approved by the Governing Board, the Director General is authorised to make and document any decision. In such case, the Director General shall be obliged to agree beforehand with the Governing Board normative acts to be issued by him/her.

Article 13. Department of Operations and Award/Payment of Pensions

The main tasks of the Department of Operations and Award/Payment of Pensions shall be:

- a) the administration of pension contributions and the management of relations related to it;
- b) the administration of individual pension accounts and the calculation of units;
- c) the informing of the participants of their rights on pension assets (including the forms of receiving a pension) and the issuing of pensions in accordance with the Law, relevant regulations and other procedures approved by the Governing Board and/or the Director General;
- d) the calculation of the value of pension assets to be received by participants and their successors and the payment thereof;
- e) the review and processing of the accounts of pension contributions generated by the electronic system;
- f) the calculation of the net value of the assets of the Pension Fund based on the information provided by other structural units of the Pension Fund and/or a specialised depositary;
- g) the preparation of bank transactions related to other daily operational activities;
- h) the keeping of records;
- i) the exercise of other powers as determined by the applicable legislation and relevant regulations.

Article 14. Chief Investment Officer and Investment Service

1. The investment Service shall be headed by the Chief Investment Officer.

2. The functions of the Investment Service, along with other issues and in accordance with the Law, shall include management, investment operations, investment research and risk analysis of the investment portfolio.

3. The structure and statute of the Investment Service shall be developed by the Chief Investment Officer together with the Director General and on the basis of consultations with the Investment Committee. The structure and statute of the Investment Service shall be approved by the Governing Board.

4. The Chief Investment Officer shall be responsible for the management of the pension assets in accordance with the investment policy document. The Chief Investment Officer and the Investment Service shall be responsible for the management of risk produced by the investment process.

5. The Chief Investment Officer shall:

- a) be authorised to make and execute investment decisions and trade transactions on behalf of the Pension Fund and represent the Pension Fund in relation to third parties in order to carry out investment transactions, make decisions and carry out activities within the frameworks established by the investment policy document.
- b) be authorised to give assignments/instructions to a specialised depositary for the purpose of executing investment decisions made in accordance with the investment policy document after the Governing Board selects a specialised depositary and concludes an agreement with it;
- c) be authorised to give assignments/instructions to an asset management company/companies for the purpose of executing investment decisions made in accordance with the investment policy document, after the Governing Board selects one or more asset management companies and concludes an agreement with it/them;
- d) participate in the process of developing the investment policy document;
- e) develop adequate mechanisms and processes for internal control and introduce them in the Investment Service;
- f) be authorised to prepare and submit regular updates regarding investment results to the participants of the scheme, the media, the National Bank and the Parliament of Georgia;
- g) carry out activities provided for by the investment policy document and other activities as determined by the investment committee and the Governing Board;
- h) exercise other powers as determined by the applicable legislation and the relevant regulations.

6. The Chief Investment Officer shall receive information from an asset management company (companies), a specialised depositary and other entities providing services regarding any transaction carried out on behalf of the Pension Fund.



7. Where the Chief Investment Officer is absent, the Director General shall be authorised to assign his/her duties to the Deputy Chief Investment Officer upon the recommendation of the Chief Investment Officer.

Article 15. Administrative Department

1. The purpose of the Administrative Department shall be the administrative and organisational coordination of the activities of the Pension Fund.

2. The main functions of the Department shall be:

- a) the technical and organisational support of executive directors and their deputies, the Governing Board and the committees of the Pension Fund, ensuring coordination with all other structural units of the Pension Fund and the facilitation of external communication and coordination, including secondments, international visits, and the organisation and coordination of meetings with international financial institutes and other foreign delegations;
- b) the provision of the Pension Fund with the material and technical base necessary for its operation;
- c) the ensuring of the acquisition, registration and storage of the property of the Pension Fund, as well as the provision thereof to authorised persons upon request. The keeping of a registry of documents of acceptance and delivery of goods, services and works purchased by the Pension Fund;
- d) the management of stock records, the submission of the information regarding the necessary minimum supplies/balances to the management of the Pension Fund and the control of those supplies/balances;
- e) ensuring the serviceability and safety of equipment necessary for the operation of the Pension Fund, and maintaining fixed assets and an inventory;
- f) ensuring the implementation of the norms and standards of fire safety established in the administrative building of the Pension Fund and the offices of territorial services and providing additional regulations for occupational safety;
- g) the provision and monitoring of the correspondence related to the access to public information;
- h) ensuring compliance of the rules of personal data protection with the applicable legislation, regulations and internal policy;
- i) ensuring the record-keeping of the Pension Fund, including the monitoring and registration of the official correspondence received on behalf of the Pension Fund, including the correspondence received at the e-mail address of the Pension Fund, as well as the timely processing of such correspondence;
- j) the provision of advisory, practical and/or methodological services both on-site and remotely (via the hotline) to the participants of the Pension Fund, employees, self-employed persons and other interested parties;
- k) the provision to the Pension Fund of a hotline and the receipt, monitoring, rendering response/consultation for the calls made on the hotline;
- l) direct communication with interested parties in the service space(s) for participants and the provision of relevant services/consultations;
- m) the receipt of questions/requests received from interested parties regarding issues related to the operation of the funded pension scheme, their examination, and processing within its competence and/or the transfer to a relevant structural unit of the Pension Fund for an appropriate response;
- n) the exercise of other powers as determined by the applicable legislation and relevant regulations.

Article 16. Legal Department

1. The purpose of the Legal Department shall be the legal oversight of the activities of the Pension Fund.

2. The main functions of the Legal Department shall be to:

- a) ensure legal compliance of the legal acts adopted by the Director General and the Governing Board;
- b) prepare relevant legal acts to be issued by the Director General and the Governing Board and ensure the processes necessary for their publishing;
- c) continuously monitor the relevant legal updates/legislative changes and relevant responses, where necessary;
- d) represent the Pension Fund in court, as well as in relations with administrative bodies and natural and legal persons;
- e) legally analyse the administrative complaints filed with the Pension Fund and judicial disputes which include the Pension Fund, and to develop and submit proposals and recommendations based thereon to the Director General and/or the Governing Board.
- f) legally review draft legal acts related to the activities of the Pension Fund;
- g) legally review the contracts, memoranda, and draft agreements to be concluded on behalf of the Pension Fund;
- h) exercise other powers as determined by the applicable legislation and relevant regulations.

3. The Legal Department shall be authorised to determine the tactics and strategy for participating in a judicial dispute, except when the judicial dispute may cause significant material or reputational damage to the Pension Fund, where the strategy of the Pension Fund regarding the judicial dispute requires agreement from the Governing Board.

4. The completion of judicial disputes with conciliation by the Legal Department shall be agreed upon with the Governing Board beforehand.

5. In the case of any court decision made against the Pension Fund, the Legal Department shall ensure the appeal of such decision to a court of final instance.



Article 17. Strategic Communications Department

1. The purpose of the Strategic Communications Department shall be the provision of information of public significance to the target audience in the appropriate form, via correct channels and with the appropriate force, as well as the management of relations with the interested parties.
2. The main functions of the Department shall be to:
 - a) where necessary, develop public relations and marketing strategies for the Pension Fund and ensure effective communication with all interested parties;
 - b) ensure relevant purchases for conducting/placement of media campaigns and regularly monitor the purchased air-time/platform results, and to monitor the activities and significance of the brand, the assessment of public awareness and their attitudes both with regard to the funded pension scheme and in the case of an emergency;
 - c) closely cooperate with other relevant structural units of the Pension Fund to ensure the achievement of the goals of the Strategic Communications Department;
 - d) coordinate and manage the relations of the Pension Fund with the mass media;
 - e) conduct and manage the advertising and information campaigns and marketing campaigns of the Pension Fund. Also, where appropriate, to organise briefings and conferences, prepare press releases and similar information and their sharing/dissemination through the means of information/social networks;
 - f) prepare and disseminate thematic electronic and/or printed publications;
 - g) carry out media monitoring in relation to the Pension Fund and take appropriate measures, where necessary;
 - h) prepare and manage a communication plan;
 - i) exercise other powers as determined by the applicable legislation and relevant regulations.

Article 18. Information Technology Department

1. The purpose of the Information Technology Department shall be to provide hardware and software for the electronic system which enables the activities of the Pension Fund and the administration of pension contributions.
2. The main tasks of the Information Technology Department shall be to:
 - a) automatise the process of the activities of the Pension Fund by using information technologies;
 - b) create software or purchase/introduce external software and develop and manage/administer the information technology infrastructure;
 - c) store and administer the electronic data kept in the Pension Fund in compliance with high standards of security;
 - d) ensure the proper functioning of computer equipment and the network, identify software flaws/incidents and respond appropriately and in a timely manner for the purpose of their elimination;
 - e) provide software support in relation to the administration of pension contributions;
 - f) develop the software required for the simulation and calculation of the amount of pensions and pension assets;
 - g) create widely used pension programmes and other information technology appliances and introduce them into the system;
 - h) determine the technical specifications required for the systems created by the providers of external services, and monitor and control the quality of their work;
 - i) develop policy, rules and procedures for information security in coordination with the Risk Management Service and submit them for approval to the Director General;
 - j) monitor security for all the software of the Pension Fund;
 - k) ensure the safety, inaccessibility and security of the network, the existence of the data centre and an infrastructure for recovery after an incident;
 - l) exercise other powers as determined by the applicable legislation and relevant regulations.

Article 19. Internal Audit Department

1. The Internal Audit Department shall carry out its activities in accordance with the Law and the Law of Georgia on Public Internal Financial Control.
2. The Internal Audit Department shall carry out the following activities:
 - a) the financial management and the evaluation of the adequacy and efficiency of the internal control system;
 - b) the evaluation of the compliance of the activities of the Pension Fund with the legislation of Georgia, existing rules, regulating acts and internal policy documents;
 - c) the development of recommendations for the purpose of enhancing the efficiency of the activities of the Pension Fund;
 - d) the evaluation of the reliability, accuracy and completeness of financial and other information both for the purposes of external and internal audit;
 - e) the evaluation of the appropriate protection of pension assets, other resources and information;
 - f) other activities stemming from the specific nature of the activities of the Pension Fund;
 - g) exercise other powers as determined by the applicable legislation and relevant regulations.
3. The structure and the statute of the Internal Audit Department shall be developed by the Head of Internal Audit on the basis of consultations with the Director General and the Audit and Finance Department. The structure and the statute of the Internal Audit Department shall be approved by the Governing Board.



4. The subject of study and analysis of the Internal Audit Department, within its competence, may be all the processes and areas of activity carried out within the Pension Fund.
5. The employees of the Pension Fund shall be obliged to cooperate with the employees of the Internal Audit while exercising their powers and ensure the availability of databases and documents regarding all information related to the issues under their competence and/or the implementation of activities.
6. The Internal Audit Department shall be accountable to the Governing Board of the Pension Fund and the Audit and Finances Committee.
7. The Internal Audit Service shall submit a report to the Governing Board, the Audit and Finances Committee, and the Director General.

Article 20. Chief Risk Officer and Risk Management Service

1. The Risk Management Service shall be managed by the Chief Risk Officer.
2. The functions of the Risk Management Service shall include, along with other issues and in accordance with the Law, the management of investment and operational risks, compliance control, and the preparation and introduction of the risk policy.
3. The structure and the statute of the Risk Management Service shall be developed by the Chief Risk Officer in consultation with the Director General and the Risk Committee. The structure and the statute of the Risk Management Service shall be approved by the Governing Board.
4. The Chief Risk Officer shall be responsible for the risk management of the activities of the Pension Fund. Risk management includes (but is not limited to) the determination and improvement of the criteria and methodology of the detection, measurement and assessment of risks, their mitigation and control, risk monitoring and reporting.
5. The Risk Management Service shall carry out the risk management of the Pension Fund and to carry out that function, it:
 - a) shall ensure efficient performance and continuous enhancement of the risk management function of the Pension Fund in agreement with the Director General, the Governing Board and the Risk Committee, which includes the improvement of the systems and processes of risk detection, determining their quantity, their control, and reporting, so that the risk management opportunities of the Pension Fund are consistent and efficient in the implementation of the function of undertaking risks by the Pension Fund;
 - c) shall have access to all the information available in the Pension Fund, which is necessary for the performance of functions related to risk management and obtain information from all operations, that are carried out on behalf of the Pension Fund by an asset management company/companies, a specialised depositary, or other persons providing services to the Pension Fund;
 - d) shall carry out regular monitoring of the compliance of the operational activities of the Pension Fund;
 - e) shall review and assess the Information security policy, rules and procedures, which are developed by the Information Technology Department and monitor their implementation;
 - f) shall participate in the process of developing the risk assessment framework;
 - g) shall ensure the development of the relevant internal control mechanisms/processes and their introduction into the Risk Management Service;
 - h) shall exercise other powers as determined by the applicable legislation and relevant regulations.
6. The overall risk level of the Pension Fund shall be assessed, examined and managed so that the overall indicator of risk of the Pension Fund does not exceed the limit established by the Governing Board. In the case of exceeding the limit determined in the risk management framework, the Chief Risk Officer shall be obliged to immediately notify the Risk Committee and the Director General thereof.
7. Where the Chief Risk Officer is absent, the Director General shall be authorised to assign his/her duties to the Deputy Chief Risk Officer upon the recommendation of the Chief Risk Officer.

Article 21. Finance Department

1. The Finance Department shall be responsible for the management of the financial activities of the Pension Fund, except for investment activities as provided for by the Law, relevant regulations and documents/policy adopted by the Governing Board.
2. The functions of the Finance Department shall be to:
 - a) ensure the coordination and management of financial and economic and accounting activities of the Pension Fund;
 - b) collect information and forecasting for the purpose of forming of the draft budget of the Pension Fund;
 - c) prepare the draft budget of the Pension Fund and submit it to the Director General;
 - d) control and analyse the income and expenditure of the budget of the Pension Fund;
 - e) organise the inventory of the fixed assets of the Pension Fund, the financial resources, and the commodities and material assets of the Pension Fund and ensure its results by accounting the records;
 - f) ensure the relevant requirements provided for by the legislation of Georgia;
 - g) record and enter in the accounting program the economic activities carried out by the Pension Fund, and document, store and archive them in accordance with the procedure established by the legislation;



- h) keep primary documentation certifying revenues and charges in accordance with the legislation;
- i) record accounting operations via software and the organise accounting;
- j) pay and issue salary and other disbursements of the employees of the Pension fund;
- k) keep records of settlements made with organisations and individuals;
- l) monitor the execution of agreements (except for the agreements related to the investment activities) concluded with different organisations and institutions;
- m) carry out procurement procedures in compliance with the requirements of legislation;
- n) ensure the preparation and conclusion of agreements required for procurement;
- o) control the compliance of a provider with the conditions provided for by the agreement (except for the agreements related to the investment activities), and in the case of deviation, respond adequately and in a timely manner;
- p) ensure joint record-keeping;
- q) exercise other powers as determined by the applicable legislation and relevant regulations.

Article 22. Monitoring and Execution Department

1. The function of the Monitoring and Execution Department, along with other issues and in accordance with the applicable legislation, shall include the provision of the execution process where an employer violates his/her obligation to make contributions. For this purpose, the Monitoring and Execution Department shall carry out administrative proceedings on applications and administrative complaints, monitor administrative offences committed by the employers and draw up relevant reports/offence reports. The Monitoring and Execution Department shall represent the Pension Fund in these cases and study the information submitted by the employer and a third party for the purpose of identifying violations of the obligation to make contributions.
2. Exercise other powers as determined by the applicable legislation and relevant regulations.

Article 23. Department of Human Resources Management

The main functions of the Department of Human Resources Management shall be to:

- a) determine the human resources management policy and strategy and ensure its implementation;
- b) attract human resources, organise and manage the process of selection/employment;
- c) prepare appropriate documents for the activities related to the employment relationships between the Pension Fund and the employees and keep the personal files of the employees;
- d) create the system of career advancement, motivate and evaluate the employees, and introduce and submit proposals on the measures of their implementation to the management;
- e) introduce and organise internship systems for the purpose of preparing qualified personnel, their professional development and the development and improvement of practical skills;
- f) exercise other powers as determined by the applicable legislation and relevant regulations.

Article 24. Dispute Resolution Centre

1. The Director General shall develop the statute and internal procedures of the Dispute Resolution Centre and submit them for approval to the Governing Board. Referral to the Dispute Resolution Centre shall be available for both the participants of the pension scheme with any kind of complaint in relation to the Pension Fund and third parties willing to appeal a decision of the Pension Fund.
2. The internal mechanisms of the Dispute Resolution Centre shall provide for electronic or any other form of submittal of a claim and/or complaint. The Dispute Resolution Centre shall review a submitted claim/complaint within 30 calendar days and make a decision.

Article 25. Accounting and responsibilities between the structural units

Accounting and subordination between the structural units of the Pension Fund within the organisational structure of the Pension Fund shall be determined in accordance with the annex of the statute (Annex 1).

Part Three

Miscellaneous

Article 26. Procedure for selection of the employees of the Pension Fund

1. The selection of employees for vacant positions (except for the positions of executive directors) provided for by the staff list of the Pension Fund shall be carried out in accordance with the applicable legislation. To select an employee of the Pension Fund, the Director General shall set up a Competition Committee in the Pension Fund, except for the case when the current employee of the Pension Fund is transferred to another position or promoted. The procedures and criteria for the selection and evaluation of candidates for the activity and setting up the Competition Commission shall be determined in detail by the Remuneration and Nomination Committee.
2. The competition requirements shall comply with the staff list approved by the Governing Board and the qualification requirements for the relevant position approved by the Remuneration and Nomination Committee.



3. The decisions of the Competition Commission shall be executed by the Director General.

Article 27. Accountability of the Pension Fund and the external audit

1. The Pension Fund shall, annually and no later than 5 (five) months after the end of a calendar year, publish on the official website of the Pension Fund the annual report of the activities carried out by the Pension Fund.
2. The annual report shall include the relevant information provided for by law. The Audit and Finances Committee shall additionally establish the content and form of the information to be submitted additionally to the participants regarding the additional regular reporting.
3. One audit company shall be able to continuously audit the annual financial reports only three times;
4. The Head of the Internal Audit shall be authorised to request the performance of any external non-financial audit if that request meets the requirements and procedures of the Audit and Finances Committee and is permitted by the Governing Board.

Article 28 . Funding and property of the Pension Fund

1. The sources of financing of the Pension Fund shall be:
 - a) the annual service fee of the pension assets, which shall be calculated and deducted from the pension assets of the participants of the pension scheme in accordance with the Law;
 - b) other revenue permitted by the legislation.
2. The revenues and funds provided for by paragraph 1 of this article shall be used for achieving the goals established by the Law and fulfilling the relevant functions of the Pension Fund.
3. The property of the Pension Fund shall include the property transferred thereto by the State, natural and legal persons of private law in accordance with the procedure established by the legislation, as well as the property purchased at their own expense.
4. The property of the Pension Fund shall consist of current assets, as well as other tangible and intangible assets, things of value, and financial resources.
5. The Pension Fund shall have a unified account of the Treasury Service of the Ministry of Finance of Georgia and a seal with an image of the coat of arms of Georgia and its title.
6. The Pension Fund shall be authorised to open accounts in the National Bank, commercial banks and/or other financial institutions for accumulating pension contributions, carrying out investment activities and/or other purposes provided for by and/or stemming from this Law and manage pension assets (including financial resources on the accounts of the nominal owner of the Pension Fund) in accordance with the interests of the participants and their successors.

Article 29. Confidentiality

1. The employees of the Pension Fund shall not have the right to permit access to confidential information, and to disclose, disseminate or use such information for personal benefit.
2. Confidential information submitted by the participants of the funded pension scheme within the Pension Fund or by interested parties, may solely be transferred to the National Bank to perform functions provided for by the legislation of Georgia, as well as to other state institutions in the cases provided for by the applicable legislation of Georgia. Such information may be transferred to another person only in accordance with the applicable legislation of Georgia or on the basis of a relevant court decision entered into legal force or the consent of a relevant participant of the funded pension scheme and/or the recipient of pension/pension assets.
3. The Risk Committee shall develop and the Governing Board shall approve the policy for processing, storage, classification of (including confidential information) and access to information. The above policy shall be executed by the Information Technology Department and its implementation shall be monitored by the Risk Management Service.

Article 30. Insurance

1. The Governing Board shall be authorised to procure insurance policies to insure actions related to the activities of the Pension Fund, the members of the Governing Board and the employees of the Pension Fund. The above insurance policy shall cover operational responsibilities on the level of the Pension Fund, including institutional mistakes and omissions, which means insurance from the mistakes/shortcomings resulting from the operational activities, the complaints of a third party, court expenses and reputational damage to the Pension Fund.
2. The fee for the insurance policies shall be financed by the Pension Fund, provided that those policies only cover the responsibilities of the members of the Governing Board and the employees of the Pension Fund, as provided for by paragraph 1 of this article.
3. In the case of policy for fiduciary responsibility and for mistakes and omissions, the Governing Board shall be authorised, to accept a competitive insurance policy, to establish as a part of the policy condition that the Pension Fund shall compensate for damage in the frameworks of franchise within certain limits. To establish that limit, the Governing Board shall be authorised to refer to the National Bank.

Article 31. Legal disputes



1. Only the Governing Board shall be authorised to make a decision on conciliation regarding any legal action or request that includes potential legal disputes both in favour of and against the Pension Fund and in compliance with the terms and procedure determined by the Governing Board.
2. The Legal Department of the Pension Fund shall be authorised to initiate and handle legal disputes which include potential judicial disputes and the Fund shall appear before a court as a defendant for all legal actions and requests, as well as investigations and administrative proceedings initiated against the Pension Fund, one or more current or former member of the Governing Board, the Director General, other executive directors or one or more employees. The exception shall be the cases where the dispute might lead to reputational or financial damage and as a result of which Article 17(4) might become effective as determined by the Law, or the Legal Department issues a recommendation on hiring an external legal representative, and in such cases the Legal Department needs the consent of the Governing Board.

Article 32. Right to delegate

1. The Governing Board shall be Authorised to partially or fully delegate its functions/authority to a committee or committees of the Governing Board, the Director General, other executive directors or any other person employed at the Pension Fund if it does not contravene the Law, the regulation, statute and rules established by the Governing Board. When the Director General delegates the agreement on the issuance of a normative act, it may be delegated only to the relevant committee of the Governing Board.
2. A decision on the delegation of its functions/authority by the Governing Board shall be made only by the issuance of the relevant legal act which shall determine the body/bodies to which a function/authority is delegated and a function/authority which is being delegated. All such delegations shall have a date for entry into force of the right of delegation which shall be updated in the case of each new delegation, or when making changes or revoking the current delegation.
3. In the case of delegation, the Governing Board shall monitor the activities of the delegated person(s).

Article 33. Conflict of interests

The Governing Board shall approve the framework for the management of the conflict of interests. To avoid the conflict of interests, the above framework shall establish the terms for management of the conflict of interests at every level and in every process (including the process of selection/employment) of the activities of the Pension Fund and decision-making. The above framework may include declaration forms and a procedure for their application, mechanisms and relevant measures for the management of the conflict of interests, including recusal, limitation of access and/or activities and other relevant measures.

Article 34. Regulatory law

1. The statute shall be interpreted and the Pension Fund shall be managed in accordance with the Law and the applicable legislation of Georgia.
2. In this Statute, reference to specific articles of the legislation on funded pension shall also include legal norms that will change or replace those articles and which shall be approved by relevant authorities of Georgia, as well as any further changes.

Part Four . Transitional and Final Provisions

Article 35. Final provisions

Annuling or invalidating any article/paragraph/sub-paragraph of this Statute shall not affect the authenticity of other norms of the statute. Instead of an annulled norm, a rule that is in force and enables easier achievement of a goal of the Pension Fund shall be used.

Article 36. Transitional provisions

1. The organisational structure determined by Annex 1 of this Statute shall enter into force upon the appointment of the Director General by the Governing Board.
2. Before the entry into force of the organisational structure determined by this Statute, the Pension Fund shall continue functioning in accordance with the organisational structure approved before 1 May 2025.
3. Before the appointment of the Director General by the Governing Board, the Governing Board shall perform changes in the area of the annual budget of 2025 and the staff list, the Director General and the executive directors and their deputies.
4. Before the entry into force of the organisational structure determined by this Statute, all committees set up within the Pension Fund before 1 May 2025 shall continue functioning as an advisory board determined by this Statute, until determined otherwise by the Director General.
5. Within the term of 90 days before the appointment of the Director General by the Governing Board, on the one hand, the Director General shall ensure the correction of the new staff list of the Pension Fund and the budget for the remaining period of 2025 and submit them to the Governing Board, and on the other hand, the Governing Board shall



ensure the approval of the submitted documents – the updated staff list and the corrected budget - within the above term.

6. After the appointment of the Director General by the Governing Board and before the correction of the budget for the remaining period of 2025 and the approval of the staff list, the budget and the staff list of the Pension Agency approved before 1 May 2025 shall remain in force.

**Head of the Governing Board
of LEPL the Pension Fund**

Gregory Morchiladze

