

THE NATIONAL PENSION ACT

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CONTENTS

CHAPTER I	GENERAL PROVISIONS	5
CHAPTER II	NATIONAL PENSION INSURED PERSONS	8
CHAPTER III	NATIONAL PENSION SERVICE	18
CHAPTER IV	BENEFITS	26
CHAPTER V	BURDEN OF EXPENSES AND COLLECTION OF PENSION CONTRIBUTIONS, ETC.	45
CHAPTER VI	NATIONAL PENSION FUND	53
CHAPTER VII	REQUEST FOR EXAMINATION AND REVIEW	59
CHAPTER VIII	SUPPLEMENTARY RULES	61
CHAPTER IX	PENAL PROVISIONS	67
ADDENDUM		69

CHAPTER I GENERAL PROVISIONS

Article 1 (Purpose) The purpose of this Act is to contribute to the stabilization of livelihoods and the promotion of national welfare by providing pension benefits in old-age, disability or death.

Article 2 (Charge) The Minister of Health and Welfare shall be in charge of the national pension program under this Act. <Amended Feb. 29, 2008; Jan. 18, 2010> <Enforcement Date Mar. 19, 2010>

Article 3 (Definitions) (1) The definitions of the terms used in this Act shall be as follows: <Amended Jun. 7, 2011>

1. The term "employee" means a person (including directors and officers of a corporate body) who offers service, regardless of the type of occupation, in a workplace and whose livelihood depends upon the wages received in return for the service. However, those who are specified by the Presidential Decree to be ineligible shall be excluded;
2. The term "employer" means a business owner of a workplace at which his/her employees are employed;
3. The term "income" means earnings, not including tax-free income as determined by the Presidential Decree, gained by offering service for a specified period, or earnings, which necessary expenses are deducted from, gained by running a business and/or operating assets. In this case, the scope of the incomes, depending on the category of the insured person under the National Pension Scheme (hereinafter referred to as the "insured person"), shall be determined by the Presidential Decree; <Enforcement Date Jan. 1, 2008>
4. The term "average monthly income" means the annual average value of the Standard Monthly Income of all Workplace-based Insured Persons and Individually Insured Persons; the calculation formula for this is determined by the Presidential Decree;
5. The term "Standard Monthly Income" means the amount determined by the Presidential Decree on the basis of the insured person's monthly income for the purpose of calculating the amount of contributions and benefits. The calculation formula and effective period for it shall be determined by the Presidential Decree; <Enforcement Date Jan. 1, 2008>
6. The term "Workplace-based Insured Person" means any employee employed in a workplace and the employer of such a workplace, insured under the National Pension Scheme under Article 8;

7. The term "Individually Insured Person" means a person who is not a Workplace-based Insured Person, but who is insured under the National Pension Scheme under Article 9;
8. The term "Voluntarily Insured Person" means a person insured under the National Pension Scheme under Article 10, who is neither a Workplace-based nor Individually Insured Person;
9. The term "Voluntarily & Continuously Insured Person" means an insured person or a previously insured person who is insured under Article 13(1);
10. The term "contribution" means the financial resources for the national pension program. In the case of a Workplace-based Insured Person, it means the combination of the employer's liability and the employee's contribution. In the case of an Individually Insured Person, Voluntarily Insured Person and Voluntarily & Continuously Insured Person, it means the amount contributed by the insured person;
11. The term "employer's liability" means the amount contributed by the employer of a Workplace-based Insured Person;
12. The term "employee's contribution" means the amount contributed by a Workplace-based Insured Person;
13. The term "workplace" means a place of business or office in which employees are employed.

(2) In application of this Act, "spouse, husband or wife" shall include any person who has a de facto marital relationship.

(3) A fetus of a person who is or was an insured person when he/she acquires eligibility for benefits under this Act shall, upon his/her birth, be deemed as a child whose livelihood depends on the person who is or was an insured person. <Enforcement Date Jan. 1, 2008>

Article 4 (Valuation of Financial Equilibrium of the National Pension and the Adjustment of Benefits) (1) The standard of benefits and contributions under this Act shall be adjusted in order to maintain the long-term financial balance of the national pension.

(2) The Minister of Health and Welfare shall calculate the balance of the pension finances every five years as determined by the Presidential Decree, make an overall plan concerning the operations of the national pension, including a projection of finances, an adjustment of contributions, and the operation of the National Pension Fund, etc., obtain the President's approval after having it reviewed by the Council of National Affairs, submit it to the National Assembly, and make it public as determined by the Presidential Decree. <Amended Feb. 29, 2008; Jan. 18, 2010> <Enforcement Date Mar. 19, 2010>

(3) In the event of a significant change in the living standards, wages, prices and other economic conditions of the people, the amount of benefits to be paid under this Act shall be adjusted in accordance therewith.

Article 5 (The National Pension Deliberation Council) (1) The National Pension Deliberation Council shall be established at the Ministry of Health and Welfare in order to deliberate on the following subparagraphs concerning the national pension program: <Amended Feb. 29, 2008; Jan. 18, 2010> <Enforcement Date Mar. 19, 2010>

1. Matters pertaining to the National Pension Scheme and its valuation of financial equilibrium;
2. Matters pertaining to national pension benefits;
3. Matters pertaining to national pension contributions;
4. Matters pertaining to the National Pension Fund; and
5. Other matters presented by the Minister of Health and Welfare concerning the operation of the National Pension Scheme.

(2) The National Pension Deliberation Council shall consist of the chairperson, vice-chairperson, and members. The Vice Minister of Health and Welfare shall be the chairperson of the council, the vice-chairperson shall be elected from among the members representing public interests, and members shall be appointed or commissioned by the Minister of Health and Welfare in accordance with the following criteria: <Amended Feb. 29, 2008; Jan. 18, 2010> <Enforcement Date Mar. 19, 2010>

1. Four members representing employers, recommended by employers' associations;
2. Four members representing employees, recommended by the Federation of Labor Unions;
3. The following members representing Individually Insured Persons:
 - a. Two persons recommended by farmers' and fishermen's associations;
 - b. Two persons recommended by associations related to self-employed persons other than farmers' and fishermen's associations; and
 - c. Two persons recommended by consumers' associations and civic groups;
4. Five members representing the public interest who are experts in the National Pension Scheme.

(3) Matters necessary with regard to the organization, operation, etc. of the National Pension Deliberation Council shall be determined by the Presidential Decree.

CHAPTER II NATIONAL PENSION INSURED PERSONS

Article 6 (Coverage) All citizens aged from eighteen to less than sixty who reside in the Republic of Korea shall be covered under the national pension. However, government officials, military personnel and private school teachers who are covered under the 「Public Officials Pension Act」, the 「Veterans' Pension Act」 and the 「Pension for Private School Teachers and Staff Act」 respectively, and other persons as defined by the Presidential Decree shall be excluded from the coverage.

Article 7 (Categories of Insured Persons) Insured persons shall be classified into Workplace-based Insured Persons, Individually Insured Persons, Voluntarily Insured Persons and Voluntarily & Continuously Insured Persons.

Article 8 (Workplace-based Insured Persons) (1) Employees and employers aged from eighteen to less than sixty in a workplace as determined by the Presidential Decree on the basis of the type of business, the number of employees, etc. (hereinafter referred to as the "mandatorily covered workplace") shall mandatorily become Workplace-based Insured Persons. However, any person who falls under one of the following subparagraphs shall be excluded: <Amended Feb. 9, 2009> <Enforcement Date Dec. 8, 2011>

1. Persons entitled to receive the retirement pension, disability pension or lump-sum of that retirement pension under the 「Public Officials Pension Act」, 「Pension for Private School Teachers and Staff Act」 or the 「Special Post Offices Act」, or those entitled to receive the retirement pension, wounded veterans' pension, or lump sum of that retirement pension under the 「Veterans' Pension Act」 (hereinafter referred to as the "beneficiary of the retirement pension, etc."). But the beneficiary of the retirement pension applying for aggregation under Article 8 of the 「Act on Aggregation of the National Pension and Occupational Pensions」 are excluded.
2. Deleted <Jun. 7, 2011> <Enforcement Date Dec. 8, 2011>

(2) Notwithstanding paragraph (1) of this Article and Article 6, employees aged less than eighteen at a workplace covered under the National Pension Scheme may become a Workplace-based Insured Person with the consent of the employer, if they so choose.

(3) Notwithstanding paragraph (1) of this article, beneficiaries under the 「National Basic Living Security Act」 may choose not to be Workplace-based Insured Persons. <Newly Inserted Jun. 7, 2011> <Enforcement Date Dec. 8, 2011>

Article 9 (Individually Insured Persons) Persons aged from eighteen to less than sixty, other than Workplace-based Insured Persons under Article 8, shall compulsorily become

Individually Insured Persons. However, persons who fall under one of the following subparagraphs shall be excluded: <Amended Feb. 6, 2009> <Enforcement Date Aug. 7, 2009>

1. Non-income spouses of persons falling under one of the following items:
 - a. Persons excluded from the coverage of the National Pension Scheme under the proviso of Article 6;
 - b. Workplace-based or Individually Insured Persons, or Voluntarily & Continuously Insured Persons;
 - c. Employees of a Special Post Office;
 - d. Beneficiaries of the Old-age Pension or beneficiaries of the Retirement Pension, etc.;
2. Beneficiaries of the retirement pension, etc.; However, those who are entitled to receive a retirement pension, applying for aggregation under Article 8 of the 「Act on Aggregation of the National Pension and Occupational Pensions」, are excluded
3. Persons aged from eighteen to less than twenty-seven who are in school or military service, etc. and have no incomes (excluding those who have ever paid contributions);
4. Beneficiaries under the 「National Basic Living Security Act」;
5. Persons who have been missing for over one year. In this case, the recognition criteria and the confirmation method regarding the missing person shall be determined by the Presidential Decree.

Article 10 (Voluntarily Insured Persons) (1) Persons aged from eighteen to less than sixty may become Voluntarily Insured Persons by submitting an application to the National Pension Service, as prescribed by the Ordinance of the Ministry of Health and Welfare, if they do not fall under one of the following subparagraphs: <Amended Feb. 29, 2008; Jan. 18, 2010> <Enforcement Date Mar. 19, 2010>

1. Workplace-based Insured Persons; and
2. Individually Insured Persons

(2) Voluntarily Insured Persons may withdraw from the coverage of the National Pension Scheme by submitting an application to the National Pension Service, as prescribed by the Ordinance of the Ministry of Health and Welfare. <Amended Feb. 29, 2008; Jan. 18, 2010> <Enforcement Date Mar. 19, 2010>

Article 11 (Date of Acquisition of Insured Status) (1) A Workplace-based Insured Person shall acquire his/her insured status on the day falling under one of the following subparagraphs:

1. When he/she is employed at or becomes the employer of a workplace referred to in the main text of Article 8(1); and
2. When his/her workplace becomes a mandatorily covered workplace.

(2) An Individually Insured Person shall acquire insured status on the day when he/she falls under one of the following subparagraphs (however, when a person does not know the time at which he/she began to earn an income as defined in subparagraphs 3, 4, he/she shall acquire insured status on the day he/she files a report in accordance with Article 21(2): <Amended Jun. 7, 2011>

1. When he/she loses his/her insured status as a Workplace-based Insured Person;
2. When he/she does not fall under the categories of those who shall be excluded from the coverage of the National Pension Scheme under the proviso of Article 6;
3. When a spouse referred to in subparagraph 1 of Article 9 earns his/her own income;
4. When a person aged from eighteen to less than twenty-seven earns an income

(3) A Voluntarily Insured Person shall acquire his/her insured status on the day the application is accepted.

Article 12 (Date of Loss of Insured Status) (1) A Workplace-based Insured Person shall lose his/her insured status on the day following the day falling under one of the following subparagraphs (in cases referred to in subparagraph 5 of this article, he/she shall lose his/her insured status on that day when he/she falls under the same subparagraph):

1. When he/she dies;
2. When he/she loses his/her Korean nationality or immigrates to a foreign country;
3. When his/her employment is terminated;
4. When he/she becomes sixty years of age; and
5. When he/she falls under the categories of those who shall be excluded from the coverage of the National Pension Scheme under the proviso of Article 6.

(2) An Individually Insured Person shall lose his/her insured status on the day following the day falling under one of the following conditions. However, in those cases referred to in subparagraphs 3 and 4, he/she shall lose his/her insured status on the day when he/she falls under the same subparagraphs:

1. When he/she dies;
2. When he/she loses his/her Korean nationality or immigrates to a foreign country;
3. When he/she falls under the categories of those who shall be excluded from the coverage of the National Pension Scheme under the proviso of Article 6;
4. When he/she acquires his/her insured status as a Workplace-based Insured Person;
5. When he/she no longer earns an income as a spouse under subparagraph 1 of Article 9;
6. When he/she becomes sixty years of age

(3) A Voluntarily Insured Person shall lose his/her insured status on the day following the day he/she meets the criteria stated in one of the following subparagraphs. However, in

those cases referred to in subparagraphs 6 and 7, he/she shall lose his/her insured status on the day when he/she falls under the same subparagraphs.

1. When he/she dies;
2. When he/she loses his/her Korean nationality or immigrates to a foreign country;
3. When the application for his/her withdrawal from the National Pension as referred to in Article 10(2) is accepted;
4. When he/she becomes sixty years of age;
5. When he/she fails to pay contributions consecutively for a period longer than that determined by the Presidential Decree;
6. When he/she acquires his/her insured status as a Workplace-based Insured Person or Individually Insured Person;
7. When he/she falls under the categories of those who shall be excluded from the coverage of the National Pension Scheme under the proviso of Article 6

Article 13 (Voluntarily & Continuously Insured Persons) (1) Notwithstanding Article 6, a person falling under one of the following subparagraphs may become a Voluntarily & Continuously Insured Person by submitting an application to the National Pension Service as prescribed by the Ordinance of the Ministry of Health and Welfare until he/she becomes sixty-five years of age. In this case, he/she shall acquire his/her insured status on the day the application is accepted: <Amended Feb. 29, 2008; Jan. 18, 2010; Jun. 7, 2011; Dec. 31, 2011> <Enforcement Date Jul. 1, 2012>

1. A person who has reached the age of sixty and is or was an insured person. However, persons falling under one of the following items will be excluded;
 - a. A person who has never made his/her contribution payments;
 - b. A person receiving benefits from an Old-age Pension;
 - c. A person who has received a lump-sum refund for the reasons as defined under Article 77(1)
2. A person falling under one of the following items and who has never received an Old-age Pension and is or was engaged in any of the specified occupations as prescribed by the Presidential Decree (hereinafter referred to as a "special occupation employee")
 - a. A person who acquires eligibility to receive an Old-age Pension under Article 61(1)
 - b. A person who has acquired eligibility to receive the special Old-age Pension under Article 5 of the Addenda of Act No. 3902, the National Welfare Pension Amendment Act.

(2) A Voluntarily & Continuously Insured Person may withdraw from the coverage of the National Pension Scheme by submitting an application to the National Pension Service as prescribed by the Ordinance of the Ministry of Health and Welfare. <Amended Feb. 29, 2008; Jan. 18, 2010> <Amended Mar. 19, 2010>

(3) A Voluntarily & Continuously Insured Person shall lose his/her insured status on the day following the day falling under one of the following subparagraphs:

1. When he/she dies;
2. When he/she loses his/her Korean nationality or immigrates to a foreign country;
3. When the application for his/her withdrawal referred to in paragraph (2) is accepted;
4. When he/she fails to pay contributions consecutively for a period longer than that determined by the Presidential Decree.

Article 14 (Confirmation of Insured Status) (1) The National Pension Service shall confirm the acquisition or loss of insured status for all insured persons.

(2) The acquisition or loss of insured status shall be put into effect on the date of the acquisition or loss of insured status referred to in Articles 11 through 13 with the confirmation of the National Pension Service, as referred to in paragraph (1).

(3) Confirmation by the National Pension Service, as referred to in paragraph (1), shall be made upon the claim of an insured person by a report referred to in Article 21 or by virtue of its official authority.

(4) A person who is or was an insured person may apply for the confirmation of the acquisition and loss of insured status and change in the category of insured person at any time as prescribed by the Ordinance of the Ministry of Health and Welfare. <Amended Feb. 29, 2008; Jan. 18, 2010> <Amended Mar. 19, 2010>

Article 15 (Presumption of Death) An insured person reported as missing while travelling by airplane or ship, or for any other reason, shall be presumed to be deceased as determined by the Presidential Decree.

Article 16 (Certificate of Insured Person) (1) The National Pension Service shall issue insured persons Certificates of National Pension Insurance if they wish to receive them. <Amended Jun. 7, 2011> <Enforcement Date Dec. 8, 2011>

(2) Contents contained in the certificate referred to in paragraph (1) shall be determined by the Presidential Decree. <Amended Jun. 7, 2011> <Enforcement Date Dec. 8, 2011>

(3) Matters necessary for issuance of the certificate referred to in paragraph (1) shall be determined by the Ordinance of the Ministry of Health and Welfare. <Newly Inserted Jun. 7, 2011> <Enforcement Date Dec. 8, 2011>

[Title Amended Jun. 7, 2011] <Enforcement Date Dec. 8, 2011>

Article 17 (Calculation of National Pension Insured Period) (1) The National Pension Scheme's insured period (hereinafter referred to as the "insured period") shall be calculated on a monthly basis. The period shall begin from the month following the month which includes the day he/she acquires his/her insured status to the month which includes the day preceding the day he/she loses his/her insured status. If an insured person meets the criteria stated in any one of the following paragraphs, a month which includes the day he/she acquires his/her insured status shall be calculated in his/her insured period; however, if he/she regains his/her insured status in a month which includes the day preceding the day of losing insured status, the month shall not be calculated in duplication: <Amended Jun. 7, 2011> <Enforcement Date Dec. 8, 2011>

1. When a person starts being covered on the first day of the month (the month shall not be calculated if he/she loses his/her insured status again within the month including the day that he/she acquires his/her insured status);
2. When a person acquires the status of a Voluntarily & Continuously Insured Person;
3. When a person wishes to do so.

(2) In calculating the insured period, non-contribution periods shall not be included. If, however, the employer has deducted employee's contribution from the income of the employee and has not paid the contributions, the period corresponding to one-half of the unpaid period shall be counted in the employee's insured period. In this case, a period of less than one month shall be counted as one month.

(3) When the National Health Insurance Corporation under Article 13 of the 「National Health Insurance Act」 (hereinafter referred to as "NHIC") notifies a Workplace-based Insured Person that his/her workplace is delinquent in its payment as prescribed by the Ordinance of the Ministry of Health and Welfare, from the month following the first delinquent month stated in the notification, delinquent periods shall not be included in the insured period notwithstanding the proviso of paragraph (2). In this case, the Workplace-based Insured Person concerned may pay to NHIC his/her portion of contributions as determined by the Presidential Decree, notwithstanding Article 90(1). <Amended Feb. 29, 2008; May. 21, 2009; Jan. 18, 2010; Dec. 31, 2011> <Enforcement Date Sep. 1, 2012>

(4) In the case where a Lump-sum Refund which has been paid under Article 77 falls under the benefit to be repossessed as referred to in Article 57(1), if the Lump-sum Refund is not returned to the National Pension Service, the period corresponding to the amount shall not be counted in the insured period of the concerned person. <Amended Dec. 31, 2011> <Enforcement Date Jul. 1, 2012>

Article 17-2 (Calculation of an Insured Period of National Pension on the Month When Contributions Are Partially Paid)

(1) In calculating an insured period, when contribution has been paid partially, the partially paid contribution shall be appropriated to the unpaid contribution and arrears fee of another partially paid month and a month paid in full through the appropriation shall be calculated in his/her insured period. In this case, matters necessary with regard to the object and method of appropriation, calculation of an insured period and the payment of benefit, etc., shall be determined by the Presidential Decree.

(2) If there is a partially paid contribution after being appropriated pursuant to paragraph (1), it shall be refunded on the month in which benefit is first paid. However, in case a person who is or was an insured person claims, after unpaid contributions and arrears fees of a partially paid month are paid, the month may be counted in the insured period notwithstanding Article 99.

(3) When contributions or arrears fees are refunded or paid pursuant to paragraph (2), interest as determined by the Presidential Decree shall be added.

[Newly Inserted Jun. 7, 2011] <Enforcement Date Dec. 8, 2011>

Article 18 (Additional Insured Period Granted in Return for Military Service)

(1) When a person falling under one of the following subparagraphs acquires eligibility to receive the Old-age Pension (including cases where a person becomes eligible for the Old-age Pension by acquiring additional insured period under this article), an additional insured period of six months shall be counted in his insured period. In the event that the period in which he/she has served his/her military service duty under the 「Military Service Act」 is less than six months, this same shall not apply: <Amended Jun. 9, 2009> <Enforcement Date Dec. 10, 2009>

1. A person in active service under Article 5 (1) 1 of the 「Military Service Act」;
2. Public interest service personnel referred to in Article 2 (1) 10 of the 「Military Service Act」

(2) Notwithstanding paragraph (1), in cases falling under one of the following subparagraphs, paragraph (1) shall not apply:

1. Where the total or partial period in which a person has served his military service under the 「Military Service Act」 is included in the term of office under the 「Public Officials Pension Act」, the 「Pension for Private School Teachers and Staff Act」, and the 「Special Post Offices Act」 or in the military service period under the 「Veterans' Pension Act」;
2. Where a person has paid contributions during the period in which he/she serves his/her military service under the 「Military Service Act」 and such a period is

recognized as an insured period: In the event that the insured period is less than six months, such a period shall be excluded.

(3) Financial resources necessary for counting an additional insured period as referred to in paragraph (1) shall be wholly borne by the government.

Article 19 (Additional Insured Period Granted for Childbirth) (1) When a person who is or was an insured person acquires eligibility to receive the Old-age Pension (including a case where a person becomes eligible for the Old-age Pension by acquiring additional insured period under this article), the periods under the following subparagraphs shall be additionally counted in his/her insured period, provided the additional insured period shall not exceed fifty months; necessary matters concerning the method of recognition of the number of children, etc. shall be determined by the Presidential Decree:

1. In the case of having two children: twelve months; and
2. In the case of having more than three children: eighteen months for each additional child shall be added to the twelve months for the second child

(2) In the case where both parents concerned are or were insured persons, the additional insured period referred to in paragraph (1) shall be counted in either parent's insured period according to the agreement between the father and mother; however, if a mutual agreement cannot be reached, equally divided periods shall be counted in each parent's insured period. In this case, matters necessary with regard to the procedure for agreement, etc., shall be determined by the Ordinance of the Ministry of Health and Welfare. <Amended Feb. 29, 2008; Jan. 18, 2010> <Enforcement Date Mar. 19, 2010>

(3) Financial resources necessary with regard to additional insured period under paragraph (1) shall be borne by the government in whole or in part.

Article 20 (Totaling of the Insured Period) (1) If a person re-acquires insured status after losing his/her insured status, the former and latter insured periods shall be totaled.

(2) If changes in the category of an insured person are made, his/her insured periods shall be obtained by totaling the periods of each category.

Article 21 (Reports) (1) An employer of Workplace-based Insured Persons shall report facts concerning his/her mandatorily covered workplace, changes in the status of his/her workplace and suspension and closure of business, the acquisition & loss of insured status, and matters regarding the monthly income of insured persons, etc., to the National Pension Service as prescribed by the Ordinance of the Ministry of Health and Welfare. <Amended Feb. 29, 2008; Jan. 18, 2010> <Enforcement Date Mar. 19, 2010>

(2) An Individually Insured Person, Voluntarily Insured Person, and Voluntarily & Continuously Insured Person shall report matters regarding the acquisition & loss of insured status, changes in name or address, and income, etc. to the National Pension Service as prescribed by the Ordinance of the Ministry of Health and Welfare. <Amended Feb. 29, 2008; Jan. 18, 2010> <Enforcement Date Mar. 19, 2010>

(3) If an Individually Insured Person, Voluntarily Insured Person or Voluntarily & Continuously Insured Person is unable to report any changes referred to in paragraph (2) for a particular reason, the spouse or other family members may report on behalf of the insured person.

Article 22 (Notice to Those Providing Reports, etc.) (1) Upon receiving the report referred to in Article 21, the National Pension Service shall review the contents therein, and, if the reported contents are proven inaccurate, the National Pension Service shall notify those inaccuracies to the reporter.

(2) The provisions of Article 23(3) shall apply *mutatis mutandis* to the notice referred to in paragraph (1).

Article 23 (Notice to Insured Persons, etc.) (1) When the acquisition or loss of insured status of Workplace-based Insured Person has been confirmed under Article 14, or the Standard Monthly Income has been determined or adjusted, the National Pension Service shall notify the changes to the employer of the workplace concerned. When the acquisition or loss of insured status of Individually Insured Persons, Voluntarily Insured Persons, or Voluntarily & Continuously Insured Persons, or the Standard Monthly Income of them has been determined or adjusted, the National Pension Service shall notify those things to the Individually, Voluntarily, or Voluntarily & Continuously Insured Persons.

(2) An employer who receives a notice referred to in paragraph (1) shall then in turn notify the Workplace-based Insured Person concerned or the person who lost his/her eligibility. However, if the employer is unable to notify the person concerned because his/her whereabouts is unknown, he/she shall notify the National Pension Service of those conditions.

(3) In the case falling under one of the following subparagraphs, the National Pension Service may use a public announcement as a substitute for its notice as prescribed by the Ordinance of the Ministry of Health and Welfare: <Amended Feb. 29, 2008; Jan. 18, 2010> <Enforcement Date Mar. 19, 2010>

1. When the workplace no longer exists;

2. When the whereabouts of the Individually Insured Person, Voluntarily Insured Person, or Voluntarily & Continuously Insured Person who is to receive a notice by the National Pension Service under paragraph (1) is unknown;
3. When the National Pension Service is notified by the employer under paragraph (2);
4. When there is some unavoidable reason that prevents the National Pension Service from giving notice as determined by the Presidential Decree.

CHAPTER III NATIONAL PENSION SERVICE

Article 24 (Establishment of National Pension Service) The National Pension Service (hereinafter referred to as the "NPS") shall be established in order to efficiently carry out services that accomplish the purpose as prescribed in Article 1 under the entrustment of the Minister of Health and Welfare. <Amended Feb. 29, 2008; Jan. 18, 2010> <Enforcement Date Mar. 19, 2010>

Article 25 (Affairs of NPS) The NPS shall carry out the following affairs: <Amended Feb. 29, 2008; Jan. 30, 2009; May 21, 2009; Jan. 18, 2010; Dec 31, 2011> <Enforcement Date Jul. 1, 2012>

1. Management and maintenance of the records for insured persons;
2. Imposition of contributions;
3. Determination and payment of benefits;
4. Welfare promotion programs such as service on successful aging, lending funds, and establishment and operation of welfare facilities for persons who are and were insured persons, and beneficiaries referred to in Article 50;
5. Loan services to insured persons who are and were insured persons for the purpose of increasing its funds;
6. Matters entrusted to the NPS under this Act or other laws;
7. Other matters entrusted to the NPS by the Minister of Health and Welfare concerning the national pension program

Article 26 (Legal Personality) The NPS shall be regarded as a juridical person.

Article 27 (Office) (1) The location of the NPS' main office shall be determined by the Articles of Incorporation.

(2) The NPS may, if necessary, establish branch offices as determined by the Articles of Incorporation.

Article 28 (Articles of Incorporation) (1) The NPS' Articles of Incorporation shall contain the following subparagraphs:

1. The objective;
2. Name;
3. Provisions pertaining to the main and branch offices;
4. Provisions pertaining to officers and staff;
5. Provisions pertaining to the Board of Directors;
6. Provisions pertaining to the programs;

7. Provisions pertaining to budgets and closing accounts;
8. Provisions pertaining to assets and accounts;
9. Provisions pertaining to amendments of the Articles of Incorporation;
10. Provisions pertaining to the enactment, revision and abolition of rules or regulations;
11. Provisions pertaining to public announcement.

(2) The NPS shall obtain the approval of the Minister of Health and Welfare to make any amendment to the Articles of Incorporation. <Amended Feb. 29, 2008; Jan. 18, 2010>
<Enforcement Date Mar. 19, 2010>

Article 29 (Registration of Establishment) The NPS becomes an entity by registering its establishment at the place where its main office is located.

Article 30 (Officers) (1) For its officers, the NPS shall have a chief executive officer, three or less executive directors, seven directors and an executive auditor. The directors shall include one or more representatives from each of the following groups: employers; employees; and Individually Insured Persons, and an *ex officio* director who is a government official of Grade 3 in charge of National Pension affairs in the Ministry of Health and Welfare or a general government official belonging to the Senior Civil Service. <Amended Feb. 29, 2008; Jan. 18, 2010> <Enforcement Date Mar. 19, 2010>

(2) The NPS' chief executive officer shall be appointed or dismissed by the President under the recommendation of the Minister of Health and Welfare, and the executive directors, directors (excluding the *ex officio* director) and the executive auditor shall be appointed or dismissed by the Minister of Health and Welfare under the recommendation of the chief executive officer. <Amended Feb. 29, 2008; Jan. 18, 2010> <Enforcement Date Mar. 19, 2010>

(3) Directors shall not be paid for their work, except in the case where they incur expenses.

Article 31 (Executive Fund Director) (1) Among the executive directors, the director in charge of the management and operation of the National Pension Fund (hereinafter referred to as the "Executive Fund Director") as referred to in Article 101 (hereinafter referred to as the "National Pension Fund") shall be nominated from among those who are highly knowledgeable and experienced in the fields of management, economy, and fund operation.

(2) The Recommendation Committee for Executive Fund Director (hereinafter referred to as the "Recommendation Committee") that is composed of the chief executive officer

acting as chairperson, and the directors acting as members, shall be established in the NPS for the purpose of recommending a candidate.

(3) The Recommendation Committee shall announce a call for candidates for Executive Fund Director in major daily newspapers, and may actively search for qualified candidates or entrust the active recruitment to a professional organization.

(4) According to the candidate criteria for the Executive Fund Director, as prescribed by the Ordinance of the Ministry of Health and Welfare, the Recommendation Committee shall review the candidates who applied pursuant to paragraph (3) and consult with potential candidate(s) about the terms of the contract. <Amended Feb. 29, 2008; Jan. 18, 2010> <Enforcement Date Mar. 19, 2010>

(5) The chief executive officer shall, according to the results of review and consultation referred to in paragraph (4), recommend a candidate for the Executive Fund Director and concurrently submit a contract draft to the Minister of Health and Welfare. <Amended Feb. 29, 2008; Jan. 18, 2010> <Enforcement Date Mar. 19, 2010>

(6) When the Minister of Health and Welfare approves the recommendation proposal and contract draft pursuant to paragraph (5), the chief executive officer shall enter into a contract with the candidate for the Executive Fund Director. <Amended Feb. 29, 2008; Jan. 18, 2010> <Enforcement Date Mar. 19, 2010>

(7) Submission of the recommendation proposal and contract draft referred to in paragraph (5) and approval on them referred to in paragraph (6) shall be regarded as the recommendation and appointment of the executive directors, respectively, as referred to in Article 30(2).

(8) Matters necessary with regard to the qualification of Executive Fund Director, consultation regarding the contract draft, recommendation and contract, etc. shall be determined by the Ordinance of the Ministry of Health and Welfare. <Amended Feb. 29, 2008; Jan. 18, 2010> <Enforcement Date Mar. 19, 2010>

Article 32 (Officers' Term of Office) Officers' term of office shall be three years. However, for the *ex officio* director, the term of office shall be that of his/her incumbent period, and for the Executive Fund Director, the term of office shall be determined by contract.

Article 33 (Duties of Officers) (1) The chief executive officer shall represent the NPS and control the overall services of the NPS.

(2) The executive directors shall divide and allot duties of the NPS under the Articles of Incorporation. If the chief executive officer is unable to take charge of his/her duties, one of the executive directors, according to the order of priority as determined by the Articles of Incorporation, shall act for the chief executive officer.

(3) The auditor shall audit the accounts, the manner in which the affairs of the NPS are administered, and the status of its finances.

Article 34 (Appointment of Agent) The chief executive officer may appoint, from among the staff members, an agent with the authority to perform all juridical and non-juridical acts related to the affairs of the NPS as determined by the Articles of Incorporation.

Article 35 (Disqualifications of Officers) A person falling under one of the following subparagraphs is ineligible to become an officer of the NPS:

1. A person who is incompetent or quasi-incompetent;
2. A person who has been declared bankrupt and has not been reinstated;
3. A person who has been sentenced to imprisonment or to a heavier penalty and for whom three years has not passed since the execution of the penalty was terminated or since the suspension of its execution was determined; and
4. A person who has been disqualified or suspended from qualification under any law or decision of the court.

Article 36 (*Ex Officio* Retirement or Dismissal of Officers) (1) When an officer falls under one of the subparagraphs as referred to in Article 35, he/she shall be required to retire *ex officio* from his/her office.

(2) A person with the authority to appoint and dismiss officers may dismiss an officer under one of the following subparagraphs:

1. When it is deemed that he/she cannot perform his/her duties due to physical or mental impairment;
2. When he/she violates his/her official duties;
3. When he/she has caused losses to the NPS intentionally or through gross negligence; or
4. When the Executive Fund Director falls under a dismissal paragraph in the contract concluded with the chief executive officer under Article 31(6).

Article 37 (Restriction of Concurrent Services of Officers and Staff) The chief executive officer, executive directors, auditor and staff members of the NPS shall not be engaged in profit-making businesses. The chief executive officer, executive directors and auditor shall not concurrently hold another office without the permission of the Minister of Health and

Welfare, and other staff shall not without the permission of the chief executive officer.
<Amended Feb. 29, 2008; Jan. 18, 2010> <Enforcement Date Mar. 19, 2010>

Article 38 (Board of Directors) (1) In order to deliberate on and decide important matters of the NPS, a Board of Directors shall be established in the NPS.

(2) The Board of Directors shall be composed of the chief executive officer, executive directors and directors.

(3) The chief executive officer shall call meetings of the Board of Directors and be the chairperson.

(4) All decisions of the Board of Directors shall be made by a majority of members present at any meeting which is attended by a majority of incumbent members.

(5) The auditor may attend and state his/her opinion at the meeting of the Board of Directors.

(6) Matters necessary with regard to the operation of the Board of Directors shall be determined by the Presidential Decree.

Article 39 (Appointment and Dismissal of NPS Staff) The chief executive officer shall appoint and dismiss NPS staff under the Articles of Incorporation.

Article 40 (Status of Officers and Staff) The officers and staff of the NPS shall be regarded as government officials in the application of Articles 129 through 132 of the 「Criminal Act」.

Article 41 (Supervision of NPS) (1) The NPS shall obtain the approval from the Minister of Health and Welfare for its business operation plan and budget proposal for each fiscal year as determined by the Presidential Decree. <Amended Feb. 29, 2008; Jan. 18, 2010>
<Enforcement Date Mar. 19, 2010>

(2) The NPS shall submit reports on its business performance and account settlement to the Minister of Health and Welfare within two months after the end of each fiscal year.
<Amended Feb. 29, 2008; Jan. 18, 2010> <Enforcement Date Mar. 19, 2010>

(3) The Minister of Health and Welfare may take necessary measures for the supervision of the NPS, which includes ordering the NPS to report on business operations, inspecting its business or financial status, and, if necessary, ordering it to alter its Articles of

Incorporation. <Amended Feb. 29, 2008; Jan. 18, 2010> <Enforcement Date Mar. 19, 2010>

Article 42 (Accounts of NPS) (1) The NPS' fiscal year shall coincide with the government's fiscal year.

(2) The NPS shall determine its accounting regulations with an approval from the Minister of Health and Welfare. <Amended Feb. 29, 2008; Jan. 18, 2010> <Enforcement Date Mar. 19, 2010>

Article 43 (Revenues and Expenses of NPS) The NPS' revenues shall be composed of money transferred from the National Pension Fund, subsidies from the government, loans and other income. Its expenses shall be composed of benefits, reserves, refunds, repayments and interest of loans under this Act and other expenses incurred from the regular operation of the NPS.

Article 44 (Temporary Loans and Appropriation by Transfers) (1) If the fund for expenses during any fiscal year is insufficient, the NPS may acquire a temporary loan from the National Pension Fund.

(2) Temporary loans made during a fiscal year shall be redeemed within the current fiscal year.

(3) If expenses relating to benefits exceed revenues in a fiscal year, the NPS may make up that difference through transfers from the National Pension Fund after appropriate deliberation by the National Pension Fund Management Committee referred to in Article 103.

Article 45 (Disposal of Surplus) If there is a surplus balance in the account settlement at the end of a fiscal year, the NPS shall make good any losses and reserve the remainder for the National Pension Fund.

Article 46 (Welfare Programs and Loan Services) (1) The NPS may conduct the following welfare programs to promote the welfare of persons who are and were insured persons, and beneficiaries as determined by the Presidential Decree.

1. Loan services
2. Building, supplying, renting and operating elderly welfare facility by the 「Welfare of the Aged Act」.
3. As supplementary facility of the above elderly welfare facility, building and operating sports facility by the 「Installation and Utilization of Sports Facilities Act」.
4. Other welfare programs, as stipulated by the Presidential Decree

(2) In order to conduct the welfare business referred to in paragraphs (1), (2), and (3), the NPS may invest a corporation designated by the Ordinance of the Ministry of Health and Welfare. <Amended Jan. 18, 2010> <Enforcement Date Mar. 19, 2010>

(3) The NPS may conduct loan services for persons who are and were insured persons to increase the fund as determined by the Presidential Decree.

(4) When the NPS incurs a loss due to the intentional or gross negligence of an officer or staff who is in charge of loan services referred to in paragraphs (1) or (3) in the execution of his/her duties, he/she shall compensate for the loss.

(5) Matters related to the method of investment referred in paragraph (2) is set by the Ordinance of the Ministry of Health and Welfare. <Amended Jan. 18, 2010> <Enforcement Date Mar. 19, 2010>

[Amended Jan. 30, 2009] <Enforcement Date May. 1, 2009>

Article 46-2 (Special Case on Welfare Facility Establishment Business, etc.) The case where the NPS acquires the real estate created by the state, a local government, the Korea Land Corporation by the 「Korea Land Corporation Act」, the Korea Housing Corporation by the 「Korea National Housing Corporation Act」, or other public institutions designated by the Presidential Decree to establish welfare facility by the Article 46(1), 46(2), and 46(3), the NPS is regarded as state or local government.

[Newly Inserted Jan. 30, 2009] <Enforcement Date May. 1, 2009>

Article 46-3 (Service on Successful Aging) The NPS may provide services on successful aging such as consulting and training on finance, health, leisure, job, social participation and connecting with related specialized agencies, etc. to secure stability in old age for persons who are or were insured and beneficiaries, as referred by the Presidential Decree.

<Amended Dec. 31, 2011> <Enforcement Date Jul. 1, 2012>

[Newly Inserted Jan. 30, 2009] <Enforcement Date May. 1, 2009>

[Title Amended Dec. 31, 2011] <Enforcement Date Jul. 1, 2012>

Article 47 (Entrustment of Services) (1) Pursuant to the Articles of Incorporation, the NPS may entrust its services including, but not limited to, the receipt of repayments of loans, paying benefits and loans, and other parts of its services to a corporate body handling social insurance services under other Acts, post offices, financial institutions, or other bodies. <Amended May. 21, 2009> <Enforcement Date Jan. 1, 2012>

(2) The range of services and bodies the NPS may entrust its services to, under paragraph (1), shall be determined by the Presidential Decree.

Article 48 (Application of the 「Civil Act」) Unless otherwise determined by this Act, the 「Civil Act」 provisions concerning incorporated foundations shall apply *mutatis mutandis* to the NPS.

CHAPTER IV BENEFITS

SECTION 1 GENERAL RULES

Article 49 (Types of Benefits) The types of benefits as prescribed by this Act shall be as follows:

1. Old-age Pension;
2. Disability Pension;
3. Survivor Pension; and
4. Lump-sum Refund.

Article 50 (Payment of Benefits) (1) Benefits shall be paid by the NPS upon the claim of a person who is eligible to receive the benefits (hereinafter referred to as the "beneficiary").

(2) The pension amount shall be calculated according to the reason for the pension payments on the basis of the basic pension amount and Dependants' Pension amount.

Article 51 (Basic Pension Amount) (1) The basic pension amount of beneficiaries shall be the total amount of the following subparagraphs multiplied by 1200/1000. However, in the event that the insured period is over twenty years, for every year in excess of twenty years (each month not constituting a full year shall be calculated as 1/12 year), the basic pension amount shall be multiplied by 50/1000 and added to the total calculated as mentioned above: <Amended Feb. 29, 2008; Jan. 18, 2010> <Enforcement Date Mar. 19, 2010>

1. The amount calculated by dividing the sum by 3 for each amount as calculated for each of the following items:
 - a. The amount determined by adjusting the Average Monthly Income of "the year three years prior to the commencement of pension payments" to the national consumer price fluctuation rate (meaning the national consumer price fluctuation rate announced yearly by the Commissioner of the National Statistical Office under Article 3 of the 「Statistics Act」; hereinafter in this Article it has the same meaning) of "the year prior to the commencement of pension payments" compared to that of "the year three years prior to the commencement of pension payments";
 - b. The amount shall be determined by adjusting the Average Monthly Income of "the year two years prior to the commencement of pension payments" to the national consumer price fluctuation rate of "the year prior to the commencement of pension payments" compared to that of "the year two years prior to the commencement of pension payments";

- c. The Average Monthly Income of "the year prior to the commencement of pension payments";
- 2. The Standard Monthly Income of each insured year during the insured period of the insured person adjusted to its current value of "the previous year of the commencement of pension payments" according to the annual revaluation rate as announced by the Minister of Health and Welfare as determined by the Presidential Decree, and the amount by totaling those amounts and dividing by the total insured period, except for cases where the amount shall be calculated according to the following items:
 - a. The Standard Monthly Income of the insured period which is additionally counted under Article 18 shall be the amount corresponding to 1/2 of the amount calculated under subparagraph 1;
 - b. The Standard Monthly Income of the insured period which is additionally counted under Article 19 shall be the amount corresponding to the amount calculated under subparagraph 1.

(2) In applying the amount of each subparagraph under paragraph (1) to a beneficiary, the amount corresponding to the rate of change shall be increased or reduced by the end of March of each year, based on the national consumer price fluctuation rate of "the year prior to the commencement of pension payments" compared to that of "the year two years prior to the commencement of pension payments". In this case, it shall be reviewed in advance by the National Pension Deliberation Council referred to in Article 5.

(3) In applying the amount adjusted under paragraph (2) to a beneficiary, the applicable period shall be from April of the adjustment year concerned to March of the following year.

Article 52 (Dependents' Pension Amount) (1) The Dependents' Pension amount to be given to a person falling under one of the following categories based on a beneficiary (in the case of a Survivor Pension, a deceased person who is or was an insured person), whose livelihood is maintained by a beneficiary, shall be the amount as prescribed in any of the corresponding subparagraphs. In this case, the recognition criteria for each category of persons who have been supported shall be determined by the Presidential Decree: <Amended Jun. 7, 2011>

- 1. Spouse: 150,000 won annually;
- 2. Children under eighteen years of age or having a 1st or 2nd degree of disability (including any child adopted or born by a beneficiary's spouse prior to the current marriage; hereinafter in this Article the same shall apply): 100,000 won annually;

3. Parents aged sixty or over, or having a 1st or 2nd degree of disability (including spouse of a father or mother, parents of a spouse; hereinafter in this Article the same shall apply): 100,000 won annually.

(2) In applying the Dependents' Pension amount referred to in paragraph (1) to a beneficiary, paragraphs (2) and (3) of Article 51 shall apply *mutatis mutandis*.

(3) If a person falling under one of the categories referred to in paragraph (1) belongs to one of the following categories he/she shall be excluded from the calculation of the Dependents' Pension amount referred to in paragraph (1). <Amended Jun. 7, 2011>

1. Those entitled to receive a pension (including those entitled to receive linked benefits under the 「Act on Linkage between National Pension and Occupational Pension」)
2. Beneficiaries of Retirement pension, etc.
3. Beneficiaries of Survivor Pension under the 「Public Officials Pension Act」, the 「Pension for Private School Teachers and Staff Act」, and the 「Special Post Office Act」, or the 「Veterans' Pension Act」

(4) A person falling under one of the categories referred to in paragraph (1) shall not be considered in the calculation of the Dependents' Pension amount of two or more pension beneficiaries.

(5) When a person falling under one of the categories referred to in paragraph (1) falls under one of the following subparagraphs, he/she shall be excluded from the calculation of the Dependents' Pension amount: <Amended Jun. 7, 2011>

1. When he/she dies;
2. When the condition under which he/she has maintained his/her livelihood by the beneficiary, comes to an end;
3. When the spouse becomes divorced;
4. When the child is adopted by another person or the adopted relationship is terminated;
5. When the child becomes eighteen years of age. Any child who has been in the condition of a 1st or 2nd degree of disability since the beneficiary acquired his/her eligibility shall be excluded;
6. When the child or parent who has had a 1st or 2nd degree of disability no longer falls under either disability condition; and
7. When the beneficiary's relationship with his/her step-child is terminated due to a divorce with the step-child's mother/father.
8. When the beneficiary's relationship with his/her remarried father's or mother's spouse is terminated due to a divorce between his/her parent and the spouse.

Article 53 (Maximum Pension Amount) The monthly pension amount shall not exceed the larger of the following two amounts:

1. The average amount of the Standard Monthly Income for the last five years of the insured period (which is adjusted on the basis of the year prior to the commencement of pension payments under Article 51(1)2 adjusted under Article 51(2);
2. The average amount of the Standard Monthly Income during the insured period (which is adjusted on the basis of the year prior to the commencement of pension payments under Article 51(1)2 adjusted under Article 51(2).

Article 54 (Period and Time of Pension Payment) (1) The pension payment shall be paid from the month following the month which includes the day when the reason for pension payment thereof occurs (in the case of either return of the Lump-sum Refund as referred to in Article 78 (1) or paying postponed contributions or delinquent contributions as referred to in Article 92 (1), the reason for pension payment is considered to occur on the day the corresponding repayment/payment is made) to the month which includes the day when the eligibility to receive the pension expires. <Amended Dec. 31, 2011> <Enforcement Date Jul. 1, 2012>

(2) The pension shall be paid on 25th of every month, and in the case where the payment day falls on a Saturday or holiday, it shall be paid on the day before. However, it may be paid before the payment day if the eligibility expires or the payment is suspended. <Amended Dec. 31, 2011> <Enforcement Date Apr. 1, 2012>

(3) If there is any reason to suspend the payment of pension, the pension shall not be paid starting from the month following the month which includes the day of occurrence of the cause, to the month which includes the day of expiration of the cause.

Article 55 (Unpaid Benefits) (1) If there is a remaining balance of benefits upon death of the beneficiary, unpaid benefits shall be paid to persons, including spouse, children, parents, grandchildren, grandparents or siblings upon their claim. However, they will not be paid to persons who fall under such cases as defined by the Presidential Decree including runaways, missing persons, etc, and in the case of siblings, they shall be paid only to persons whose livelihoods shall have been maintained by the beneficiary up to the time of his/her death, as determined by the Presidential Decree. <Amended Dec. 31, 2011> <Enforcement Date Jul. 1, 2012>

(2) The claimant of the benefits referred to in paragraph (1) shall be in the order of spouse, children, parents, grandchildren, grandparents, and siblings. In the case where two or more persons are of equal priority, they shall be paid equally, and the payment method shall be determined by the Presidential Decree.

(3) Unpaid benefits as referred to in paragraph (1) shall be claimed within five years of the day of the death of the beneficiary. <Newly Inserted Dec. 31, 2011> <Enforcement Date Jul. 1, 2012>

Article 56 (Adjustment between Concurrent Benefits) (1) If a beneficiary becomes eligible for two or more benefits under this Act, only one benefit shall be paid in accordance with his/her choice, and the payment of other benefits shall be suspended.

(2) Notwithstanding paragraph (1), if any of the unchosen pensions under paragraph (1) fall under one of the following subparagraphs, the amount prescribed in the subparagraph concerned shall be paid in addition to the chosen pension amount.

1. If the unchosen pension is the Survivor Pension (excluding a case where a beneficiary chooses a Lump-sum Refund): the amount corresponding to 20/100 of the Survivor Pension will be paid; and
2. If the unchosen pension is a Lump-sum Refund (excluding a case where the beneficiary chooses to accept a Disability Pension instead of receiving a Lump-sum Refund which is based on his/her contribution payment): The amount corresponding to that indicated in Article 80(2).

Article 57 (Repossession of Benefit) (1) If a person who has received a benefit falls under one of the following paragraphs, the NPS shall recover the amount as determined by the Presidential Decree. <Amended Dec. 31, 2011> <Enforcement Date Jul. 1, 2012>

1. When a person receives a benefit under false or fraudulent means
2. When a benefit is paid by mistake because a person does not report or delay to report to the NPS the reasons for the extinction of the eligibility to benefits referred to in Article 75 and 121(2).
3. When a benefit is paid by mistake due to other reasons

(2) The NPS shall recover the amount including interest as defined by the Presidential Decree in such cases as stated in subparagraph 1 and 2 of paragraph (1). Provided that the person responsible for payments is not at fault, the interest shall not be included. <Newly Inserted Dec. 31, 2011> <Enforcement Date Jul. 1, 2012>

(3) If the person responsible for payment of the recovery amount referred to in paragraphs (1) and (2) does not pay it by the payment due date, the NPS shall collect an arrears fee by applying *mutatis mutandis* Articles 97(1) and (2), and in this case, the NHIC and contribution shall be regarded as the NPS and recovery amount respectively. Provided that there is a particular reason for being unable to pay contributions, such as a natural disaster or others determined by the Presidential Decree, the NPS may not collect the arrears. <Newly Inserted Dec. 31, 2011> <Enforcement Date Jul. 1, 2012>

(4) If a person who was presumed deceased under Article 15 is confirmed to be alive, the NPS shall recover the paid amount from the recipient who has received benefits due to presumption of death. <Amended Dec. 31, 2011> <Enforcement Date Jul. 1, 2012>

(5) If a person responsible for payment of the recovery amount as referred to in paragraphs (1), (2), (4) and the arrears fee as referred to in paragraph (3) has eligibility to receive other benefits or a refund including excessive or erroneous contributions, etc., the NPS may appropriate them to the amount and the arrears to be recovered (hereinafter referred to as "recovery amount") as referred to in paragraphs (1) to (4). <Amended May. 21, 2009; Dec. 31, 2011> <Enforcement Date Jul. 1, 2012>

(6) If the amount and arrears fee to be collected under paragraphs (1) to (5) is less than the amount determined by the Presidential Decree, the NPS may not collect it. <Amended Dec. 31, 2011> <Enforcement Date Jul. 1, 2012>

[Title Amended Dec. 31, 2011] <Enforcement Date Jul. 1, 2012>

Article 57-2 (Notice of Recovery Amount, Demand and Attachment) (1) The NPS shall notify in writing specifying the amount, arrears fee and due date in order to charge recovery amount and arrears fee pursuant to Article 57 (1) to (4). <Amended Dec. 31, 2011> <Enforcement Date Jul. 1, 2012>

(2) When a person who has received the notice referred to in paragraph (1) fails to pay the recovery amount within the due date, the NPS shall demand it pursuant to Presidential Decree with due date.

(3) When a person who receives the demand referred to in paragraph (2) fails to pay the recovery amount and arrears fee by the deadline for payment, the NPS may collect it in accordance with the examples of disposition of the national tax in arrears after obtaining approval of the Minister of Health and Welfare. In such cases, Article 95 (5) and (6) shall be applied to the attachment process, and the "NHIC" shall be deemed the "NPS". <Amended Jun. 7, 2011; Dec. 31, 2011> <Enforcement Date Jul. 1, 2012>
[Newly Inserted May. 21, 2009] <Enforcement Date Jan. 1, 2011>

Article 58 (Protection of Eligibility to Benefits) (1) The eligibility to receive benefits shall not be transferred, seized or offered as security.

(2) Benefits paid to the beneficiary which fall below the amount determined by Presidential Decree shall not be eligible for seizure.

Article 59 (Payment after Deduction of Unpaid Amount) (1) Where a person who is or was an insured person acquires benefits eligibility or dies, if he/she is liable to repay the loans under Article 46, the loans may be deducted from the benefits (including a Lump-sum Death Payment but excluding suspended benefits) under this Act. The deduction shall not exceed 1/2 of each monthly pension amount for the beneficiaries of the pension benefits under this Act, excluding a Disability Pension paid as lump-sum compensation under Article 68 (2).

(2) In order to deduct the liability for the loans under paragraph (1), repayment of the liability shall be demanded in writing with a time limit of at least twenty days and the beneficiary shall be notified in advance that the debt will be deducted from the benefits unless the debt is paid by the deadline.

(3) The deducted amount under paragraph (1) shall be regarded as benefits paid to the beneficiary in such amount.

Article 60 (Exemption from Taxes and Other Public Charges) With respect to the amount paid as benefits under this Act, taxes and other public charges of the state or local governments shall be reduced or exempted as determined by the Restriction of Special Taxation Act and other laws or municipal Ordinances of local governments.

SECTION 2 OLD-AGE PENSION

Article 61 (Old-age Pension Beneficiary) (1) When a person who has been or was an insured person for 10 or more years, reaches the age of sixty (fifty-five for special occupation employees), thenceforth he/she shall receive the Old-age Pension for the duration of his/her lifetime. <Amended Dec. 31, 2011> <Enforcement Date Jul. 1, 2012>

(2) When a person aged more than 55 who has been or had been an insured person for more than ten years is not engaged in income-earning activities determined by the Presidential Decree, he/she may receive a specified amount of benefits (hereinafter referred to as the "Early Old-age Pension") for the duration of his/her lifetime from the time he/she claims the benefit as he/she wishes even before he/she reaches the age of sixty, notwithstanding paragraph(1). <Amended Dec. 31, 2011> <Enforcement Date Jul. 1, 2012>

Article 62 (Additional Benefits by Postponed Payment) (1) If a person aged more than 60, but less than 65 (more than 55 but less than 60 for special occupation employees), who is a beneficiary of the Old-age Pension as referred to in Article 61 wishes to postpone the pension payment, it may be postponed till before the age of 65(60 for special occupation

employees) on no more than one occasion. <Amended Dec. 31, 2011> <Enforcement Date Jul. 1, 2012>

(2) In the case where a beneficiary who applied for the deferment of payment under paragraph (1) wishes to receive pension payments, his/her pension amount shall be the amount given by adding the Old-age Pension amount referred to in Article 61 and Article 66 (2) (Dependents' Pension amount not included) which has been adjusted under Article 51 (2) at the time of application, to the amount equivalent to 6/1000 of the above amount for each deferred month. In this case, the amount equivalent to 6/1000 shall be adjusted under Article 51(2). <Amended Dec. 31, 2011> <Enforcement Date Jul. 1, 2012>

Article 63 (Amount of Old-age Pension) (1) The amount of the Old-age Pension referred to in Article 61(1) shall be obtained by adding the Dependents' Pension amount to the pension amount as specified in each of the following subparagraphs: <Amended Dec. 31, 2011> <Enforcement Date Jul. 1, 2012>

1. For an insured period of twenty years or longer: Basic pension amount
2. For an insured period ranging from ten to less than twenty years: Amount obtained by adding the amount equivalent to 50/1000 of the basic pension amount for every year (each month not constituting a full year shall be calculated as 1/12 year) over and above ten years to the amount equivalent to 500/1000 of the basic pension amount

(2) The amount of the Early Old-age Pension shall be calculated by adding the Dependents' Pension amount to that obtained by multiplying the Old-age Pension amount (Dependents' Pension amount not included) referred to in paragraphs (1), by the ratio in each of the following subparagraphs according to the age of the beneficiary (in the case where the application date falls after the month following the month which includes the date the beneficiary reaches the age, 5/1000 shall be added for every month): <Amended Dec. 31, 2011> <Enforcement Date Jul. 1, 2012>

1. 700/1000 for a person who receives a pension from fifty-five years of age;
2. 760/1000 for a person who receives a pension from fifty-six years of age;
3. 820/1000 for a person who receives a pension from fifty-seven years of age;
4. 880/1000 for a person who receives a pension from fifty-eight years of age;
5. 940/1000 for a person who receives a pension from fifty-nine years of age.

(3) Deleted <Amended Dec. 31, 2011> <Enforcement Date Jul. 1, 2012>

Article 63-2 (Amount of Old-age Pension According to Income-earning Activities) During the period over 60 years of age but less than 65 (over 55 years of age but less than 60 for special occupation employees) when an Old-age Pension beneficiary referred to in

Article 61 is engaged in income-earning activities as defined by the Presidential Decree, the amount obtained by multiplying the amount of Old-age Pension referred to in Article 62(2), Article 63 and Article 66(2) (dependents' pension amount not included), by the ratio in each of the following subparagraphs according to the age of the beneficiary shall be paid.

1. 500/1000 for a person aged sixty (fifty-five for special occupation employees);
2. 600/1000 for a person aged sixty one (fifty-six for special occupation employees);
3. 700/1000 for a person aged sixty two (fifty-seven for special occupation employees);
4. 800/1000 for a person aged sixty three (fifty-eight for special occupation employees);
5. 900/1000 for a person aged sixty four (fifty-nine for special occupation employees).

[Newly Inserted Dec. 31, 2011] <Enforcement Date Jul. 1, 2012>

Article 64 (Beneficiary of Divided Pension, etc.) (1) When a person who has been married to an insured person for five years or longer (referring only to the insured period; hereinafter the same shall apply) meets all the qualifications of the following subparagraphs, he/she shall be paid, for the duration of his/her lifetime, the Old-age Pension divided by the fixed rate (hereinafter referred to as the "Divided Pension"): <Amended Dec. 31, 2011> <Enforcement Date Jul. 1, 2012>

1. He/she has divorced a spouse
2. The spouse is a beneficiary of the Old-age Pension
3. He/she has reached the age of sixty.

(2) The amount of the Divided Pension referred to in paragraph (1) shall be obtained by dividing the ex-spouse's Old-age Pension amount corresponding to the entire duration of the marriage into equal proportion (Dependents' Pension amount not included).

(3) The Divided Pension under paragraph (1) of this article shall be claimed within 3 years from the time when all requirements of the subparagraphs under paragraph (1) of this Article are met. <Amended Dec. 31, 2011> <Enforcement Date Jul. 1, 2012>

Article 65 (Correlation between Old-age Pension and Divided Pension, etc.) (1) Once the eligibility of the Divided Pension referred to in Article 64(1), has been acquired, that eligibility shall not be affected, for any reason, by the expiration or suspension of the ex-spouse's Old-age Pension eligibility.

(2) When a beneficiary is eligible for two or more Divided Pensions, the totaled amount of the two or more pension benefits shall be paid to him/her notwithstanding Article 56. However, in the event that a beneficiary is eligible for two or more Divided Pensions and other benefits (Old-age Pension not included; hereinafter in this paragraph the same shall apply), that eligibility to more than two Divided Pensions shall be considered as one

eligibility to the Divided Pension. In this case, he/she shall choose one benefit; either the Divided Pensions or any of the other benefits. Whichever benefit(s) the beneficiary does not choose shall be suspended.

(3) The beneficiary of the Divided Pension shall not be regarded as an Old-age beneficiary when the Survivor Pension referred to in Article 72(1) is paid to him/her.

(4) When a beneficiary of the Divided Pension acquires eligibility for the Old-age Pension, notwithstanding Article 56, the sum of the Divided Pension and the Old-age Pension shall be paid.

Article 66 (Suspension of Early Old-age Pension Payment, etc.) (1) When a beneficiary aged less than sixty who is receiving the Early Old-age Pension under Article 61(2) and 63(2) begins to work in income-earning activities referred to in Article 61(2), his/her Early Old-age Pension shall be suspended during that period. <Amended Dec. 31, 2011> <Enforcement Date Jul. 1, 2012>

(2) When a beneficiary whose Early Old-age Pension has been suspended pursuant to paragraph (1) receives an Early Old-age Pension again before reaching the age of sixty because he is no longer engaged in income-earning activities, or when the former beneficiary reaches the age of sixty, he/she shall receive any of the following amounts of the Early Old-age Pension: <Amended Dec. 31, 2011> <Enforcement Date Jul. 1, 2012>

1. Amount which is obtained by adding the Dependents' Pension amount to the amount given by multiplying the Old-age Pension amount (Dependents' Pension amount not included) calculated based on the insured periods, given by adding up insured periods before and after the payment suspension referred to in Article 63(1) by the ratio which $\frac{5}{1000}$ is subtracted from the ratio according to the beneficiary's age at the time of his/her resumption of payment under each subparagraph of Article 63(2) for every one month for which the pension benefits have been paid; and
2. The Early Old-age Pension amount before being suspended; in the case where the Early Old-age Pension amount (Dependents' Pension not included; hereinafter in this subparagraph the same shall apply) referred to in subparagraph 1 is less than the Early Old-age Pension amount before being suspended under paragraph (1).

SECTION 3 DISABILITY PENSION

Article 67 (Disability Pension Beneficiary) (1) If a person has a physical or mental disability (including a case where an insured person hasn't recognized the onset of the disease and the first medical examination of that disease is taken while insured; hereinafter

in this Section and Section 4 the same shall apply) traceable to a sickness or injury that occurs during his/her insured period, even after his/her medical treatment has been completely terminated, he/she shall be paid the Disability Pension according to the degree of disability for the period in which it persists.

(2) If the medical treatment of a person who has suffered from a sickness or injury referred to in paragraph (1) has not been completely terminated within one and a half years after his/her first medical examination, the degree of disability shall be determined on the basis of the day after one and a half years have passed. However, in cases of those individuals who are not eligible for the Disability Pension on the day when one and a half years have passed, if the sickness or injury has worsened and is eligible for the Disability Pension before his/her reaching the age of sixty, then his/her degree of disability shall be determined upon his/her claim on the basis of the day he/she claims the Disability Pension.

(3) If a person who has lost the Disability Pension eligibility under Article 70(1) becomes eligible for the Disability Pension again before reaching sixty years of age due to the worsening of the sickness or injury which was the ground for the previous Disability Pension, his/her degree of disability shall be determined upon his/her claim on the basis of the day he/she claims the Disability Pension.

(4) When a person who is eligible for the Disability Pension has already been paid the Lump-sum Refund under Article 77, he/she shall not be paid the Disability Pension.

(5) The degree of disability shall be classified into 1st, 2nd, 3rd, and 4th degrees, and matters regarding the criteria for classification and examination of the degree of disability shall be determined by the Presidential Decree.

Article 68 (Amount of Disability Pension) (1) The amount of the Disability Pension shall be one of the following subparagraphs, depending on the degree of disability:

1. For a person falling under 1st degree of disability: The amount obtained by adding the Dependents' Pension to the basic pension amount;
2. For a person falling under 2nd degree of disability: The amount obtained by adding the Dependents' Pension to the amount equivalent to 800/1000 of the basic pension amount; and
3. For a person falling under 3rd degree of disability: The amount obtained by adding the Dependents' Pension to the amount equivalent to 600/1000 of the basic pension amount.

(2) Any person who falls under 4th degree of disability shall receive the amount equivalent to 2250/1000 of the basic pension amount as a lump-sum compensation.

Article 69 (Adjustment between Concurrent Disabilities) When a Disability Pension beneficiary becomes eligible for another Disability Pension, the beneficiary shall be paid the Disability Pension amount according to the degree of the previous and the new disability combined. However, in the event that the Disability Pension amount according to the degree of the previous and the new disability combined is less than previous amount according to the degree of the previous disability, the previous pension amount shall be paid.

Article 70 (Changes in Disability Pension Amount, etc.) (1) The NPS shall review the degree of disability and adjust the Disability Pension amount according to any change in the degree of disability. In addition, after the review, if a person is found not to fall under one of the degrees of disability, his/her eligibility to the Disability Pension shall be terminated by the NPS.

(2) In the case where a beneficiary's disability is aggravated, he/she may submit an application to the NPS for a change in the amount of Disability Pension.

(3) According to paragraphs (1) and (2), the degree of disability is determined based on the day when a sickness or injury is cured completely, or based on the day, if it has not been cured until the day in each of the following subparagraphs: <Newly Inserted Dec. 31, 2011> <Enforcement Date Jul. 1, 2012>

1. In case of paragraph (1): the day determined by the Presidential Decree Such as the last day of the month of the period that is determined by the NPS according to the probability to be changed of the degree of disability
2. In case of paragraph (2): the day when the beneficiary claims a change of the amount of the disability pension benefit

(4) Paragraphs (1) and (2) shall not apply to a beneficiary of the Disability pension aged more than sixty. <Amended Dec. 31, 2011> <Enforcement Date Jul. 1, 2012>

Article 71 (Assessment of Lump-Sum Compensation) In applying the adjustment of concurrent benefits referred to in Article 56, the adjustment between concurrent Disability Pensions referred to in Article 69, the modification of the Disability Pension amount referred to in Article 70, and the extinctive prescription referred to in Article 115(1) to a person who is eligible for a lump-sum compensation referred to in Article 68(2), it shall be deemed that the lump-sum amount equivalent to 400/1000 of the basic pension amount

divided by 12 has been paid for sixty-seven months from the month following the month which includes the date on which the reason for the lump-sum payment occurs.

SECTION 4 SURVIVOR PENSION

Article 72 (Survivor Pension Beneficiary) (1) In the event of the death of the following persons, a Survivor Pension shall be paid to his/her survivors. However, in cases where a person with an insured period of less than one year dies of a disease or from a wound, the pension benefits shall be paid to his/her survivors only if he/she died of a disease or from a wound that occurred during the insured period:

1. A person entitled to the Old-age Pension;
2. A person who had been an insured person for ten or more years;
3. A person who is an insured person; and
4. A person entitled to the Disability Pension with a 2nd degree of disability or higher.

(2) In the event that a person who was an insured person for less than ten years dies; within two years of his/her first medical examination given during his/her insured period; or within two years from the first medical examination conducted within one year after losing his/her insured status due to a sickness, injury or sickness from the injury which he/she got during his/her insured period, the survivors shall be entitled to the Survivor Pension unless the person or his/her survivors have already received the Lump-sum Refund under Article 77.

Article 73 (Scope of Survivors, etc.) (1) Survivors eligible for the Survivor Pension shall be any of the following persons whose livelihood has been maintained by a person who is or was an insured person at the time of his/her death. In this case, the recognition criteria for person(s) who have been supported by the person who is or was an insured person shall be determined by the Presidential Decree: <Amended Dec. 31, 2011> <Enforcement Date Apr. 1, 2012>

1. Spouse;
2. Children: Provided that they are under nineteen years of age or have a 2nd degree of disability or higher;
3. Parents (including the spouse's parents; hereinafter in this Section the same shall apply): Provided that they are over sixty years of age or have a 2nd degree of disability or higher;
4. Grandchildren: Provided that they are under nineteen years of age or have a 2nd degree of disability or higher; and

5. Grandparents (including the spouse's grandparents; hereinafter in this Section the same shall apply): Provided that they are over sixty years of age or have a 2nd degree of disability or higher.

(2) The Survivor Pension shall be paid only to the person having the first priority in the order according to each subparagraph of paragraph (1). In the event that his/her pension eligibility referred to in subparagraph 1 of paragraph (1) expires according to Article 75 or is suspended according to Article 76, the survivor as referred to in subparagraph 2 of paragraph (1) shall receive the Survivor Pension. <Amended Dec. 31, 2011> <Enforcement Date Apr. 1, 2012>

(3) If there are two or more survivors having the same priority referred to in paragraph (2), they shall be paid equally, and the method of payment shall be determined by the Presidential Decree.

Article 74 (Amount of Survivor Pension) The amount of the Survivor Pension shall be obtained by adding the Dependents' Pension to the amount as prescribed in any of the following subparagraphs according to the insured period. However, in the event that the Old-age Pension beneficiary dies, the amount of the Survivor Pension shall not exceed that of the Old-age Pension which was paid to the deceased.

1. The amount equivalent to 400/1000 of the basic pension amount for an insured period of less than ten years;
2. The amount equivalent to 500/1000 of the basic pension amount for an insured period ranging from ten to less than twenty years; and
3. The amount equivalent to 600/1000 of the basic pension amount for an insured period of twenty years or longer.

Article 75 (Expiration of Eligibility to Survivor Pension) (1) When a person entitled to the Survivor Pension falls under one of the following subparagraphs, his/her pension eligibility shall expire: <Amended Dec. 31, 2011> <Enforcement Date Apr. 1, 2012>

1. When a person entitled to the pension dies;
2. When a spouse entitled to the pension remarries;
3. When a child or grandchild entitled to the pension is adopted by another person or the adoptive relationship is terminated;
4. When a child or grandchild who does not have a 2nd degree of disability or higher, and is entitled to the pension reaches the age of nineteen;
5. When a person receiving the pension on account of disability no longer has a 2nd degree of disability or higher.

(2) The eligibility to receive the Survivor Pension of parents, grandchildren or grandparents, shall expire when an unborn child at the time of the death of the person who is or was an insured person is born and acquires eligibility.

Article 76 (Suspension of Survivor Pension Payments to Spouse) (1) Payment of the Survivor Pension to the spouse shall be made for three years from the time he/she acquires eligibility and suspended when he/she reaches fifty-five years of age. Provided that he/she falls under one of the following subparagraphs, the payment of the Survivor Pension shall not be suspended:

1. Where he/she has a 2nd degree of disability or higher;
2. Where he/she supports the livelihood of any child of a person who is or was an insured person, where the child is under eighteen years of age or has a 2nd degree of disability or higher;
3. Where he/she is not engaged in income-earning activities as determined by the Presidential Decree

(2) In the case where the whereabouts of the spouse entitled to the Survivor Pension is unknown for more than one year, this Survivor Pension shall be suspended at the request of the surviving children for the period of time in which the spouse's whereabouts is unknown.

(3) In the case where there are two or more persons entitled to the Survivor Pension other than the spouse, if there is any of such persons whose whereabouts is unknown for one or more years, the payment of Survivor Pension to him/her whose whereabouts is unknown shall be suspended at the request of the other beneficiaries for the period of time in which his/her whereabouts is unknown.

(4) When the whereabouts of the beneficiary of the Survivor Pension whose payment has been suspended under paragraphs (2) and (3) is confirmed, the suspension of payment shall be removed upon his/her request.

SECTION 5 LUMP-SUM REFUND, ETC.

Article 77 (Lump-sum Refund) (1) If a person who is or was an insured person falls under one of the following subparagraphs, he/she may receive a Lump-sum Refund upon his/her or the survivors' claim:

1. In the case when a person who had been an insured person for less than ten years reaches the age of sixty;

2. In the case when a person who is or was an insured person dies. However, when a person who is insured, or has been insured for more than 10 years, dies, it shall be payable only if the payment of the Survivor Pension benefits is not made under the proviso of Article 72(1) with the exception of its subparagraph, or Article 85;
3. Where a person loses his/her nationality or immigrates to a foreign country.

(2) The Lump-sum Refund payable under paragraph (1) shall be calculated by adding the contributions which a person who is or was an insured person has paid (in the case of a person who is or was a Workplace-based Insured Person, the employer's liability shall be included) to a level of interest determined by the Presidential Decree.

(3) When a person claims the payment of a Lump-sum Refund under paragraph (1), the provisions of Article 73 shall apply *mutatis mutandis* to the scope of eligible survivors, and the order of precedence in the claim and the like.

Article 78 (Return of the Lump-sum Refund and Insured Period) (1) When a person who received the Lump-sum Refund under Article 77 regains his/her insured status, he/she may return the Lump-sum Refund which he/she received, plus interest, determined by the Presidential Decree (hereinafter referred to as the "Return of the Refund") to the NPS.

(2) The NPS may allow the return of the Refund as referred to in paragraph (1) to be paid in installments as determined by the Presidential Decree. In this case, the interest determined by the Presidential Decree shall be added to the installments.

(3) When a person returns the Lump-sum Refund under the provisions of paragraphs (1) and (2), the period corresponding to the amount of the Lump-sum Refund shall be accumulated in his/her insured period.

(4) Matters regarding the return of the Refund, such as the application, method and time limit of the return referred to in paragraphs (1) and (2) shall be determined by the Presidential Decree.

Article 79 (Expiration of Eligibility to Lump-Sum Refund) The eligibility to receive a Lump-sum Refund shall expire when it falls under one of the following subparagraphs:

1. When a person entitled to the Refund is re-qualified as an insured person;
2. When a person entitled to the Refund acquires eligibility to the Old-age Pension;
3. When a person entitled to the Refund acquires eligibility to the Disability Pension;
4. When survivors of a person entitled to the Refund acquire eligibility to the Survivor Pension.

Article 80 (Lump-sum Death Payment) (1) If a person who is or was an insured person dies and has no surviving family members as referred to in Article 73, his/her spouse, children, parents, grandchildren, grandparents, siblings or collateral blood relatives within first cousins shall receive a Lump-sum Death Payment. However, the Lump-sum Death Payment shall not be given to a person corresponding to such cases determined by the Presidential Decree as runaways and missing persons. In the case of collateral blood relatives within first cousins, the Lump-sum Death Payment shall be given to only the persons who have been supported by the deceased at the time of the death of the person who is or was an insured person as determined by the Presidential Decree. <Amended Dec. 31, 2011> <Enforcement Date Jul. 1, 2012>

(2) The Lump-sum Death Payment referred to in paragraph (1) shall be the amount equivalent to the Lump-sum Refund for a person who is or was an insured person, and shall not exceed four times the larger amount of either; the final Standard Monthly Income of a deceased person who is or was an insured person which has been converted to value one year prior to the insured person receiving the Lump-sum Death Payment, determined by the annual revaluation rate under Article 51(1)2; or the average of the Standard Monthly Income during the insured period calculated under the same subparagraph.

(3) The priority given to eligible persons for a Lump-sum Death Payment as referred to in paragraph (1), shall be in the order of spouse, children, parents, grandchildren, grandparents, siblings and first cousins. If two or more persons have equal priority, they shall share equal amounts of the payment, and the method of payment shall be determined by the Presidential Decree.

Article 81 (Correlation between Survivor Pension and Lump-sum Death Payment) With respect to the beneficiary of the Survivor Pension referred to in Article 73(1)2 and 73(1)4, if the amount of the Survivor Pension which he/she has received until the eligibility expires pursuant to Article 75(1)4 is less than the amount of the Lump-sum Death Payment referred to in Article 80(2), the difference shall be paid to him/her in a lump-sum.

SECTION 6 RESTRICTIONS ON BENEFITS PAYMENT

Article 82 (Restrictions on Benefits Payment) (1) If a person who is or was an insured person suffers a disability by intentionally provoking a disease, wound or accident, the Disability Pension which is to be paid on grounds of such disability may not be paid.

(2) If a person who is or was an insured person falls under one of the following subparagraphs by not complying with the instructions for proper medical care on purpose, by gross negligence, or without justifiable reason, the benefits which are to be paid for such a reason may not be paid wholly or partially under the conditions as determined by the Presidential Decree:

1. Where the person becomes disabled or dies;
2. Where the person causes an accident causing his or her disability or death; or
3. Where the person worsens the degree of his/her disability or hinders his/her recovery.

Article 83 (Restriction on Change in Disability Pension Amount) If the Disability Pension beneficiary fails to comply with the instructions for proper medical care on purpose, by gross negligence or without any justifiable reason, and thereby makes the disability worse or prevents the recovery thereof, the amount of the Disability Pension may not be changed under Article 70.

Article 84 (Restrictions on Payment of Survivor Pension) (1) The Survivor Pension shall not be paid to a survivor who has intentionally caused the death of a person who is or was an insured person.

(2) The Survivor Pension shall not be paid to a survivor who has intentionally caused the death of a would-be beneficiary of the Survivor Pension.

(3) The Survivor Pension shall not be paid to a beneficiary of the Survivor Pension who has intentionally caused the death of another beneficiary for the same pension.

Article 85 (Restrictions on Benefits Payment Due to Default in Payment) If a person falls under one of the following subparagraphs at the time of his/her first medical examination of the relevant disease or injury in the case of the Disability Pension or at the time of his/her death in the case of the Survivor Pension, the pension benefits shall not be paid:

1. Where the person has never made his/her contribution payments;
2. Where the period in which his/her pension contributions have been paid (including the period in which employee's contributions for him/her have been paid under Article 17(3); hereinafter in this Article the same shall apply) is less than 2/3 of the period derived by adding up the period in which the pension contributions have been paid by him/her and the insured period in which the pension contributions have not been paid by him/her (in this case, the insured period in which does not elapse one month from the due date of contribution payment under Article 89(1), and the period in which the pension contributions are allowed not to be paid under Article 91(1) shall be excluded; hereinafter in this Article the same shall apply). However, where

a period in which the contributions were not paid is less than six months, this provision shall not apply.

Article 86 (Suspension of Benefits Payment) (1) If a beneficiary falls under one of the following subparagraphs, the payment of the benefits may be partially or entirely suspended:

1. Where a beneficiary, without any justifiable reasons, fails to comply with the NPS' demand to present documents and other materials referred to in Article 122(1);
2. Where a beneficiary of the Disability Pension or Survivor Pension, without any justifiable reasons, fails to comply with the NPS' demand regarding a medical examination or confirmation of the result of the medical examination referred to in Article 120;
3. Where a beneficiary of the Disability Pension impedes his/her recovery by not properly complying with medical instructions on purpose, by gross negligence, or without any justifiable reasons;
4. Where a beneficiary without any justifiable reasons, fails to make the report referred to in Article 121(1)

(2) In the case where the NPS wishes to suspend payment of benefits under paragraph (1), it may temporarily suspend the payment as determined by the Presidential Decree before the suspension of payment.

CHAPTER V BURDEN OF EXPENSES AND COLLECTION OF PENSION CONTRIBUTIONS, ETC.

Article 87 (Expenses Paid from National Treasury) The State shall provide all or part of the costs necessary with regard to the administration and operation of the NPS and NHIC on an annual basis. <Amended May. 21, 2009> <Enforcement Date Jan. 1, 2011>

Article 88 (Imposition and Collection, etc. of Pension Contributions) (1) Ministry of Health and Welfare shall consign the affairs in relation to collection of contribution to the NHIC pursuant to this Act. <Newly Inserted May 21, 2009; Jun. 7, 2011> <Enforcement Date Jan. 1, 2011>

(2) In order to fund its National Pension business, the NPS shall impose monthly contributions to insured persons and employers during insured periods, and the NHIC shall collect it. <Amended May. 21, 2009> <Enforcement Date Jan. 1, 2011>

(3) Among the pension contribution of Workplace-based Insured Person, employee's contribution shall be borne by the employee and employer's liability shall be borne by the employer, which shall be 45/1000 of Standard Monthly Income. <Amended May. 21, 2009> <Enforcement Date Jan. 1, 2011>

(4) The pension contributions for Individually, Voluntarily and Voluntarily & Continuously Insured Persons shall be borne by themselves, at the amount equivalent to 90/1000 of the Standard Monthly Income. <Amended May. 21, 2009> <Enforcement Date Jan. 1, 2011>

(5) When the NPS has to collect additional contributions over and above the originally calculated amount due to the Standard Monthly Income correction, etc., the NPS can let the insured person or employer pay the additional contributions in installments. In this case, such matters as the person who is applying, the method of payment and the due date for payment, etc. shall be determined by the Presidential Decree. <Newly Inserted Jun. 7, 2011> <Enforcement Date Dec. 8, 2011>

[Title Amended May. 21, 2009] <Enforcement Date Jan. 1, 2011>

Article 88-2 (Notice of Payment, etc.) (1) When the NPS has imposed pension contributions under Article 88, the NHIC shall provide a notice to a person responsible for payment in a written form stating the pension contribution amount, payment deadline, payment place, etc. However, in cases where such a payment is made by automated credit transfer under Article 89(4) for a certain period, such notice may be omitted for such a period.

(2) Upon request from the payer, the NHIC may deliver notice of the above paragraph electronically according to an electronic document exchange method, which shall be specified by the Ordinance of the Ministry of Health and Welfare in relation to application, procedure, and other related matters. <Amended Nov. 8, 2010> <Enforcement Date Jan. 1, 2011>

(3) Where the NHIC has made a notice by electronic document pursuant to paragraph (2), such notice shall be deemed to have reached the person responsible for payment when such an electronic document has been stored at an information and communication network prescribed by the Ordinance of the Ministry of Health and Welfare or has been delivered to an e-mail address designated by the person responsible for payment. <Amended Jan. 18, 2010> <Enforcement Date Jan. 1, 2011>

(4) Notice given to one of the persons jointly responsible for payment of pension contributions as prescribed in Article 90(3) shall be effective for the remaining persons jointly responsible for payment. [Newly Inserted May. 21, 2009] <Enforcement Date Jan. 1, 2011>

Article 89 (Time Limit of Contribution Payment, etc.) (1) The pension contributions shall be paid by the person responsible for payments by the 10th day of the following month in which the contributions are assessed. In cases where a person is engaged in agriculture, forestry, stock farming or fishing determined by the Presidential Decree (hereinafter referred to as "farmers and fishermen"), he/she may pay quarterly contributions upon his/her own request by the 10th day of the following month of the concerned quarter.

(2) The pension contributions that were paid one month in advance of the due date shall be regarded as being paid on the day following the last day of the contribution payment period of the previous month.

(3) If a person responsible for payments pays contributions in advance, the period, the amount to be reduced, etc. shall be determined by the Presidential Decree.

(4) If the person responsible for payments pays contributions by the method of automated credit transfer, reduction of contributions or other financial advantages may be offered pursuant to the Presidential Decree. <Amended May. 21, 2009> <Enforcement Date Jan. 1, 2011>

(5) Notwithstanding paragraph (1), the NHIC may extend the time limit of the payment period by up to one month past the due date defined in paragraph (1) for any reason defined by the Ordinance of the Ministry of Health and Welfare, such as the delay of a

written notice being served, etc. <Amended Feb. 29, 2008; May 21, 2009; Jan. 18, 2010>
<Enforcement Date Jan. 1, 2011>

(6) Any person who intends to extend the time limit of the payment under paragraph (5) shall make an application for such an extension to the NHIC according to the procedure prescribed by the Ordinance of the Ministry of Health and Welfare. <Amended Feb. 29, 2008; May 21, 2009; Jan. 18, 2010> <Enforcement Date Jan. 1, 2011>

Article 90 (Payment, etc. of Withheld Pension Contribution) (1) The employer shall collect employee's contributions to be borne by the Workplace-based Insured Person from his/her monthly wage. <Amended May. 21, 2009> <Enforcement Date Jan. 1, 2011>

(2) When the employer deducts the employee's contributions from the wage under paragraph (1), he/she shall prepare the statement of deduction and deliver it to the Workplace-based Insured Persons. In this case, payslips to know the deduction, etc. are considered as statements of deduction. <Amended Jun. 7, 2011>

(3) If employers whose workplace is not a corporate body are more than two, such employers shall jointly be responsible for payment of the employee's contributions and the money to be collected. <Newly Inserted May. 21, 2009> <Enforcement Date Jan. 1, 2011>
[Title Amended May. 21, 2009] <Enforcement Date Jan. 1, 2011>

Article 91 (Exceptions to Payment of Pension Contribution) (1) If a Workplace-based or Individually Insured Person is unable to pay contributions for such reasons as given in the following subparagraphs, the person responsible for payments may be exempt from making payments for the duration of the period as determined by the Presidential Decree: <Amended Dec. 21, 2007> <Enforcement Date Dec. 22, 2008>

1. Suspension of business, unemployment or temporary absence from employment;
2. Performance of military service under Article 3 of the 「Military Service Act」;
3. Enrollment as a student in a school under Article 2 of the 「Elementary and Secondary Education Act」 or Article 2 of the 「Higher Education Act」;
4. Confinement in a correctional institution under Article 11 of the 「Administration and Treatment of Correctional Institution Inmates Act」;
5. Held in a confinement facility under the former 「Social Protection Act」 or treatment center under the 「Medical Treatment and Custody Act」;
6. Having been missing for less than one year. In this case, the recognition criteria and the confirmation method regarding the missing person shall be determined by the Presidential Decree;
7. Reduction of income due to a disaster or an accident, or disengagement from income-earning activities, determined by the Presidential Decree.

(2) The period in which the contributions have not been paid under paragraph (1), shall not be counted in the insured period.

Article 92 (Postponement of Contribution Payment) (1) Insured persons falling under one of the following subparagraphs may request a postponed payment of contribution (hereinafter referred to as "postponed contribution") for the amount corresponding to a portion or whole of the period prescribed in the concerned subparagraphs:

1. An insured person who did not make contribution payments under Article 91(1): The period during which the concerned contribution payments were not made;
2. A person who regains eligibility as an insured person after performing military service under Article 3 of the 「Military Service Act」: The duration of military service (not including the period counted as the term in office under the 「Public Officials Pension Act」, the 「Pension for Private School Teachers and Staff Act」, the 「Special Post Offices Act」 and the 「Veterans' Pension Act」, and any period of military service conducted before January 1, 1988).

(2) The postponed contribution shall be the amount which is obtained by multiplying the number of months of the postponed period, by the contribution amount of the month which includes the day in which the request for postponed payment of contribution was made.

(3) The postponed contribution may be paid in installments as determined by the Presidential Decree. In this case, the interest determined by the Presidential Decree shall be added to the contributions.

(4) In the case where an insured person has paid the postponed contribution payments according to paragraphs (1) through (3), the period corresponding to the payments shall be counted in the calculation of his/her total insured period.

(5) Matters necessary with regard to the postponed contribution payments, such as the application, method and time limit of payment, etc., shall be determined by the Presidential Decree.

Article 93 (Special Cases of Paying Delinquent Pension Contributions for Persons Who lost Status as Voluntarily & Continuously Insured Person) A person who has lost insured status as Voluntarily & Continuously Insured Person pursuant to Articles 13(3)2 through 4 may pay partial or full delinquent pension contributions, which are overdue under Article 89, to the NHIC according to the procedure prescribed by the Ordinance of the Ministry of Health and Welfare. If contributions have not been made for three years or more from

the time limit of payment, they may not be paid. <Amended Feb. 29, 2008; May 21, 2009; Jan. 18, 2010> <Enforcement Date Jan. 1, 2011>

Article 94 (Advance Collection of Contributions from Workplace-based and Individually Insured Persons) If a person responsible for contribution payments of the Workplace-based or Individually Insured Person falls under one of the following subparagraphs, the pension contributions may be collected in advance of the due date of payment (including the extended time limit under Article 89(5)):

1. Where they are subject to a disposition for arrears of national or local taxes or other public charges;
2. Where they are subject to a compulsory execution;
3. Where they have declared bankruptcy;
4. Where a public auction is commenced; and
5. Where his/her corporation is dissolved.

Article 95 (Demand for Payment of Pension Contributions, etc. and Disposition for Arrears) (1) When a Workplace-based or Individually Insured Person fails to make his/her pension contributions or other due payments under this Act within the prescribed time limit (including an extended time limit under Article 89(5)), the NHIC shall set a due date and demand its payment as determined by the Presidential Decree. <Amended May. 21, 2009> <Enforcement Date Jan. 1, 2011>

(2) When the NHIC makes a demand of payment under paragraph (1), it shall issue a demand note designating a time limit of ten days or more. <Amended May. 21, 2009> <Enforcement Date Jan. 1, 2011>

(3) A demand made to one of the persons jointly responsible for payment as prescribed in Article 90(3) shall be effective for the remainder of the persons jointly responsible for pay contributions. <Newly Inserted May. 21, 2009> <Enforcement Date Jan. 1, 2011>

(4) When a person who receives the demand referred to in paragraph (1) fails to pay the insurance premium, etc. by the deadline for payment, the NHIC may collect it in accordance with the examples of disposition of the national tax in arrears, after obtaining approval of the Minister of Health and Welfare. <Amended Feb. 29, 2008; May. 21, 2009; Jan. 18, 2010> <Enforcement Date Jan. 1, 2011>

(5) When it is deemed that it is not appropriate that the NHIC disposes of an asset seized in accordance with the example of disposition of the national tax in arrears as referred to in paragraph (4) because expert knowledge is necessary with regard to the disposal of that asset or because of other special circumstances, the NHIC may request for the disposal to

the Korea Asset Management Corporation, established under the 「Act on the Efficient Disposal of Non-Performing Assets, etc., of Financial Institutions and the Establishment of Korea Asset Management Corporation」 (hereinafter referred to as "KAMCO"), as determined by the Presidential Decree. In this case, KAMCO's disposal shall be assumed to have been conducted by the NHIC. <Amended May. 21, 2009; Jan. 18, 2010; May 19, 2011> <Enforcement Date Jan. 1, 2011>

(6) When the KAMCO conducts a disposition on behalf of the NHIC under paragraph (4), the NHIC may pay a commission as prescribed by the Ordinance of the Ministry of Health and Welfare. <Amended Feb. 29, 2008; May. 21, 2009; Jan. 18, 2010> <Enforcement Date Jan. 1, 2011>

[Title Amended May. 21, 2009] <Enforcement Date Jan. 1, 2011>

Article 96 (Delivery of Documents) The delivery of documents pursuant to Article 57-2, 88-2, and 95 shall be subject to Articles 8 (except for the proviso of paragraph (2) of the same Article) through 12 of the 「Framework Act on National Taxes」. However, the methods of mail delivery shall be specified in the Presidential Decree. <Amended May. 21, 2009> <Enforcement Date Jan. 1, 2011>

Article 97 (Arrears Fee) (1) If a person responsible for contributions fails to pay by the due date (including an extended time limit under Article 89(5)), the NHIC shall collect the arrears fee corresponding to 30/1000 of the delinquent pension amount from the next day of the due date. <Amended May. 21, 2009> <Enforcement Date Jan. 1, 2011>

(2) If a person responsible for contributions fails to pay delinquent contributions, the NHIC shall collect additional charges corresponding to 10/1000 of the delinquent pension amount added to the arrears fee referred to in paragraph (1) for every full month after the final day of the time limit. In this case, the total sum of the arrears fee and additional charges shall not exceed 90/1000 of delinquent pension contributions. <Amended May. 21, 2009> <Enforcement Date Jan. 1, 2011>

(3) Notwithstanding paragraphs (1) and (2), if there is a particular reason for being unable to pay contributions, such as a natural disaster or others determined by the Presidential Decree, the NHIC may not collect the arrears fee referred to in paragraphs (1) and (2). <Amended May. 21, 2009> <Enforcement Date Jan. 1, 2011>

[Title Amended May. 21, 2009] <Enforcement Date Jan. 1, 2011>

Article 98 (Priority in Collection of Pension Contributions) The order of collecting contributions and other dues under this Act shall be the same priority as the contributions under the 「National Health Insurance Act」.

Article 99 (Expiration of Right to Collect Pension Contributions, etc.) Rights to collect pension contributions and the arrears fee from Individually Insured Persons, Voluntarily Insured Persons, and Voluntarily & Continuously Insured Persons shall expire when one of the following occurs: <Amended May. 21, 2009> <Enforcement Date Jan. 1, 2011>

1. When a person who is or was an insured person dies;
2. When an insured person receives the Old-age Pension or Lump-sum Refund under Article 77(1); and
3. When the extinctive prescription is completed, as referred to in Article 115(1).

Article 100 (Appropriation and Refund of Excessive or Erroneous Contributions) (1) If there are excessive or erroneous contributions resulting from the collection of contributions, arrears fee, or expenses incurred in the process of the collection of delinquencies, the NPS shall appropriate them to the contribution or other dues under this Act or return them as determined by the Presidential Decree. <Amended May. 21, 2009> <Enforcement Date Jan. 1, 2011>

(2) Any remainder from the above paragraph shall be resolved by the NPS to return, and the NHIC shall return pursuant to Presidential Decree. <Newly Inserted May. 21, 2009> <Enforcement Date Jan. 1, 2011>

(3) Interest pursuant to the Presidential Decree shall be added to the excessive or erroneous contributions under the paragraph (1) and (2). <Newly Inserted May. 21, 2009> <Enforcement Date Jan. 1, 2011>

Article 100-2 (Legal Fiction Applications for Contribution Payment from Individually Insured Persons) When a mandatorily covered workplace referred to in the main text of Article 8(1) falls short of the criteria, the paid contribution shall be regarded as a contribution paid as an Individual Insured Person till the employer makes the report referred to in Article 21(1).

[Newly Inserted Jun. 7, 2011] <Enforcement Date Dec. 8, 2011>

Article 100-3 (The Support of Contributions) (1) The state can support a portion of an employee's contribution or employer's liability amount from his/her contribution within its budget when a worker, a national as a Workplace-based Insured Person referred to in Article 8 earns income of the amount determined by the Presidential Decree after being employed at a workplace with a size determined by the Presidential Decree.

(2) Requirements related to support level, support methods and procedures of contributions and so on as referred to in paragraph (1) shall be determined by the Presidential Decree. [Newly Inserted Dec. 31, 2011] <Enforcement Date Jul. 1, 2012>

Article 100-4 (Repossession of Support Contributions) (1) The state can repossess a part or all of the support amount he or she has received if the person falls under one of the following paragraphs:

1. When a person receives a support contribution under false or fraudulent means
2. When a support contribution is paid by mistake

(2) Requirements related to the identification of people from whom the state will repossess unduly paid support contributions, the criteria to collect and the method to collect and so on as referred to in paragraph (1) shall be determined by the Presidential Decree

(3) The state can dispose of deficits when it is considered impossible to collect them because the person is missing, has no assets or if there are other inevitable reasons not to recover, in case it repossesses the support contributions as referred to in paragraph (1)

(4) The repossession of support contributions, as referred to in paragraph (1), and disposal of deficits, as referred to in paragraph (3), shall be entrusted to the NPS. In this case, the provisions of Article 57(2) shall apply *mutatis mutandis* to the repossession of support contributions.

[Newly Inserted Dec. 31, 2011] <Enforcement Date Jul. 1, 2012>

CHAPTER VI NATIONAL PENSION FUND

Article 101 (Establishment and Source of Fund) (1) The Minister of Health and Welfare shall establish the National Pension Fund (hereinafter referred to as the "Fund") that serves as a liability reserve to secure the finances necessary with regard to the National Pension program and to finance the pension benefits under this Act. <Amended Feb. 29, 2008; Jan. 18, 2010> <Enforcement Date Mar. 19, 2010>

(2) The Fund shall consist of the following subparagraphs:

1. Contributions;
2. Profits accrued from the Fund operation;
3. Reserve funds; and
4. The NPS' surplus on the settlement of revenue and expenditures.

Article 102 (Fund Management and Operation) (1) The Minister of Health and Welfare shall manage and operate the Fund. <Amended Feb. 29, 2008; Jan. 18, 2010> <Enforcement Date Mar. 19, 2010>

(2) The Minister of Health and Welfare shall manage and operate the Fund in the following ways according to the decisions of the National Pension Fund Management Committee, referred to in Article 103, to maximize profits for the purpose of securing the long-term financial stability of the Fund, and shall invest for the welfare of persons who are and were insured persons and beneficiaries as long as it does not endanger the security of the finances of the national pension. However, in the case of subparagraph 2, government bonds shall be purchased after consultation with the Minister of Strategy and Finance: <Amended Aug. 3, 2007; Feb. 29, 2008; Jan 18, 2010> <Enforcement Date Mar. 19, 2010>

1. Deposit or trust in financial institutions as determined by the Presidential Decree;
2. Investment in public sector for the public projects;
3. Purchase, sale and lending of securities under Article 4 of the 「Financial Investment Services and Capital Markets Act」;
4. Trade in the derivatives markets based on financial instruments indices from among those specified in each subparagraph of Article 5(1) of the 「Financial Investment Services and Capital Markets Act」;
5. Welfare projects and loan services under Article 46 of this Act;
6. Acquisition and disposal of property to accomplish the Fund's original objectives; and
7. Other projects to increase the Fund, which are determined by the Presidential Decree.

(3) The management and operation of the Fund shall, excluding the case of such projects as prescribed in subparagraph 5 and 6 of paragraphs (2), be executed with a *bona fide* effort to outperform the market rate of return on each asset class. In the event that the Fund is entrusted to the Public Capital Management Fund under the 「Public Capital Management Fund Act」 (hereinafter referred to as the "Management Fund") in accordance with subparagraph 2 of paragraph (2), the earning rate thereof shall be determined by the Public Capital Management Fund Executive Committee through consultation with the National Pension Fund Management Committee referred to in Article 103 in accordance with Article 7(2) of the above Act at a level higher than the earning rate of government bonds with a maturity of five years as determined by the Presidential Decree.

(4) The Minister of Health and Welfare shall conduct an actuarial review to evaluate the outcome of the Fund operation and examine the status of the fund as determined by the Presidential Decree. <Amended Feb. 29, 2008; Jan. 18, 2010> <Enforcement Date Mar. 19, 2010>

(5) The Minister of Health and Welfare may entrust the NPS with part of the affairs relating to the management and operation of the fund as determined by the Presidential Decree. <Amended Feb. 29, 2008; Jan. 18, 2010> <Enforcement Date Mar. 19, 2010>

Article 102-2 (Financial Supporting to the National Health Insurance Corporation) (1) The Minister of Health and Welfare may offer financial support to the NHIC for the costs of collecting national pension contributions, etc., from the National Pension Fund in accordance with the decision of the National Pension Fund Management Committee as referred to in Article 103. <Amended Jun. 7, 2011>

(2) When there is surplus on the settlement of revenue and expenditures related to the contribution, Article 45 shall apply *mutatis mutandis* to the NHIC.
[Newly Inserted May. 21, 2009] <Enforcement Date Jan. 1, 2011>

Article 103 (National Pension Fund Management Committee) (1) The National Pension Fund Management Committee (hereinafter referred to as the "Management Committee") shall be established under the Ministry of Health and Welfare to deliberate and resolve on the following matters relating to the operation of the Fund: <Amended Feb. 29, 2008; Jan. 18, 2010> <Enforcement Date Mar. 19, 2010>

1. Matters pertaining to the Fund Management Guidelines;
2. Matters pertaining to consultation on the interest rate of deposits when the Fund is deposited in the Management Fund;
3. Matters pertaining to the Fund operation plan;

4. Matters pertaining to the contents of the operation and usage of the Fund as referred to in Article 107(3); and
5. Other important matters pertaining to the operation of the Fund, as requested by the chairperson of the Management Committee.

(2) The Management Committee shall be composed of the chairperson, the Minister of Health and Welfare; the *ex officio* members, the Vice-Ministers of the following Ministries; Ministry of Strategy and Finance, Ministry for Food, Agriculture, Forestry and Fisheries, Ministry of Knowledge Economy and Ministry of Employment and Labor; and the chief executive officer of the NPS, and the members referred to in the following subparagraphs appointed by the chairperson: <Amended Feb. 29, 2008; Jan. 18, 2010; Jun. 4, 2010> <Enforcement Date Jul. 5, 2010>

1. Three persons representing employers recommended by employers' associations;
2. Three persons representing employees recommended by a federation of workers' organizations who represent labor unions;
3. The following persons who represent Individually Insured Persons:
 - a. Two persons recommended by farmers and fishermen associations;
 - b. Two persons recommended by associations of self-employed persons other than farmers and fishermen associations; and
 - c. Two persons recommended by consumer organizations and civic groups;
4. Two persons who are experts in a related field with extensive experience and knowledge of the National Pension Scheme.

(3) The term of office for members shall be two years with a one-time possibility of reappointment. However, the term of office for the chairperson and any *ex officio* member shall be that of their incumbent period.

(4) The chairperson shall convene and preside over the meeting of the Management Committee and prepare, keep and make public the meeting proceedings, including the time and date, place, discussed contents and resolved matters.

(5) A Management Committee meeting shall be held four or more times a year. The opening of the meeting shall require the attendance of a majority of all the incumbent members, and the resolution shall require the consent of a majority of all the attendant members. In this case, any member who fails to attend the meeting shall be deemed as if he/she did not exercise his/her right to vote for the resolution.

(6) The Minister of Health and Welfare shall submit the materials necessary with regard to the meeting in advance at the request of the Management Committee. <Amended Feb. 29, 2008; Jan. 18, 2010> <Enforcement Date Mar. 19, 2010>

(7) Matters necessary with regard to the Management Committee's organization and management, etc., shall be determined by the Presidential Decree.

Article 104 (Evaluation Committee for National Pension Fund Operation) (1) The Evaluation Committee for the National Pension Fund Operation (hereinafter referred to as the "Evaluation Committee") shall be established under the Management Committee for the deliberation and assessment of the following matters regarding the operation of the Fund:

1. Matters pertaining to the composition of the Fund management assets and accounting methods of the Fund;
2. Matters pertaining to estimating the performance of the operation of the Fund;
3. Matters pertaining to the improvement of the management and operation of the Fund;
4. Matters that are recognized as necessary by the chairperson of the Evaluation Committee among those items to be included in the Management Committee's agenda; and
5. Other matters to be deliberated at the request of the Management Committee.

(2) The Evaluation Committee shall be composed of a chairperson, the Vice Minister of Health and Welfare; a vice-chairperson elected among the members and the members referred to in the following subparagraphs appointed by the chairperson: <Amended Feb. 29; 2008, Jan. 18, 2010> <Enforcement Date Mar. 19, 2010>

1. Government officials of grade 3 appointed by the chairperson and *ex officio* members of the Management Committee, referred to in the provisions of Article 103(2) (except for the chief executive officer of the NPS), who belong to the relevant ministries and offices or general government officials belonging to Senior Executive Service Members who are also appointed by the above mentioned chairperson and *ex officio* members of the Management Committee respectively;
2. Three members representing employers, recommended by employers' associations;
3. Three members representing employees, recommended by the federation of labor unions;
4. The following members representing Individually Insured Persons:
 - a. Two persons recommended by farmers and fishermen associations;
 - b. Two persons recommended by associations of self-employed persons other than farmers and fishermen associations; and
 - c. Two persons recommended by consumer organizations and civic groups; and
5. Two persons having rich experience and knowledge of the National Pension Scheme and National Pension Fund operation.

(3) When each association recommends appointment of members under the provisions of paragraph (2)2 through 4, the members shall fall under one of the following subparagraphs: <Amended Jul. 21, 2011> <Enforcement Date Mar. 19, 2010>

1. A person who is qualified as an attorney or certified public accountant;
2. A person who has majored in social welfare, economics, or business management, etc. and has three or more years of teaching experience at a position of assistant professor or higher at a university that is recognized by the 「Higher Education Act」;
3. A person who has a doctoral degree in social welfare, economics, or business management, etc., and has worked three or more years in research or public institutions.

(4) The term of office for Evaluation Committee members shall be two years, and members may be reappointed. However, the term of office for the chairperson and government official members shall be that of their incumbent period.

(5) The related departments in charge of the Fund shall submit in advance materials necessary with regard to the meeting at the request of the Evaluation Committee.

(6) The Evaluation Committee shall submit the evaluation results of Fund operations to the Management Committee by the end of June of the following year.

(7) Matters necessary with regard to the Evaluation Committee's organization, operation, etc., shall be determined by the Presidential Decree.

Article 105 (Guidelines for National Pension Fund Management) (1) The Management Committee shall annually provide guidelines for the National Pension Fund (hereinafter referred to as the "Fund Management Guidelines") regarding the following subparagraphs to maximize the rights and interests of insured persons:

1. The ratio of Fund's assets to be used for public service projects;
2. The priority in Fund allocation to public service projects;
3. Project expenses for promoting the welfare of persons who are and were insured persons and beneficiaries; and
4. Provision of funds in the form of a loan service to persons who are and were insured persons in order to increase the Fund.

(2) Matters necessary with regard to Fund Management Guidelines shall be determined by the Presidential Decree.

Article 106 (Receipts and Disbursements of Fund) Matters concerning the procedure of disbursements and receipts in the management and operation of the Fund shall be determined by the Presidential Decree.

Article 107 (Fund Management Plan) (1) The Minister of Health and Welfare shall formulate the Fund Management Plan on an annual basis and obtain the approval of the President through the deliberation of the Management Committee and the State Council. <Amended Feb. 29, 2008; Jan. 18, 2010> <Enforcement Date Mar. 19, 2010>

(2) The administration shall report the Fund Management Plan referred to in paragraph (1) to the National Assembly by the end of October of the previous year.

(3) The Minister of Health and Welfare shall make a report of the operational content of the Fund, and the Minister of Strategy and Finance shall report the contents pertaining to the use of the Fund that has been deposited in the Management Fund to the Management Committee by the end of June of the following year. <Amended Feb. 29, 2008; Jan. 18, 2010> <Enforcement Date Mar. 19, 2010>

(4) The chairperson of the Management Committee shall submit a report on the operation and use of the Fund under paragraph (3), to the National Assembly through deliberation of the Management Committee, and make a public notice of it as determined by the Presidential Decree.

CHAPTER VII REQUEST FOR EXAMINATION AND REVIEW

Article 108 (Request for Examination) (1) Any person who is dissatisfied with a disposition taken by the NPS or NHIC regarding insured status, Standard Monthly Income, pension contributions and other disposition regarding collection amount and benefits of the NPS or NHIC under this Act may request the NPS or NHIC which has issued the disposition to conduct an examination. <Amended May. 21, 2009> <Enforcement Date Jan. 1, 2011>

(2) The Request for Investigation as referred to in paragraph (1) shall be made in writing (including the electronic documents under subparagraph 7 of Article 2 of the 「Electronic Government Act」) within ninety days from the date on which the person comes to know the disposition is taken, and shall not be made after 180 days pass from the date on which the disposition is taken. However, if it is proven that there are justifiable reasons for failing to make a request for examination within such period, a request for examination may be made after such a period has elapsed. <Amended May. 21, 2009; Feb. 4, 2010> <Enforcement Date Jan. 1, 2011>

Article 109 (National Pension Examination Committee and Collection Examination Committee) (1) The National Pension Examination Committee (hereinafter referred to as the "Examination Committee") shall be established in the NPS and Collection Examination Committee shall be established in the NHIC to examine matters concerning the request for examination under Article 108. <Amended May. 21, 2009> <Enforcement Date Jan. 1, 2011>

(2) Matters necessary with regard to the organization, operation, deliberation, etc., of the Examination Committee and Collection Examination Committee shall be determined by the Presidential Decree. <Amended May. 21, 2009> <Enforcement Date Jan. 1, 2011>
[Title Amended May. 21, 2009] <Enforcement Date Jan. 1, 2011>

Article 110 (Request for Review) Any person who is dissatisfied with the decision in response to the Request for Examination made under Article 108 may make a Request for Review to the National Pension Review Committee within ninety days after he/she is received notice of the decision.

Article 111 (National Pension Review Committee) (1) The National Pension Review Committee (hereinafter referred to as the "Review Committee") shall be established under the Ministry of Health and Welfare to review the requested matters referred to in Article 110. <Amended Feb. 29, 2008; Jan. 18, 2010> <Enforcement Date Mar. 19, 2010>

(2) Matters necessary with regard to the organization, operation, review, etc., of the Review Committee shall be determined by the Presidential Decree.

Article 112 (Relation with Administrative Appeals) (1) The 「Administrative Appeals Act」 shall apply *mutatis mutandis* to the procedure for Review and decisions conducted by the Review Committee.

(2) The Review conducted by the Review Committee upon Request for Review pursuant to Article 110 shall be regarded, when Article 18 of the 「Administrative Litigation Act」 is applied, to be an administrative appeal under the 「Administrative Appeals Act」.

CHAPTER VIII SUPPLEMENTARY RULES

Article 113 (Adjustment between Concurrent Benefits) If a beneficiary of the Disability Pension or Survivor Pension is eligible to receive benefits in accordance with one of the following subparagraphs with the same cause that the Disability Pension or Survivor Pension under this Act shall be paid upon, the beneficiary shall be paid only half of the Disability Pension amount or Survivor Pension amount under Article 68 or Article 74 of this Act respectively: <Amended May. 20, 2010; Aug. 4, 2011> <Enforcement Date Feb. 5, 2012>

1. Disability compensation under Article 80 of the 「Labor Standards Act」, survivor compensation under Article 82 of the same Act, or lump sum compensation under Article 84 of the same Act;
2. Disability benefits under Article 57 of the 「Industrial Accident Compensation Insurance Act」, survivor benefits under Article 62 of the same Act, black lung compensation pension benefits pension under Article 91-3 of the same Act or black lung survivor benefits under Article 91-4 of the same Act;
3. Disability compensation under Article 97 of the 「Seafarers Act」, lump sum compensation under Article 98 of the same Act, or survivor compensation under Article 99 of the same Act; and
4. Disability benefits under Article 25 of the 「Fishing Vessels' and Their Crew Members' Accident Compensation Insurance Act」 or lump sum compensation benefits under Article 26 of the same Act or survivor benefits under Article 27 of the same Act.

Article 114 (Right of Subrogation, etc.) (1) When the NPS has already paid the Disability Pension or Survivor Pension of which the reason for payment was caused by the action of a third person, it shall subrogate the position of the beneficiary with respect to his/her claim for damages against the third person within the limit of the benefits payment already paid to him/her.

(2) In the case where a reason for payment of the Disability Pension or Survivor Pension is caused by an action of a third person, and a compensation for damage has been paid by the third person for the same cause, the NPS shall not pay the Disability Pension or Survivor Pension referred to in paragraph (1) of this Article within the limit of the compensation amount.

Article 115 (Period of Prescription) (1) The right to collect or recover pension contributions, recovery amount, and other dues under this Act shall expire if it is not exercised within three years, and the right of beneficiaries or insured persons to claim

benefits or to receive any excessive or erroneous contributions shall expire if it is not exercised within five years. <Amended May. 21, 2009> <Enforcement Date Jan. 1, 2011>

(2) While the payment of the total benefits is suspended, the period of prescription of the right to receive benefits shall not commence.

(3) Notice for payment of pension contributions and other dues under this Act, the demand for payment as referred to in Article 57-2(2) and Article 95(1) and claim for the payment of benefits or refund for excessive or erroneous contributions, shall cause the suspension of the extinctive prescription. <Amended May. 21, 2009> <Enforcement Date Jan. 1, 2011>

(4) The extinctive prescription, if suspended under paragraph (3), shall begin anew from the time when the designated payment period by the notice or demand for contributions lapses.

(5) In calculating the period concerning claim for the payment of benefits or the refund of excessive or erroneous contributions referred to in paragraph (1), the document's delivery period shall not be included.

Article 116 (Special Cases of Extinctive Prescription for Lump-sum Refund) (1) Notwithstanding Article 115, if a person who becomes entitled to the Lump-sum Refund pursuant to Article 77(1)3, previous Article 67(1)1 (which refers to the provisions amended by Act No. 3902, the National Welfare Pension Amendment Act, repealed by Act No. 5623, the National Pension Amendment Act) and previous Article 67(1)4 (which refers to the provisions amended by Act No. 6027, the National Pension Amendment Act) falls under Article 77(1)1 or Article 77(1)2, the person may be paid the Lump-sum Refund.

(2) The provisions of Article 115(1) shall apply *mutatis mutandis* to the right to receive the Lump-sum Refund under paragraph (1).

Article 117 (Calculation of Fractions) If a fraction of less than ten won arises in the calculation of benefits, contributions, refunds, etc. under this Act, the 「Management of the National Funds Act」 shall apply *mutatis mutandis*.

Article 118 (Original Register of Pension) (1) The NPS shall keep an original register of the National Pension, and record and maintain personal information, gain or loss of eligibility, payment of contributions, payment of benefits and other information as prescribed by the Ordinance of the Ministry of Health and Welfare regarding persons who

are and were insured persons, and beneficiaries. <Amended Feb. 29, 2008; May. 21, 2009; Jan. 18, 2010> <Enforcement Date Jan. 1, 2011>

(2) NHIC shall record and maintain the matters required by the Ordinance of the Ministry of Health and Welfare in relation to payment of contribution or circumstance of termination of collection right, which shall be provided to NPS immediately. <Newly Inserted May. 21, 2009; Jan. 18, 2010> <Enforcement Date Jan. 1, 2011>

Article 119 (Protection of Employee's Rights and Interests) Employers shall not withhold promotions or wage increases, lay off employees or otherwise treat them unfavorably for the purpose of hindering the employees from becoming insured persons or evading increase of employer's liability.

Article 120 (Medical Examination) The NPS may, if necessary, request a beneficiary of the Disability Pension or persons who are on the list for calculating a Dependent's Pension amount, to undergo a medical examination from a doctor designated by the NPS, or may have staff of the NPS confirm the conditions of his/her disability.

Article 121 (Reporting, etc.) (1) A person who is or was an insured person or a beneficiary shall report to or notify the NPS or his/her employer on matters regarding insured status, contributions, and acquisition or changes in the eligibility to benefits and others as prescribed by the Ordinance of the Ministry of Health and Welfare. <Amended Feb. 29, 2008; Jan. 18, 2010> <Enforcement Date Mar. 19, 2010>

(2) If a person who is or was an insured person or a beneficiary is deceased, the person liable to make a report under Article 85 of the 「Act on the Registration, etc. of the Family Relationship」 shall report the fact of death to the NPS within one month.

Article 122 (Investigation and Questioning, etc.) (1) In order to determine the qualification of the insured person, the Standard Monthly Income, contributions or benefits, etc. or to confirm the acquisition, changes, lapse or suspension, etc. of eligibility to benefits, the NPS may, if necessary, require employers, persons who are or were insured persons, or beneficiaries to submit the necessary documents and other materials related to income and asset, or it may have its staff visit the work places or any other places to search for documents, etc. or ask any necessary questions to the persons involved.

(2) When the NPS' staff visit, investigate or make inquiries under paragraph (1), they shall carry with them official identification indicating their official status, and show it to the person concerned.

Article 122-2 (Verification and Investigation of the Beneficiary) (1) The NPS shall make an annual investigation plan to verify the appropriateness of the beneficiary and the benefits for the beneficiary and carry out an investigation upon the death, divorce or livelihood maintenance of the beneficiary and so on.

(2) The NPS shall submit its annual investigation plan and its results referred to in paragraph (1) to the Minister of Health and Welfare applying Article 41(1) and (2) *mutatis mutandis*.

(3) The NPS can stop or suspend the benefit payment to a beneficiary if the beneficiary, his/her spouse or other related persons refuse, disrupt or evade an investigation under paragraph (1) more than twice. In this case, the NPS shall inform the beneficiary by letter that details the reasons evidently.

(4) Requirements on the scope, method and time etc. of investigation shall be determined by the Presidential Decree.

[Newly Inserted Dec. 31, 2011] <Enforcement Date Jul. 1, 2012>

Article 123 (Request for Materials) (1) The NPS may request the state and local governments, and other public organizations for materials related to the National Pension program, and those public bodies which have been asked to offer materials shall furnish them unless there is a special reason.

(2) The NPS may request when needed, to see data or receive copies of data related to medical treatment of an insured person or a person who was insured from a medical institution under the 「Medical Service Act」 by consent from the currently or formerly insured person (including aforementioned person's relatives as outlined in Article 21(2)3 of the 「Medical Service Act」 in the event of the death of the currently or formerly insured person) as determined by the Ordinance of Ministry of Health and Welfare when it judges the payment of Dependents' Pension, Disability Pension, and Survivor Pension. In this case, medical institutions shall follow such requests unless there is a special reason.
<Newly Inserted Dec. 31, 2011> <Enforcement Date Jul. 1, 2012>

(3) With regards to the materials provided to the NPS under paragraph (1), fees and commissions, etc. for their use shall be exempt. <Amended Dec. 31, 2011> <Enforcement Date Jul. 1, 2012>

Article 124 (Maintaining Confidentiality) Any person who is or was engaged in the NPS shall not disclose any confidential information which he/she has acquired in the course of his/her duties.

Article 125 (Notification of Under-Report of Income and Tax Evasion Data, etc.) (1) If the NPS recognizes that there has been an under-report of income or tax evasion on a monthly income report, etc. under Article 21, it may report the case to the Minister of Health and Welfare and notify the Commissioner of the National Tax Service of the data regarding suspicion of under-reporting of income or tax evasion in writing. <Amended Feb. 29, 2008; Jan. 18, 2010> <Enforcement Date Mar. 19, 2010>

(2) If the Commissioner of the National Tax Service, who has been notified of the details referred to in paragraph (1), conducts a tax audit under the relevant laws including the 「Framework Act on National Taxes, etc.」, he/she shall notify the NPS of the audit results regarding income.

(3) The procedure of notification and other necessary matters referred to in paragraph (1) or (2) shall be determined by the Presidential Decree.

Article 126 (Application of Scheme to Foreign Nationals) (1) Foreign nationals who are employed at a workplace covered by this Act or who reside in the Republic of Korea, except for those as prescribed by the Presidential Decree, shall mandatorily be Workplace-based Insured Persons or Individually Insured Persons, notwithstanding Article 6. This provision shall not apply in the case where any relevant Act of those foreign nationals' home country does not apply to Korean nationals residing within that country with respect to a pension scheme equivalent to the National Pension Scheme under this Act.

(2) Provisions of Articles 77 through 79 shall not apply to a foreign national who becomes a Workplace-based or Individually Insured Person under the main text of paragraph (1). If the foreign national falls under one of the following subparagraphs, provisions of Articles 77 through 79 shall apply:

1. Foreign nationals whose home country's legislation provides the payment of benefits corresponding to the Lump-sum Refund referred to in Articles 77 through 79 for Korean nationals;
2. Foreign workers who are employed at a workplace covered under this Act and fall under the 「Act on the Employment of Foreign Employees, etc.」; and
3. Persons who are employed at a workplace covered under this Act having a status of sojourn which allows them to do industrial trainee activities under Article 10 of the 「Immigration Control Act」 and haven't deserted the designated training places for the required training period.

Article 127 (Social Security Agreement with Foreign Countries) If the Republic of Korea concludes a social security agreement with any foreign country, notwithstanding the

provisions of this Act, matters such as coverage of the National Pension Scheme, contribution payments, requirements for eligibility to benefits, calculation of pension amount, and pension payments shall be governed by the said social security agreement.

CHAPTER IX PENAL PROVISIONS

Article 128 (Penal Provisions) (1) A person who receives benefits through fraudulent or dishonest means shall be punished by imprisonment for a period not exceeding three years or fined an amount not exceeding ten million won.

(2) A person who falls under one of the following subparagraphs shall be punished by imprisonment for a maximum of one year or fined an amount not exceeding five million won: <Amended May. 21, 2009> <Enforcement Date Jan. 1, 2011>

1. An employer who makes his/her Workplace-based Insured Person bear a portion of or the entire amount of employer's liability referred to in Article 88(3), or deducted any amount exceeding payable employee's contributions from his/her employee's wages pursuant to Article 90(1);
2. An employer who has not paid contributions without justifiable reason within the time limit of the payment referred to in Article 95(2);
3. An employer who has, violating the provisions of Article 119, withheld promotions or wage increases, laid off employees or given them other unfavorable treatment, without justification, for the purpose of hindering the employees from becoming insured persons or evading increase of employer's liability; and
4. Any person who discloses any confidential information which he/she has acquired in the course of his/her duty in violation of the provisions of Article 124.

Article 129 Deleted <Dec. 31, 2011>

Article 130 (Joint Penal Provisions) When a representative or agent of a corporate body, or individual, employer, other staff members of a corporate body have committed an offense as defined under Article 128 with respect to the affairs of the corporate body or the individual, the corporate body or the individual shall also be punished by a fine as prescribed in the concerned Articles, in addition to the punishment of the offender. However, if a corporate body or an individual has exercised considerable caution and supervision to prevent the offence, they shall not be punished. <Amended Dec. 31, 2011> [Amended Jun. 7, 2011]

Article 131 (Fine for Default) (1) A person who falls under one of the following subparagraphs shall be subject to a fine for default not exceeding five hundred thousand won: <Newly Inserted Dec. 31, 2011>

1. An employer who fails to make a report or makes a false report in violation of Article 21(1)

2. An employer who refuses, evades, or interferes with the requests of the NPS or its officials, or provides false statements, when the NPS or its staff require the submission of documents and other materials or during an investigation or while making inquiries under Article 122.

(2) A person who falls under one of the following subparagraphs shall be subject to a fine for default not exceeding one hundred thousand won: <Amended Dec. 31, 2011>

1. A person who fails to make a report as referred to in Article 21(2), or 121(1) or (2)
2. A person who fails to make a notification as referred to in Article 23(2)
3. A person who is or was an insured person, or a beneficiary who refuses, evades, or interferes with the requests of the NPS or its staff, or provides false statements, when the NPS or its staff require the submission of documents and other materials related to income and assets, or during an investigation or while making inquiries under Article 122.

(3) The fine for default as referred to in paragraph (1) and (2) shall be imposed and collected by the Minister of Health and Welfare as determined by the Presidential Decree <Newly Inserted Dec. 31, 2011>

Article 132 Deleted <Dec. 31, 2011>

ADDENDA <Act No. 8541, Jul. 23, 2007>

Article 1 (Enforcement Date) This Act shall enter into force on the date of its promulgation. However, the amended provisions of Article 3(1)3, Article 3(1)5, Article 9(5), Article 17(1), Article 18, Article 19, Article 51(1), Article 57(4), Article 58(2), Article 77(2), the latter part of Article 80(1), and Article 91(1)6 shall enter into force on January 1, 2008.

Article 2 (Special Case for Old-age Pension) (1) If a person from forty-five years of age to less than sixty years of age (forty to less than fifty-five for special occupation employees) as of January 1, 1988, has an insured period of five years or longer, he/she shall be paid a specified pension amount, notwithstanding the amended provisions of Article 61.

(2) The pension amount referred to in paragraph (1) shall be obtained by adding the Dependents' Pension to the amount equivalent to 250/1000 of the basic pension amount. If an insured period exceeds five years, the amount equivalent to 50/1000 of the basic pension shall be added for every year in excess (each month not constituting a full year shall be calculated as 1/12 of a year).

Article 3 (Application Examples Regarding Contributions) (1) Notwithstanding Article 75(2) of Act No. 3902, the National Welfare Pension Amendment Act, the contribution of a Workplace-based Insured Person shall be calculated as follows for the years till 1997:

1. The employee's contribution and employer's liability shall respectively be an amount equivalent to 15/1000 of the Standard Monthly Income from 1988 to 1992, and an amount equivalent to 20/1000 of the Standard Monthly Income from 1993 to 1997;
2. The converted retirement payment reserve shall be 0 from 1988 to 1992, and an amount equal to 20/1000 of the Standard Monthly Income from 1993 to 1997.

(2) The contribution of a Voluntarily or Voluntarily & Continuously Insured Person shall be the amount equivalent to 30/1000 of the Standard Monthly Income amount from 1988 to 1992 and the amount equivalent to 60/1000 of the Standard Monthly Income amount from 1993 to 1997, notwithstanding Article 75(3) of Act No. 3902, the National Welfare Pension Amendment Act.

Article 4 (Application Examples Regarding Beneficiaries of the Disability Pension) The provisions of Article 58(1) and (2) of Act No. 4110, the National Pension Amendment Act shall also apply to a person who becomes disabled due to injury which occurred in the period from January 1, 1988 to March 31, 1989, the enforcement date of the above Act.

Article 5 (Special Cases Regarding Coverage of Farmers & Fishermen) Notwithstanding Article 6 of Act No. 4909, the National Pension Amendment Act that entered into force on July 1, 1995, farmers and fishermen from sixty to less than sixty-five years of age on the date of the entry into force of the same Act may become Individually Insured Persons under the provisions of Article 10 of that Act until they reach seventy years of age, if they submitted the application for the coverage of the National Pension Scheme to the NPS no later than December 31, 1995 in accordance with the Ordinance of the Ministry of Health and Welfare.

Article 6 (Special Cases Regarding Old-age Pension for Individually Insured Persons) (1) When an Individually Insured Person referred to in Article 10 of Act No. 4909, the National Pension Amendment Act that entered into force on July 1, 1995 and an Individually Insured Person referred to in Article 3 of the Addenda of the same Act were from forty-five to less than sixty years of age on the date of entry into force of the same Act and have completed the insured periods of five years or longer, he/she shall be paid a specified amount of pension, notwithstanding the amended provisions of Article 61 of this Act.

(2) The pension amount as referred to in paragraph (1) shall be obtained by adding the Dependents' Pension amount to the amount equivalent to 250/1000 of the basic pension. If an insured period exceeds five years, the amount equivalent to 50/1000 of the basic pension amount shall be added for each year in excess (each month not constituting a full year shall be calculated as 1/12 year).

Article 7 (Contribution Subsidies for Farmers and Fishermen) Any farmer or fisherman who becomes an Individually Insured Person or whose status changes from an Individually Insured Person to a Voluntarily & Continuously Insured Person shall be subsidized until December 31, 2014, by the Special Accounts for Agriculture & Fishery Structure Improvement within the scope of 50/100 of the contributions the concerned person is obliged to pay as determined by the Presidential Decree, notwithstanding the amended provisions of Article 88(3). <Amended Dec. 31, 2011> <Enforcement Date Jul. 1, 2012>

Article 8 (Application Examples Regarding Age for Benefit Payments) The age for benefit payments referred to in Articles 48(1)3, 56(1), 56(2) through (4), each subparagraph of Article 57(3) and (4), each subparagraph of Article 57-2(1), Article 57-4(1), Article 58(2), the proviso of Article 63(1)3 and 63(1)5, the main text of Article 66(1) and the proviso of Article 67(1)1 and 67(2) and Article 93-2 of Act No. 5623, the National Pension Amendment Act, shall be such that one year of age shall be added to people born between 1953 and 1956, two years, to people born between 1957 and 1960, three years to people born between 1961 and 1964, four years born between 1965 and 1968, five years to

people born in 1969 and beyond, notwithstanding each of the concerned provisions regarding the age for benefit payment. <Amended Dec. 31, 2011> <Enforcement Date Jan. 1, 2013>

Article 9 (Special Cases Regarding Old-age Pension) (1) Persons aged fifty to less than sixty as of April 1, 1999 who fall under one of the following subparagraphs shall be paid a specified amount of pension from the day prescribed in the subparagraph concerned, notwithstanding the amended provisions of Article 61:

1. Persons whose insured period ranges from five years to less than ten years before they reach sixty years of age: On their 60th birthday; or
2. Persons whose insured period is five years or more after they reach sixty years of age: The day on which their insured status is lost.

(2) The amount of Special Old-age Pension referred to in paragraph (1) shall be obtained by adding the Dependents' Pension amount to the amount equivalent to 250/1000 of the basic pension amount. If an insured period exceeds five years, the amount equivalent to 50/1000 of the basic pension amount shall be added for every year in excess (each month not constituting a full year shall be calculated as 1/12 year).

(3) In the case where a person who becomes an Individually Insured Person under the provisions of Article 14 of the Addenda of Act No. 5623, the National Pension Amendment Act, has been insured for five years or more and loses his/her insured status, the provisions of paragraphs (1) and (2) shall apply *mutatis mutandis*.

Article 10 (Special Cases Regarding Coverage of the Aged) Persons aged from sixty to less than sixty-five as of April 1, 1999, notwithstanding Article 6 and Article 10 of Act No. 5623, the National Pension Amendment Act, may become Individually Insured Persons under the amended provisions of Article 9 of this Act provided that they applied to the NPS for coverage no later than March 31, 2000 in accordance with the Ordinance of the Ministry of Health and Welfare.

Article 11 (Special Cases Regarding Payment of Lump-sum Refund, etc.) (1) Persons received the Lump-sum Refund under the original Article 67(1)1 of Act No. 5623, the National Pension Amendment Act, that is, at the time when it was initially enforced and Article 16(1) of the Addenda of the same Act, may return the Lump-sum Refund to the NPS when they are insured again, notwithstanding Article 68(1) of the same Act. <Amended Dec. 31, 2011> <Enforcement Date Jul. 1, 2012>

(2) If a person who was a beneficiary of the retirement pension, etc. before April 1, 1999 loses his/her Workplace-based or Individually insured status, he/she may receive the

Lump-sum Refund, notwithstanding Article 67(1)1 of Act No. 5623, the National Pension Amendment Act.

(3) When the persons who received the Lump-sum Refund under the original 67(1)4 are insured again, they may return the Lump-sum refund notwithstanding the amended provisions of Article 78(1). However, the periods that include the working periods under the 「Pension for Private School Teachers and Staff Act」 are excluded. <Newly Inserted Dec. 31, 2011> <Enforcement Date Jul. 1, 2012>

Article 12 (Application Examples Regarding Contributions, etc.) (1) Contributions of Individually Insured Persons under Article 10 of Act No. 5623, the National Pension Amendment Act, Voluntarily Insured Persons under Article 10-2 of the same Act, Individually Insured Persons under Article 10 of the Addenda and Voluntarily & Continuously Insured Persons who are not employed at an covered workplace, shall be an amount equivalent to 30/1000 of the Standard Monthly Income from April, 1999 to June, 2000, 40/1000 of the Standard Monthly Income from July, 2000 to June, 2001, 50/1000 of the Standard Monthly Income from July, 2001 to June, 2002, 60/1000 of the Standard Monthly Income from July, 2002 to June, 2003, 70/1000 of the Standard Monthly Income from July, 2003 to June, 2004, and 80/1000 of the Standard Monthly Income from July, 2004 to June, 2005, notwithstanding Article 4(1) and Article 75(3) of the same Act.

(2) The employee's contribution and employer's liability referred to in Article 75(2) of Act No. 5623, the National Pension Amendment Act and contributions referred to in Article 75(3) of the same Act, shall not be adjusted until 2009, notwithstanding the amended provisions of Article 4(1).

Article 13 (Special Application Regarding Payment of Lump-sum Refund) Persons may also receive the Lump-sum Refund if they fall under the provisions of Article 67(1)3 and 67(1)4 of Act No. 6027, the National Pension Amendment Act, before September 7, 1999; the enforcement date of the above Act.

Article 14 (Special Cases Regarding Payment of Lump-sum Refund, etc., to Individually Insured Persons and Voluntarily Insured Persons) Persons who received the Lump-sum Refund under Article 3(1) of the Addenda of Act No. 6027, the National Pension Amendment Act, may return that Refund to the NPS, notwithstanding Article 68(1) of the same Act.

Article 15 (Special Cases of Lump-sum Refund Payment, etc. for Recipients of Livelihood Stabilization Loan) The provisions of Article 67(2) and (3), and Article 68 of the Act No. 6164, the National Pension Amendment Act shall apply *mutatis mutandis* respectively to

the application for and payment of the Lump-sum Refund and to the return of that refund as referred to in Article 2(1) of the Addenda of the same Act. In calculating the Lump-sum Refund for payment, the insured period and contributions shall be calculated in sequential order from the first insured period. The period for calculating interest shall be from the month following the month in which he/she lost their insured status before receiving the loan to the month of application for a Lump-sum Refund.

Article 16 (Application Examples of Payment of Dependents' Pension Amount) The provisions of Article 48(1) of Act No. 6286, the National Pension Amendment Act, shall apply to the Dependents' Pension amount paid after December 23, 2000, the enforcement date of the above Act, for those who acquired eligibility for benefit before December 23, 2000, the enforcement date of the same Act.

Article 17 (Application Examples of Payment Period of Pension) The provisions of Article 50(1) of Act No. 6286, the National Pension Amendment Act, shall apply from a person applying for the return of the Refund or postponed contributions payment after December 23, 2000; the enforcement date of the above Act.

Article 18 (Application Examples Regarding Age for Benefit Payments) The age for benefit payments referred to in Article 58(3) of Act No. 6286, the National Pension Amendment Act, notwithstanding the provisions of that Act for the age of payment, shall be such that one year of age shall be added to people born between 1953 and 1956, two years to people born between 1957 and 1960, three years to people born between 1961 and 1964, four years to people born between 1965 and 1968, five years to people born in 1969 and beyond. <Amended Dec. 31, 2011> <Enforcement Date Jan. 1, 2013>

Article 19 (Application Examples Regarding Additional Insured Period) Amended provisions of Article 18 shall apply to a person who performs his military service under the 「Military Service Act」 after January 1, 2008, and the amended provisions of Article 19 shall apply to a person who gives birth to a child after January 1, 2008. If a person has a child born before December 31, 2007, additional insured period shall be added based on the following conditions:

1. If a person has one child who was born before December 31, 2007: The amended provisions of Article 19 shall apply to the total number of children who are born after January 1, 2008 and to the one child who was born before December 31, 2007;
2. If a person has two or more than two children born before December 31, 2007: Eighteen months of insured period shall be added for each child who is born after January 1, 2008; however, the total additional insured period shall not exceed fifty months.

Article 20 (Application Examples Regarding the Calculation of Basic Pension Amount)

The basic pension amount of each year from 2008 to 2027 referred to in the main text of Article 51(1), notwithstanding the amended provisions of Article 51(1), shall be the total sum of each subparagraph of Article 51(1) multiplied by the rate of each year specified in following subparagraphs:

1. 1500/1000 for 2008;
2. 1485/1000 for 2009;
3. 1470/1000 for 2010;
4. 1455/1000 for 2011;
5. 1440/1000 for 2012;
6. 1425/1000 for 2013;
7. 1410/1000 for 2014;
8. 1395/1000 for 2015;
9. 1380/1000 for 2016;
10. 1365/1000 for 2017;
11. 1350/1000 for 2018;
12. 1335/1000 for 2019;
13. 1320/1000 for 2020;
14. 1305/1000 for 2021;
15. 1290/1000 for 2022;
16. 1275/1000 for 2023;
17. 1260/1000 for 2024;
18. 1245/1000 for 2025;
19. 1230/1000 for 2026;
20. 1215/1000 for 2027.

Article 21 (Application Examples Regarding Age for Benefit Payments) The age for benefit payments in the amended provisions of Article 70(3), notwithstanding the provisions of that Act for the age of payment, shall be such that one year of age shall be added to people born between 1953 and 1956, two years, to people born between 1957 and 1960, three years to people born between 1961 and 1964, four years born between 1965 and 1968, five years to people born in 1969 and beyond, to the age for benefit payments. <Amended Dec. 31, 2011> <Enforcement Date Jan. 1, 2013>

Article 22 (Transitional Measures Regarding Insured Status of Former Individually Insured Persons) An Individually Insured Person other than those who became the Individually Insured Persons pursuant to Article 10 of Act No. 4909, the National Pension Amendment Act at the time of enforcement of the same Act, shall be regarded as being a Voluntarily Insured Person pursuant to the provisions of Article 10-2 of the same Act.

Article 23 (Retroactive Application for Payment of Lump-sum Refund for Foreign Nationals Who Have Already Returned to Their Country of Origin) The amended provisions of Article 126(2)2 and 126(2)3 shall apply to foreign nationals who returned to their country of origin before May 11, 2007, the enforcement date of the Act No. 8426, the National Pension Amendment Act, or foreign nationals falling under any subparagraph of the amended provisions of Article 77(1).

Article 24 (Transitional Measures Regarding Foreign Workplace Insured Person) A foreign national who became a Workplace-based Insured Person upon his/her own application under the previous provisions before August 4, 1995, the enforcement date of Act No. 4971, the National Pension Amendment Act, shall be subject to the provisions of Articles 67 through 69 of the same Act with respect to the insured period prior to the enforcement of that Act, notwithstanding Article 102(2) of the same Act.

Article 25 (Transitional Measures Regarding Persons Excluded from Workplace-based or Individually Insured Persons) (1) Workplace-based Insured Persons or Individually Insured Persons under the provisions before enforcement of Act No. 5623, the National Pension Amendment Act, who are excluded from the coverage as referred to in the proviso of Article 8(1), the first part of Article 8(2), and the provisions of Article 10 of the same Act, shall be regarded as Workplace-based Insured Persons or Individually Insured Persons under the same provisions.

(2) When a Workplace-based Insured Person or Individually Insured Person under the provisions of paragraph (1) intends to lose his/her insured status, he/she may withdraw by applying to the NPS as prescribed by the Ordinance of the Ministry of Health and Welfare, notwithstanding the causes for the loss of insured status referred to in the provisions of Article 12(1) and (2) of Act No. 5623, the National Pension Amended Act.

Article 26 (Transitional Measures Regarding the Calculation of Workplace-based Insured Persons' Insured Period) Notwithstanding the proviso of Article 17(2) and Article 17(3) of Act No. 5623, the National Pension Amended Act, the previous provisions shall apply to the duration of delinquency in contribution payment which occurred before April 1, 1999.

Article 27 (Transitional Measures Regarding Benefit Payments) (1) In the case where the reason for payment of benefits occurred before January 1, 1999, the enforcement date of Act No. 5623, the National Pension Amendment Act, the payment of benefits shall be subject to the previous provisions.

(2) Notwithstanding Article 47 of Act No. 5623, the National Pension Amendment Act, the previous provisions shall apply to the calculation of the basic pension amount which

falls under the insured period before January 1, 1999; the enforcement date of the above Act.

Article 28 (Transitional Measures Regarding Repossession of Unjust Enrichment, etc.) For the collection of unjust enrichment resulting from causes which have occurred before the enforcement of Act No. 5623, the National Pension Amendment Act, previous provisions shall apply notwithstanding Article 53(1) of the same Act.

Article 29 (Transitional Measures Regarding Divided Pension) For persons who became eligible to receive the Divided Pension resulting from a reason for payment as prescribed in Article 57-2(1) of Act No. 5623, the National Pension Amendment Act, before the enforcement of the same Act, the provisions concerning the Divided Pension referred to in the provisions of Articles 57-2 and 57-3 of the same Act shall apply to the portion of Old-age Pension benefits on or after January 1, 1999; the enforcement date of the above Act.

Article 30 (Transitional Measures Regarding Contributions of Former Individually Insured Persons) During the period of January 1999 to March 1999, the previous provisions prior to Act No. 5623, the National Pension Amendment Act shall apply to contributions of persons eligible to be Individually Insured Persons (including Individually Insured Persons who became Voluntarily & Continuously Insured Persons) under the previous provisions prior to Act No. 5623, the National Pension Amendment Act, from January 1, 1999 to March 31, 1999.

Article 31 (Transitional Measures Regarding Pension Payment) A pension payment for the month and the preceding month that includes the enforcement date of Act No. 6286, the National Pension Amendment Act, shall be paid on the last day of the month that includes the enforcement day of the above Act.

Article 32 (Transitional Measures for Beneficiaries under the 「National Basic Living Security Act」) Beneficiaries under the 「National Basic Living Security Act」, who have maintained their status as Workplace-based or Individually Insured Persons under the previous provisions at the time of enforcement of Act No. 6286, the National Pension Amendment Act, notwithstanding Article 8(1) and subparagraph 4 of Article 10 of Act No. 6286, the National Pension Amendment Act, shall be deemed as a Workplace-based or Individually Insured Person under Article 8 or Article 10 of the same Act.

Article 33 (Transitional Measures Regarding Payment of Benefits) (1) In the case where the cause of payment of benefits occurred before the enforcement of Act No. 6286, the

National Pension Amendment Act, the payment of benefits shall be subject to the previous provisions.

(2) If the amount calculated as referred to in Article 47(1)1 of Act No. 6286, the National Pension Amendment Act, after enforcement of that Act, is less than 1,271,595 won, the amount shall be deemed as 1,271,595 won, notwithstanding the same subparagraph.

Article 34 (Transitional Measures Regarding Payment of Benefits, etc.) (1) In the case where the cause of payment of benefits occurred before the enforcement of this Act, the payment of benefits shall be subject to the previous provisions.

(2) Notwithstanding the amended provisions of Article 51, the previous provisions shall apply to the calculation of the basic pension amount during the insured period before this Act enters into force.

(3) Concerning the insured period by year from 2008 to 2027, the basic pension amount referred to in the provisions of Article 51(1), notwithstanding the amended provisions of Article 51(1), shall be the total sum of the amount specified in each subparagraph of Article 51(1) multiplied by the rate of pertinent year in accordance with each subparagraph of Article 20 of this Addenda.

Article 35 (Transitional Measures Regarding Suspension of Payment of Early Old-age Pension) The amended provisions of Article 66(2) shall apply to a person who acquired eligibility to receive Early Old-age Pension benefits before the enforcement of this Act, and whose payment of the Early Old-age Pension is suspended because the person is engaged in income-earning activities at the time of or after enforcement of this Act. However, the period during which the payment is suspended because of the engagement in income-earning activities shall be included in the calculation of the benefit-receiving periods referred to in the amended provisions of Article 66(2)1. Where the rate calculated under the same subparagraph is smaller than the rate calculated under the previous provisions, the previous rate shall apply.

Article 36 (Transitional Measures Regarding Persons Eligible for Disability Pension) (1) Notwithstanding the amended provisions of Article 67(1), the previous provisions shall apply to a person whose termination of medical treatment has been approved or for whom two years have passed since the first medical examination date, before the enforcement of this Act.

(2) When the amended provisions of Article 67(2) apply to the person who has had his/her first medical examination date before the enforcement date of this Act, if the application

of that provision is unfavorable compared to the previous provisions, the previous provisions shall apply to him/her.

(3) Notwithstanding the amended provisions of Article 85, the previous provisions shall apply to a person who has had his/her first medical examination date before the enforcement of this Act.

Article 37 (Transitional Measures Regarding Protection of Eligibility for Benefits, etc.) (1) The repeal of Article 57-2(3) and Article 93-2 of the partially amended Act No. 8426, the National Pension Amendment Act, shall also apply to a person who has acquired eligibility for benefits before the enforcement date of this Act.

(2) The amended provisions of Articles 52(1), 56, 58(2), 62, 63(2), 63(3), 65(2), 65(4), 70(3) and Article 81 shall also apply to a person who has acquired eligibility for benefits before the enforcement date of this Act.

Article 38 (Transitional Measures Regarding Persons Liable to Make a Report on the Death of Insured Person, etc.) A person who is liable to make a report to the NPS under the amended provisions of Article 121(2), notwithstanding the same provisions, shall be deemed as a person liable to make a report under Article 88 of the 「Family Register Act」, until December 31, 2007.

Article 39 (Transitional Measures Regarding Application for Coverage and Confirmation of Insured Status, etc.) Confirmation or other actions conducted by the NPS, or all kinds of reports, applications, etc. or other actions to the NPS under the previous provisions at the time of enforcement of this Act shall be deemed as the corresponding actions of the NPS or actions to the NPS under this Act.

Article 40 (General Transitional Measures Regarding Actions, etc.) Actions conducted by the administrative body or actions conducted to the administrative body under the previous provisions shall be deemed as the corresponding actions by the administrative body or actions to the administrative body under this Act.

Article 41 (Transitional Measures Regarding Penal Provisions or Fines for Default) In the application of the penal provisions or fines for default with respect to actions conducted before the enforcement of this Act, the previous provisions shall apply.

Article 42 (Amendment of Other Acts) (1) Act No. 8435, the Act on Family Relationship Registration, etc. shall be partially amended as follows:
Article 8(30) of the Addenda shall be deleted.

(2) The Special Act on Improvement of Public Health and Welfare for Agricultural and Fishing Village Residents shall be partially amended as follows:

In Article 31, "provisions of Article 75(3) of the National Pension Act" shall be amended to "Article 88(3) of the 「National Pension Act」".

(3) Act on the Protection and Settlement Support of Residents Escaping from North Korea shall be partially amended as follows:

In Article 26-2(1), "provisions of Article 56 of the National Pension Act" shall be amended to "Article 61 of the 「National Pension Act」"

(4) The Income Tax Act shall be partially amended as follows:

In Article 22(5), "by the provisions of Article 75 of the 「National Pension Act」" shall be amended to "pursuant to Article 88 of the 「National Pension Act」"

(5) The Countermeasures against Natural Disasters Act shall be partially amended as follows:

In the first part of Article 51(4), "referred to in the provisions of Article 22 of the 「National Pension Act」" shall be amended to "referred to in Article 24 of the 「National Pension Act」"

(6) The Local Tax Act shall be partially amended as follows:

In the main text of Article 273(1) except for each subparagraph, "by Article 23 of the same Act" shall be amended to "in accordance with Article 25 of the same Act"; In subparagraph 1 of the same paragraph, "under the provisions of Article 23(4) of the 「National Pension Act」" to "in accordance with subparagraph 4 of Article 25 of the 「National Pension Act」"; In subparagraph 2 of the same paragraph, "in accordance with subparagraph 6 of Article 23 of the 「National Pension Act」" to "under subparagraph 7 of Article 25 of the 「National Pension Act」".

(7) Act No. 8387, the Statistics Amendment Act shall be partially amended as follows: Article 8(3) of the Addenda shall be deleted.

(8) The Public Officials Pension Act shall be partially amended as follows:

In the first part of Article 85(2), "National Pension Corporation (NPC)" shall be amended to "National Pension Service (NPS)".

(9) The Veterans' Pension Act shall be partially amended as follows:

In the first part of Article 20(2), "National Pension Corporation (NPC)" shall be amended to "National Pension Service".

(10) The Korea Technology Credit Guarantee Fund Act shall be partially amended as follows:

In Article 50(1), "National Pension Corporation (NPC)" shall be amended to "National Pension Service (NPS)".

(11) The Sciences Promotion and Credit Guarantee, etc. for Student Loans Act shall be partially amended as follows:

In Article 55, "National Pension Corporation (NPC)" shall be amended to "National Pension Service (NPS)".

Article 43 (Relations with Other Acts) In the case where other Acts refer to the previous provisions of the 「National Pension Act」 at the time this Act enters into force, it shall be deemed that those provisions refer to the relevant provisions of this Act, substituting for the previous provisions, provided that the provisions corresponding to the previous provisions are stipulated in this Act.

**ADDENDA <Act No. 8635, Aug. 3, 2007>
(Financial Investment Services and Capital Markets Act)**

Article 1 (Enforcement Date) This Act shall enter into force on the date one and a half years after its promulgation. <Proviso Omitted>

Articles 2 through 41 Omitted

Article 42 (Amendment of Other Acts) (1) to <30> Omitted.

<31> The wholly amended Act No. 8541, the National Pension Amendment Act shall be partially amended as follows:

Article 102(2)3 and 4 shall be as follows respectively:

3. Purchase, sale or lending of securities under Article 4 of the 「Financial Investment Services and Capital Markets Act」;
4. Trade in the derivatives markets based on the financial instruments indices from among those specified in each subparagraph of Article 5(1) of the 「Financial Investment Services and Capital Markets Act」

<32> through <67> Omitted

Articles 43 through 44 Omitted.

**ADDENDA <Act No. 8728, Dec. 21, 2007>
(Act on Execution of the Sentences and Treatment of Prisoners)**

Article 1 (Enforcement Date) This Act shall enter into force on the date one year after its promulgation.

Articles 2 through 4 Omitted

Article 5 (Amendment of Other Acts) (1) and (2) Omitted

(3) The National Pension Act shall be partially amended as follows:

In Article 91(1)4, "in prison, etc. under Article 2 of the 「Criminal Administration Act」" shall be amended to "in a correctional institution under Article 11 of the 「Administration and Treatment of Correctional Institution Inmates Act」".

(4) through (12) Omitted

Article 6 Omitted

**ADDENDA <Act No. 8852, Feb. 29, 2008>
(Government Organization Act)**

Article 1 (Enforcement Date) This Act shall enter into force on the date of its promulgation. However, … <omitted>…, among the laws amended under Article 6 of the Addenda, laws which were promulgated before the enforcement of this Act but have not yet entered into force, shall enter into force on their enforcement dates respectively.

Articles 2 through 5 Omitted

Article 6 (Amendment of Other Acts) (1) to <451> Omitted

<452> The National Pension Act shall be partially amended as follows:

In the provisions of Article 2, Article 4(2), Article 5(1)5 and the provisions of Article 5(2) except for each subparagraph, Article 24, subparagraph 7 of Article 25, Article 28(2), Article 30(2), Article 31(5) and (6), Article 37, Article 41(1) through (3), Article 42(2), the main text of Article 51(1)2 except for each item, Article 95(3), Article 101(1), Article 102(1), the main text of Article 102(2) except for each subparagraph, Article 102(4) and (5), Article 103(6), Article 107(1), Article 125(1) and Article 132(1) through (3), "Minister

of Health and Welfare" shall be amended to "Minister of Health, Welfare and Family Affairs" respectively.

In the provisions of Article 5(1) except for each subparagraph, Article 30(1), the provisions of Article 103(1) except for each subparagraph and Article 111(1), "Ministry of Health and Welfare" shall be amended to "Ministry of Health, Welfare and Family Affairs" respectively.

In the provisions of Article 5(2) except for each subparagraph and Article 104(2) except for each subparagraph, "Vice Minister of Health and Welfare" shall be amended to "Vice Minister of Health, Welfare and Family Affairs"

In the provisions of Article 10(1) except for each subparagraph and Article 10(2), the first part of Article 13(1) except for each subparagraph and paragraph (2), Article 14(4), Article 16(2), the first part of Article 17(3), the latter part of Article 19(2), Article 21(1) and (2), the provisions of Article 23(3) except for each subparagraph, Article 31(4) and (8), Article 89(5) and (6), the main text of Article 93, Article 95(5) and Article 118 and Article 121(1), "Ordinance of Ministry of Health and Welfare" shall be amended to "Ordinance of Ministry for Health, Welfare and Family Affairs".

In the proviso of Article 102(2) except for each subparagraph, "Minister of Finance and Economy and the Minister of the Planning and Budget" shall be amended to "Minister of Strategy and Finance".

In the provisions of Article 103(2) except for each subparagraph, "Minister of Health and Welfare" shall be amended to "Minister of Health, Welfare and Family Affairs", "Vice Ministers of the following ministries; Ministry of Finance and Economy, Ministry of Agriculture and Forestry, Ministry of Commerce, Industry and Energy, Ministry of Labor and Ministry of Planning and Budget" to "Vice Ministers of the following ministries; Ministry of Strategy and Finance, Ministry for Food, Agriculture, Forestry and Fisheries, Ministry of Knowledge Economy and Ministry of Labor".

In the provisions of Article 107(3), "Minister of Health and Welfare" shall be amended to "Minister of Health, Welfare and Family Affairs", and "Minister of Finance and Economy" to "Minister of Strategy and Finance".

<453> through <760> Omitted

Article 7 Omitted.

ADDENDA <Act No. 9385, Jan. 30, 2009>

This Act shall enter into force on the date three months after its promulgation.

ADDENDA <Act No. 9431, Feb. 6, 2009>
(Act on Aggregation of National Pension and Occupational Pensions)

Article 1 (Enforcement Date) This Act shall enter into force on the date six months after its promulgation.

Article 2 and 3 Omitted

Article 4 (Amendment of Other Acts) The National Pension Act shall be partially amended as follows.

Article 8(1)1 shall be added with proviso as follows.

However, those who are entitled to receive retirement pension applying for aggregation under the Article 8 of the 「Act on Aggregation of National Pension and Occupational Pensions」 are excluded.

Subparagraph 2 of the Article 9 shall be added with proviso as follows.

Those who are entitled to receive retirement pensions, applying for aggregation under the Article 8 of the 「Act on Aggregation of National Pension and Occupational Pensions」 are excluded.

In Article 52(3), "Those who are entitled to receive pension" shall be amended to "Those who are entitled to receive pension (including those who are entitled to receive aggregation benefit under the 「Act on Aggregation of National Pension and Occupational Pensions」)".

ADDENDA <Act No. 9691, May 21, 2009>

Article 1 (Enforcement Date) This Act shall enter into force on January 1, 2011.

Article 2 (Application for Document Delivery) Amended provisions of Article 88-2(3), 95(3), and 96 shall be applied from the first notice or demand made by the NHIC on or after the entry into force of this Act.

Article 3 (Transitional Measures on Notice, Demand, Disposal for Delay of Contribution and Other Due Payments) Any notice, demand, disposal for delay made by the NPS pursuant to previous provisions, in relation to contribution or other due payments as of the entry into force of this Act, shall be deemed to be done by the NPS or NHIC pursuant to the amended provisions of the Articles 57-2, 88-2, and 95.

Article 4 (Transitional Measures on Request for Examination) Any request for examination made to NPS in relation to contribution and other due payments before the entry into

force of this Act shall be pursuant to previous provisions despite of amendment provisions of Article 108(1) and (2).

Article 5 (Transitional Measures on Disposal, Etc.) Any action made by, or made to, NPS in relation to collection of contribution and arrears fee/additional fee pursuant to previous provisions before the entry into force of this Act shall be deemed to be made by, or made to, NHIC.

**ADDENDA <Act No. 9754, Jun. 9, 2009>
(Military Service Act)**

Article 1 (Enforcement Date) This Act shall enter into force on the date six months after its promulgation. <proviso omitted>

Article 2 and 3 Omitted

Article 4 (Amendment of Other Acts) (1) The National Pension Act shall be partially amended as follows;

In Article 18(1)2 "Article 2(1)9 of the 「Military Service Act」" shall be amended to "Article 2(1)10 of the 「Military Service Act」"

(2) through (5) omitted.

**ADDENDA <Act No. 9932, Jan. 18, 2010>
(Government Organization Act)**

Article 1 (Enforcement Date) This Act shall enter into force on the date two months after its promulgation. <proviso omitted>

Article 2 and 3 Omitted

Article 4 (Amendment of Other Acts) (1) through <29> omitted

<30> The National Pension Act shall be partially amended as follows:

In the provisions of Article 2, Article 4(2), Article 5(1)5 and the provisions of Article 5(2) except for each subparagraph, Article 24, subparagraph 7 of Article 25, Article 28(2), Article 30(2), Article 31(5) and (6), Article 37, Article 41(1) through (3), Article 42(2),

the main text of Article 51(1)2 except for each item, Article 95(3), Article 101(1), Article 102(1), the main text of Article 102(2) except for each subparagraph, Article 102(4) and (5), Article 103(6), Article 107(1), Article 125(1) and Article 132(1) through (3), "Minister of Health, Welfare and Family Affairs" shall be amended to "Minister of Health and Welfare" respectively.

In the provisions of Article 5(1) except for each subparagraph, Article 30(1), the provisions of Article 103(1) except for each subparagraph and Article 111(1), "Ministry for Health, Welfare and Family Affairs" shall be amended to "Ministry of Health and Welfare" respectively.

In the provisions of Article 5(2) except for each subparagraph and Article 104(2) except for each subparagraph, "Vice Minister of Health, Welfare and Family Affairs" shall be amended to "Vice Minister of Health and Welfare" respectively.

In the provisions of Article 10(1) except for each subparagraph and Article 10(2), the first part of Article 13(1) except for each subparagraph and paragraph (2), Article 14(4), Article 16(2), the first part of Article 17(3), the latter part of Article 19(2), Article 21(1) and (2), the provisions of Article 23(3) except for each subparagraph, Article 31(4) and (8), Article 89(5) and (6), the main text of Article 93, Article 95(5) and Article 118 and Article 121(1), "Ordinance of Ministry of Health, Welfare and Family Affairs" shall be amended to "Ordinance of Ministry of Health and Welfare".

<31> through <137> omitted

Article 5 Omitted

ADDENDA <Act No. 10012, Feb. 4, 2010> (E-Government Act)

Article 1 (Enforcement Date) This Act shall enter into force three months after its promulgation, except Article 5(5) of this Addenda, which will take effect on January 1, 2011

Articles 2 through 4 Omitted

Article 5 (Amendment of Other Acts) (1) through (4) Omitted

(5) Part of Act No. 9691 National Pension Amendment Act shall be amended as follows; In Article 108(2), "subparagraph 5 of the Article 2 of the 「E-Government Act」" shall be amended to "subparagraph 7 of the Article 2 of 「E-Government Act」"

(6) through (15) Omitted.

Article 6 Omitted.

**ADDENDA <Act No. 10305, May 20, 2010>
(Industrial Accident Compensation Insurance Act)**

Article 1 (Enforcement Date) This Act shall enter into force six months after its promulgation. <Proviso Omitted>

Articles 2 through 5 Omitted

Article 6 (Amendment of Other Acts) (1) and (2) Omitted.

(3) Part of National Pension Act shall be amended as follows.

Subparagraph 2 of the Article 113 shall be as follows.

2. Disability benefits under Article 57 of the 「Industrial Accident Compensation Insurance Act」, survivor benefits under Article 62 of the same Act, or black lung compensation pension benefits under Article 91-3 of the same Act, or black lung survivor benefits under Article 91-4 of the same Act.

**ADDENDA <Act No. 10339, Jun. 4, 2010>
(Government Organization Act)**

Article 1 (Enforcement Date) This Act shall enter into force on the date one month after its promulgation. <proviso omitted>

Article 2 and 3 Omitted

Article 4 (Amendment of Other Acts) (1) through <23> omitted

<24> The National Pension Act shall be partially amended as follows.

In Article 103(2) except for each subparagraph, "Vice Minister of Labor" shall be amended to "Vice Minister of Employment and Labor."

<25> through <82> omitted.

Article 5 Omitted.

ADDENDA <Act No. 10682, May. 19, 2011>

**(Act on the Efficient Disposal of Non-Performing Assets, etc.,
of Financial Companies and the Establishment of Korea Asset Management Corporation)**

Article 1 (Enforcement Date) This Act shall enter into force on the date of promulgation.

Article 2 (Amendment of Other Acts) (1) through (4) Omitted.

(5) Part of National Pension Act shall be amended as follows.

In the first part of Article 95(5), "「Act on the Efficient Disposal of Non-Performing Assets, etc. of Financial Institutions and the Establishment of Korea Asset Management Corporation」" shall be amended to "「Act on the Efficient Disposal of Non-Performing Assets, etc., of Financial Companies and the Establishment of Korea Asset Management Corporation」".

(6) through <24> omitted.

Article 3 Omitted.

ADDENDA <Act No. 10783, Jun. 7, 2011>

(1) (Enforcement Date) This Act shall enter into force on the date of promulgation. However, the amended provisions of Article 8(1), (3), Article 16, Article 17(1), (2), Article 88(5), Article 100(2) shall enter into force on the date six months after its promulgation.

(2) (Application for Exclusion from the Calculation of the Dependents' Pension Amount)
The amended provisions of Article 52(3) shall apply to a person who acquired eligibility to receive Pension benefits first after the enforcement of this.

**ADDENDA <Act No. 10866, Jul. 21, 2011>
(Higher Education Act)**

Article 1 (Enforcement Date) This Act shall enter into force on the date of promulgation. However, …<omitted>… Article3 of the Addenda shall enter into force on the date one year after its promulgation.

Article 2 Omitted

Article 3 (Amendment of Other Acts) (1) through (5) Omitted

(6) Part of National Pension Act shall be amended as follows.

In Article 104(3)2, "instructor" shall be amended to "assistant professor."

(7) through <27> omitted

Article 4 Omitted

**ADDENDA <Act No. 11024, Aug. 4, 2011>
(Seafarers Act)**

Article 1 (Enforcement Date) This Act shall enter into force on the date six months after its promulgation. <proviso omitted>

Articles 2 through 7 Omitted

Article 8 (Amendment of Other Acts) (1) Part of National Pension Act shall be amended as follows.

Article 113(3) shall be amended as follows;

3. Disability compensation under Article 97 of the 「Seafarers Act」, lump sum compensation under Article 98 of the same Act, or survivor compensation under Article 99 of the same Act

(2) through (5) omitted

Article 9 Omitted

ADDENDA <Act No. 11143, Dec. 31, 2011>

Article 1 (Enforcement Date) This Act shall enter into force on the date six months after its promulgation. However, the amended provisions of Article 129 through 132 shall enter into force on the date of its promulgation; the amended provisions of Article 54(2), Article 73, Article 75 shall enter into force on the date three months after its promulgation; the amended provisions of Article 100(3), (4) shall enter into force on July 1, 2012. The amended provisions of Articles 8, 18, 21 of the Addenda of the wholly amended Act No. 8541, the National Pension Amendment Act shall enter into force on January 1, 2013.

Article 2 (Application Examples Regarding Period and Time of Pension Payment) (1) The amended provisions of Article 54(1) shall apply to cases involving the payment of unpaid contributions after the enforcement of this Act.

(2) The amended provisions of Article 54(2) shall apply from the month following the month that includes the enforcement of this Act.

Article 3 (Application Examples Regarding Claimant for Unpaid benefit and Exclusion Period) The amended provisions of Article 55(1) and (3) shall apply to unpaid benefits occurring after the enforcement of this Act.

Article 4 (Application Examples Regarding Repossession of Benefits) (1) Interest shall be applied, as under the amended provisions of Article 57(2), to cases whose reasons for repossession occurred after the enforcement of this Act.

(2) Arrears fees shall be applied, as under the amended provisions of Article 57(3), to recovery amounts whose due dates have passed without payment till the enforcement of this Act. The NPS shall demand recovery amounts again, including additional arrears fees.

Article 5 (Application Examples Regarding Claimant for Lump-sum Death Payment) The amended provisions of Article 80(1) shall apply to lump-sum death payments that occurred after the enforcement of this Act.

Article 6 (Special Cases of Postponed Age of Payment) The postponed age of payment in the amended provisions of Article 62(1), notwithstanding the provisions for age, shall be such that, for benefit payments, one year of age shall be added to ages of people born between 1953 and 1956, two years to people born between 1957 and 1960, three years to people born between 1961 and 1964, four years to people born between 1965 and 1968, and five years to people born in 1969 and beyond.

Article 7 (Special Cases of Contribution Subsidies for Farmers and Fishermen) Any farmer or fisherman whose status changes from Workplace-based Insured Person or an Individually Insured Person to a Voluntarily & Continuously Insured Person (an employee or employer of a mandatorily covered workplace and any person who falls under one of the subparagraphs of Article 9 shall be excluded) shall be subsidized until December 31, 2014 by the Special Accounts for Agriculture & Fishery Structure Improvement within 50/100 of the contributions that the concerned person is obliged to pay as determined by the Presidential Decree, notwithstanding Article 88(3).

Article 8 (Transitional Measures on Penal Provisions) When the NPS applies penal provisions to any behavior before the implementation of the amended provisions of Article 129 through 132, it shall follow previous provisions.

Article 9 (Transitional Measures on the Information Change of Age for Benefit Payments) Previous payments shall apply to persons who acquired eligibility for benefits before the enforcement of this Act, notwithstanding the amended provisions of Articles 8, 18, and 21 of the Addenda of the wholly amended Act No. 8541 of the National Pension Amendment Act.

**ENFORCEMENT DECREE OF
THE NATIONAL PENSION ACT**



ENFORCEMENT DECREE OF THE NATIONAL PENSION ACT

Wholly	Amended by Presidential Decree No.	20507,	Dec.	31.	2007
	Amended by Presidential Decree No.	20679,	Feb.	29.	2008
	Amended by Presidential Decree No.	20795,	May.	27.	2008
	Amended by Presidential Decree No.	20854,	Jun.	20.	2008
	Amended by Presidential Decree No.	20947,	Jul.	29.	2008
	Amended by Presidential Decree No.	21331,	Feb.	25.	2009
	Amended by Presidential Decree No.	21463,	Apr.	30.	2009
	Amended by Presidential Decree No.	21480,	May.	6.	2009
	Amended by Presidential Decree No.	21645,	Jul.	27.	2009
	Amended by Presidential Decree No.	21847,	Nov.	26.	2009
	Amended by Presidential Decree No.	21922,	Dec.	30.	2009
	Amended by Presidential Decree No.	22003,	Jan.	27.	2010
	Amended by Presidential Decree No.	22075,	Mar.	15.	2010
	Amended by Presidential Decree No.	22250,	Jul.	1.	2010
	Amended by Presidential Decree No.	22311,	Jul.	26.	2010
	Amended by Presidential Decree No.	22347,	Aug.	17.	2010
	Amended by Presidential Decree No.	22493,	Nov.	15.	2010
	Amended by Presidential Decree No.	22906,	Apr.	22.	2011
	Amended by Presidential Decree No.	23359,	Dec.	8.	2011
	Amended by Presidential Decree No.	23488,	Jan.	6.	2012
	Amended by Presidential Decree No.	23620,	Feb.	3.	2012
	Amended by Presidential Decree No.	23908,	Jun.	29.	2012
	Amended by Presidential Decree No.	24017,	Aug.	3.	2012
	Amended by Presidential Decree No.	24077,	Aug.	31.	2012

CONTENTS

CHAPTER I	GENERAL PROVISIONS	95
CHAPTER II	NATIONAL PENSION INSURED PERSONS	104
CHAPTER III	NATIONAL PENSION SERVICE	109
CHAPTER IV	BENEFITS	113
CHAPTER V	FINANCIAL RESOURCES AND COLLECTION OF PENSION CONTRIBUTIONS, ETC.	121
CHAPTER VI	NATIONAL PENSION FUND	133
CHAPTER VII	REQUEST FOR EXAMINATION AND REVIEW	140
CHAPTER VIII	SUPPLEMENTARY RULES	146
ADDENDUM		150
TABLES OF THE ENFORCEMENT DECREE OF THE NATIONAL PENSION ACT		169

CHAPTER I GENERAL PROVISIONS

Article 1 (Purpose) The purpose of this Decree is to prescribe matters delegated by the National Pension Act as well as matters necessary for the enforcement thereof.

Article 2 (Persons Not Deemed as Employees) Under the proviso of Article 3(1)1 of the National Pension Act (hereinafter referred to as the "Act"), any person falling under the following categories shall not be regarded as an employee: <Amended Aug. 17, 2010> <Enforcement Date Jan. 1, 2011>

1. Daily workers or workers employed for a period of less than one month, except for those who have been continuously employed for more than one month;
2. Workers employed in the workplace, the location of which is not fixed;
3. Directors of a legal person who have no income referred to in Article 3(1)2; and
4. Part-time workers whose contractual working hours are less than 60 hours a month. Among the part-time workers concerned, however, a person who continues to work for more than three months for the purpose of making a living and falls under any of the followings shall be excluded hereinafter; <Enforcement Date Sep. 1, 2010>
 - a. A part-time lecturer under Article 7(3) of the 「Enforcement Decree of the Higher Education Act」;
 - b. A person who desires to be deemed as an employee with the agreement of the employer

[Title Amended Aug. 17, 2010] <Enforcement Date Jan. 1, 2011>

Article 3 (Scope of Income) (1) The scope of income for a Workplace-based Insured Person or Voluntarily & Continuously Insured Person who works in a workplace insured under the National Pension Scheme (excluding a case where a beneficiary of the retirement pension, etc. referred to in Article 8(1) of the Act, or a pensioner under the National Basic Living Security Act becomes a Voluntarily & Continuously Insured Person and including a beneficiary of the retirement pension, etc. referred to in Article 8(1) of the Act, who filed an application for aggregation, referred to in Article 8 of the 「Act on Aggregation of National Pension and Occupational Pensions」; hereinafter referred to as the "Voluntarily & Continuously Workplace-based Insured Person") as referred to in Article 3(1)3 of the Act shall be as follows: <Amended Jul. 27, 2009; Aug. 17, 2010> <Enforcement Date Sep. 1, 2010>

1. For employers (limited to the employers of workplaces which are not legal persons): The income referred to in subparagraphs 1 through 3, 5, and 6 of paragraph (2)
2. For employees: The income obtained by subtracting non-taxable earned income referred to in Article 12(3) of the 「Income Tax Act」 (including the amount which is exempt from taxation pursuant to Article 18-2 of the 「Restriction of Special Taxation Act」) from income earned as referred to in Article 20(1) of the same Act.

(2) The scope of income, referred to in Article 3(1)3 of the Act, of an Individually Insured Person, and a Voluntarily & Continuously Insured Person who fulfills the requirements of an Individually Insured Person (hereinafter referred to as "the Voluntarily & Continuously Individually Insured Person") shall be considered as falling under one of the following categories. In the case where the insured person has an income from more than two categories, all incomes will be totaled and considered as one combined income.

<Amended Aug. 17, 2010> <Enforcement Date Sep. 1, 2010>

1. Agricultural income: Income earned from sowing, pomiculture/horticulture, sericulture, seed growing, special crops-producing business, stockbreeding business, breeding business or incubation business, and services incidental thereto;
2. Forestry income: Income earned from forestation and forestry products production businesses or wild birds and animal-breeding businesses and services incidental thereto;
3. Fishery income: Income earned from fishery and services incidental thereto;
4. Earned income: Income referred to in paragraph (1)2;
5. Business income: Business income amount referred to in Article 19(2) of the 「Income Tax Act」; and
6. Deleted <Aug. 17, 2010> <Enforcement Date Sep. 1, 2010>

Article 4 (Formula of Calculating Average Monthly Income) The average monthly income referred to in Article 3(1)4 of the Act shall be calculated annually by dividing the aggregate amount of Standard Monthly Income of all the Workplace-based and Individually Insured Persons who are covered as of December 31 each year (excluding Workplace-based Insured Persons and Individually Insured Persons who are not paying their pension contributions due to exceptions to payment of pension contributions referred to in the provisions of each subparagraph of Article 91(1) of the Act; hereinafter the same shall apply) by the total number of the Workplace-based and Individually Insured Persons. In this case, the average monthly income for the insured persons working at two or more workplaces referred to in Article 8 shall be calculated by considering the sum of the standard income of each workplace as the standard income of one workplace. <Amended Dec. 8, 2011>

Article 5 (Standard Monthly Income and Applicable Period) (1) The Standard Monthly Income as referred to in Article 3(1)5 of the Act shall be, within the lower and upper limit in the following subparagraphs, the amount reported by the employer in the case of a Workplace-based Insured Person or by the insured person in the case of an Individually Insured Person, from which less than one thousand won is rounded off.

1. Lower limit: Amount obtained by multiplying a value (to be rounded off to four decimal places) calculated by dividing item a. by item b. by the lower limit of the Standard Monthly Income for the immediately preceding applicable period. In such cases, an amount below ten thousand won shall be rounded off:

- a. Amount calculated as prescribed in Article 51(1)l of the Act and applied as prescribed in Article 37 from April of the relevant year to March of the next year
 - b. Amount calculated as prescribed in Article 51(1)l of the Act and applied as prescribed in Article 37 from April of the previous year to March of the relevant year
2. Upper limit: Amount obtained by multiplying a value (to be rounded off to four decimal places) calculated by dividing item a. of subparagraph 1 by item b. of the same subparagraph by the upper limit of the Standard Monthly Income for the immediately preceding applicable period. In such cases, an amount below ten thousand won shall be rounded off.
- (2) Notwithstanding paragraph (1), where distinct changes in the living conditions of the people, wages, prices of commodities or other economic conditions have occurred, the Minister of Health and Welfare may adjust the upper and lower limit under the subparagraphs of paragraph (1) after deliberation of the National Pension Deliberation Council (hereinafter referred to as the "National Pension Deliberation Council") under Article 5 of the Act. <Amended Mar. 15, 2010> <Enforcement Date Mar. 19, 2010>
- (3) The Minister of Health and Welfare shall announce the lower limit and upper limit under paragraph (1) or (2) by every March 31 after the deliberation of the National Pension Deliberation Council. <Amended Mar. 15, 2010> <Enforcement Date Mar. 19, 2010>
- (4) The applicable period of the lower and upper limit, announced as prescribed in paragraph (3), shall be from July of the relevant year to June of the next year.
- (5) If the monthly income amount reported by an employer or an insured person is less than the lower limit announced as prescribed in paragraph (3), the lower limit shall be the Standard Monthly Income; if the monthly income amount is more than the upper limit announced as prescribed in the same paragraph, the upper limit shall be the Standard Monthly Income.
- [Amended Dec. 30, 2009] <Enforcement Date Jan. 1, 2010>

Article 6 (Determination and Applicable Period of Standard Monthly Income When Insured Persons Acquire Insured Status and Resume Contribution Payment) (1) In the case where a Workplace-based Insured Person or Voluntarily & Continuously Workplace-based Insured Person acquires his/her insured status and then pays his/her first pension contributions, or he/she resumes paying his/her pension contributions after the termination of the exemption period from paying pension contributions, as referred to in Article 91 of the Act, the National Pension Service (hereinafter referred to as the "NPS"), as referred to in Article 24 of the Act, shall decide on the Standard Monthly Income based on the

amount of monthly income falling under each of the following subparagraphs. The applicable period shall be from the month which includes the day he/she gains his/her insured status or resumes his/her pension contributions to the month preceding the month in which the Standard Monthly Income, which is regularly decided pursuant to Article 7(1), is applied:

1. In the case where income is earned monthly, weekly or periodically: The amount equivalent to thirty times the amount that results from dividing the amount of the income by total number of days of the period;
2. In the case where income is earned daily, hourly or based on production or contract: The average amount of monthly income earned by another insured person who is engaged in the same work with the same income during the month preceding the month which includes the day the insured person gains his/her insured status or resumes paying his/her pension contributions; and
3. With regard to an insured person whose monthly income is difficult to calculate, as referred to in subparagraphs 1 and 2: the average amount of monthly income earned by another insured person who is engaged in the same work in the same region with the same income during the month preceding the month which includes the day the insured person gains his/her insured status or resumes paying his/her pension contributions.

(2) In the case where an Individually Insured Person or Voluntarily & Continuously Individually Insured Person pays his/her first pension contributions after obtaining his/her insured status or resumes paying his/her pension contributions after the termination of the exemption period from paying pension contributions referred to in Article 91 of the Act, the Standard Monthly Income for him/her shall be the income he/she earns from the job when he/she regains his/her insured status or resumes paying his/her contributions, and the NPS shall decide on the Standard Monthly Income for him/her based on a monthly income reported by the insured person or his/her agent. In this case, the NPS may suggest or inform in advance the amount calculated based on the taxation data by business type, the type of business he/she is engaged in, the size of the workplace and the area of farmland, etc. as the recommended monthly income to be referenced when the insured person concerned, or his/her agent, reports the income.

Article 7 (Determination and Applicable Period of Standard Monthly Income During Insured Period) (1) The NPS shall determine the Standard Monthly Income of a Workplace-based Insured Person or Voluntarily & Continuously Workplace-based Insured Person during the insured period after he/she acquired insured status, considering an amount equivalent to 30 times the amount obtained by dividing the amount of income he/she received in the relevant workplace in the previous year by the total number of days in the relevant period as a monthly income, and the applicable period shall be from July

of the relevant year to June of the following year. If the employment period is less than one month, the Standard Monthly Income shall be determined by the provisions of Article 6(1). <Amended Feb. 25, 2009>

1. Deleted <Feb. 25, 2009>
2. Deleted <Feb. 25, 2009>

(2) The NPS shall be determine the Standard Monthly Income during the insured period for an Individually Insured Person or Voluntarily & Continuously Individually Insured Person who has acquired an insured status based on the methods described in any of the following subparagraphs:

1. In the case where his/her income remained unchanged: Standard Monthly Income of the insured person concerned at the time of acquiring insured status as referred to in Article 6(2); and
2. In the case where his/her income changed more than once: If the NPS confirms reasons for the change of his/her income such as a change in the business type in which he/she is engaged through the inspection of his/her workplace under Article 122 of the Act, or recognizes that his/her actual income is different from the existing Standard Monthly Income, the NPS shall notify him/her that he/she must declare the changed income pursuant to Article 21 of the Act and determine the Standard Monthly Income based on the income of the preceding year under Article 3(2) which is reported by the relevant insured person or his/her agent and shall apply it from the month following the month in which such a determination is made. In this case, the NPS may provide information to the insured person or his/her agent regarding the recommended monthly income to declare on the basis of taxation data by business type, the type of business he/she is engaged in, the size of the workplace and the area of farmland, etc. within the scope of his/her income of the preceding year referred to in Article 3(2).

(3) In the case falling under each of the following subparagraphs, an Individually Insured Person, Voluntarily & Continuously Individually Insured Person, Voluntarily & Continuously Workplace-based Insured Person or his/her agent may apply to the NPS for a change to the Standard Monthly Income as prescribed by Ordinance of the Ministry of Health and Welfare, and such Standard Monthly Income shall be determined based on the income reported by the relevant insured person or his/her agent, and it shall apply starting from the month following the month in which the application for such change is made: <Amended Feb. 29, 2008; Mar. 15, 2010; Jul. 1, 2010>

1. A case where his/her income increases or decreases due to the alteration of business type, a change in business performance or the discontinuation of business; and
2. A case where an insured person wishes to set his/her Standard Monthly Income higher than his/her real income.

(4) The NPS, when it deems it necessary to incentivize the insured persons to declare their monthly income pursuant to the provisions of paragraph (2) of this Article, shall work out an annual income confirmation plan that includes the scope of insured persons to declare, the timing and methods of surveying the income, etc. after going through deliberations of the board of directors.

Article 8 (Determination of Standard Monthly Income of Insured Persons Working at Two or More Workplaces) In the case where a Workplace-based Insured Person or Voluntarily & Continuously Workplace-based Insured Person is an employee or an employer of two or more workplaces insured under the National Pension Scheme (including the case where he/she is an employer at one workplace insured under the National Pension scheme and an employer at another workplace insured under the National Pension scheme; hereinafter the same shall apply), the Standard Monthly Income shall be determined on the basis of the Standard Monthly Income given at each workplace, respectively. However, in the case where the sum of the Standard Monthly Income of two workplaces surpasses the maximum amount of the Standard Monthly Income as referred to in Article 5(1), the Standard Monthly Income for each workplace shall be determined by multiplying the ratio gained by dividing the aggregate amount of the two Standard Monthly Incomes by each Standard Monthly Income, by the maximum of the Standard Monthly Income.

Article 9 (Special Case on Determination of Standard Monthly Income) (1) In the case where it is difficult to calculate the Standard Monthly Income of a Workplace-based Insured Person, Individually Insured Person, Voluntarily & Continuously Workplace-based Insured Person or Voluntarily & Continuously Individually Insured Person under the provisions of Article 6 or where the monthly income declared or filed pursuant to the provisions of Article 6 or Article 7(1), (2) or (3)¹ is definitely different from the actual monthly income, the NPS shall determine it notwithstanding those provisions; however, the standards for and methods of making such decision shall undergo prior deliberations of the National Pension Deliberation Council. <Amended Dec. 30, 2009>

(2) In the case where the entire income, or a portion of it, is paid in kind, the value of the goods shall be evaluated by the NPS based on the prevailing consumer prices in that region.

(3) In the case where the monthly income of a Workplace-based Insured Person, Individually Insured Person, Voluntarily & Continuously Workplace-based Insured Person or Voluntarily & Continuously Individually Insured Person has not been reported properly as referred to in Article 21 of the Act and there is no income-related data as a result of confirmation under Article 122(1) of the Act, the NPS shall determine the Standard Monthly Income based on the monthly income in accordance with any of the following subparagraphs.

1. When determining the Standard Monthly Income during the insured period: an amount obtained by adjusting the relevant insured person's Standard Monthly Income from the previous year, based on the rate of change in average monthly income; and
2. When the Standard Monthly Income is determined at the time of acquisition of insured status or of resuming contribution payments: the amount equivalent to the Standard Monthly Income that is applied to the Voluntarily Insured Persons, etc. under the provisions of Article 10(1).

(4) The provisions of Article 6, 7(1) and (2) shall apply *mutatis mutandis* to cases where the monthly income of a Workplace-based Insured Person, Individually Insured Person, Voluntarily & Continuously Workplace-based Insured Person or Voluntarily & Continuously Individually Insured Person has not been reported as prescribed in Article 21 of the Act and there is income-related data as a result of confirmation pursuant to Article 122(1) of the Act.

Article 10 (Determination and Applicable Period of the Standard Monthly Income of Voluntarily Insured Persons, etc.) (1) For every year, the Standard Monthly Income of an insured person falling under any of the following subparagraphs (excluding beneficiaries of the 「National Basic Living Security Act」; hereinafter the same shall apply in this paragraph) shall be the amount corresponding to the Standard Monthly Income for the insured person in the middle income bracket on the basis of the Standard Monthly Income for all Individually Insured Persons as of December 31 of the preceding year. The application period shall be from April of the year concerned to March of the following year. In the case where the insured person requests that his/her Standard Monthly Income be raised higher than the middle income bracket, the NPS may determine the change of the Standard Monthly Income: <Amended Jul. 1, 2010>

1. A Voluntarily Insured Person; and
2. A Voluntarily & Continuously Insured Person except for a Voluntarily & Continuously Workplace-based Insured Person and a Voluntarily & Continuously Individually Insured Person.

(2) In the case where a beneficiary of the 「National Basic Living Security Act」 becomes an insured person falling under any of subparagraphs of paragraph (1), his/her Standard Monthly Income is determined based on the totaled amount of income referred to in Article 3(1)1 and Article 3(1)2 of the 「Enforcement Decree of the National Basic Livelihood Security Act」 (hereinafter referred to as "the total income of a beneficiary of the 「National Basic Living Security Act」"), which are among the incomes investigated and confirmed under Article 23(1) of the 「National Basic Livelihood Security Act」. The application period shall be from April of the year concerned to March of the following year. <Amended Dec. 8, 2011>

(3) Notwithstanding paragraph (2), when an insured person requests that his/her Standard Monthly Income be changed due to the change of the total income of a beneficiary of the 「National Basic Living Security Act」, the Standard Monthly Income shall be determined based on that changed income starting from the month following the month in which the request is made. <Newly Inserted Dec. 8, 2011>

Article 11 (Valuation of Financial Equilibrium of National Pension, etc.) (1) The Minister of Health and Welfare shall, under the provisions of Article 4(2) of the Act, complete the accounting of the financial balance of the National Pension Fund referred to in Article 101 of the Act (hereinafter referred to as the "Fund") by March 31 every five years, make a comprehensive plan concerning the operation of the Fund including financial projections of the Fund and adjustment of contributions, submit the plan for deliberation by the National Pension Deliberation Council, gain the approval of the President by the last day of September of the concerned year, and submit the plan to the National Assembly by the last day of October of the concerned year. <Amended Feb. 29, 2008; Mar. 15, 2010> <Enforcement Date Mar. 19, 2010>

(2) The Minister of Health and Welfare shall make a public announcement regarding the comprehensive plan of the operation, including financial projections of the Fund, etc. in one or more general daily newspapers and one or more special economic daily newspapers to be supplied nationwide under Article 9(1) of the 「Act on the Promotion of Newspapers, etc.」. <Amended Feb. 29, 2008; Jan. 27, 2010; Mar. 15, 2010> <Enforcement Date Mar. 19, 2010>

Article 12 (Duty of Chairperson of the National Pension Deliberation Council, etc.) (1) The chairperson shall represent the National Pension Deliberation Council and supervise the affairs of the Council.

(2) The vice-chairperson shall assist the chairperson and stand proxy for him/her in cases where the chairperson cannot perform his/her duties because of unavoidable circumstances.

Article 13 (Term of Office for National Pension Deliberation Council members, etc.) The term of office for the National Pension Deliberation Council members other than the chairperson shall be two years, and the members may be reappointed after serving their terms.

Article 14 (Meetings of the National Pension Deliberation Council, etc.) (1) The chairperson shall call and preside over the National Pension Deliberation Council Meetings.

(2) The National Pension Deliberation Council meetings shall be classified into regular and special meetings.

(3) Regular meetings shall convene every February, and special meetings shall convene in cases falling under one of the following subparagraphs: <Amended Feb. 29, 2008; Mar. 15, 2010> <Enforcement Date Mar. 19, 2010>

1. When the Minister of Health and Welfare requests it;
2. When one third or more of the incumbent members of the National Pension Deliberation Council requests it; and
3. When the chairperson deems it necessary.

(4) The National Pension Deliberation Council meetings shall be held with the attendance of a majority of the incumbent members, and resolutions of the meetings shall be made with the consent of a majority of members present.

(5) The chairperson shall report the resolutions of the Council to the Minister of Health and Welfare. <Amended Feb. 29, 2008; Mar. 15, 2010> <Enforcement Date Mar. 19, 2010>

Article 15 (Preparing and Keeping of Minutes of the National Pension Deliberation Council, etc.) (1) The chairperson of the National Pension Deliberative Council shall prepare and keep the minutes of the Council meetings on file.

(2) The minutes shall include the time, venue, matters discussed and resolved, and shall be signed and/or sealed by the chairperson and the members present.

(3) Any person who is or was an insured person, a beneficiary, or any other person involved in the National Pension Scheme may request a reading of the minutes at any time.

Article 16 (Secretary) (1) The National Pension Deliberation Council shall have a secretary appointed by the Minister of Health and Welfare from among public officials in the Ministry. <Amended Feb. 29, 2008; Mar. 15, 2010> <Enforcement Date Mar. 19, 2010>

(2) The secretary shall, pursuant to directions of the chairperson, be in charge of the National Pension Deliberation Council's general affairs.

Article 17 (Allowance Payable to Members) Members present at the meetings of the National Pension Deliberation Council may be provided an allowance within the scope of the budget. This, however, shall not apply in cases where a member who is a government official is present in direct connection with his/her duties.

CHAPTER II NATIONAL PENSION INSURED PERSONS

Article 18 (Persons Excluded from Coverage) A person who falls under one of the following subparagraphs pursuant to the proviso of Article 6 of the Act, shall be excluded from the coverage of the National Pension Scheme: <Amended Jun. 29, 2012>

1. A special occupation employee under 60 years of age among those who have acquired eligibility to receive Old-age Pension benefits pursuant to the provisions of Article 61(1) of the Act and Article 2 of the Addenda of Act No. 8541, the National Pension Amendment Act; and
2. A person who has acquired eligibility to receive Early Old-age Pension benefits pursuant to Article 61(2) of the Act. However, persons whose Early Old-age Pension payment is suspended, as referred to in the provisions of Article 66(1), shall be excluded.

Article 19 (Mandatorily Covered Workplace) (1) Mandatorily covered workplaces, under the provisions of Article 8(1) of the Act, shall be as follows:

1. Workplaces employing one or more workers; and
2. Workplaces employing one or more Korean workers as a foreign agency in Korea

(2) In the case where two or more workplaces are related with each other as a head office and its branch, agency or liaison office, or are under one management, they shall be regarded as one workplace subject to the provisions of paragraph (1).

Article 20 (Confirmation Criteria and Method Regarding Missing Persons) (1) Confirmation of a missing person, as referred to in Article 9(5) of the Act, shall be verified by the governor of a special self-governing province, mayor, county governor or district chairperson (meaning the chief of an autonomous district; hereinafter the same shall apply).

(2) The initial date in determining the missing period, referred to in paragraph (1), shall be the date verified by the governor of a special self-governing province, mayor, county governor or district chairperson.

(3) Notwithstanding paragraph (1), in the case where the missing person's contribution has been paid during the missing period, the period in which the contribution has been paid shall not be included in the missing period.

(4) In the case where a person whose contribution has been paid, as referred to in paragraph (3) is verified as being missing as referred to in paragraph (1) again, his/her

missing period shall be reckoned from the date on which he/she was verified as missing again after paying his/her contribution.

Article 21 (Loss of Insured Status upon Delinquency of Contributions) The period of delinquency in payment of pension contributions which results in the loss of voluntarily insured status and voluntarily & continuously insured status under Article 12(3)5 or 13(3)4 of the Act shall be three months. However, when it is proved that pension contributions cannot be made within that period because of natural disasters or other unavoidable circumstances, this provision shall not apply.

Article 22 (Special Occupation Employee) (1) The term "occupational category as prescribed by the Presidential Decree" in the part which is other than each item of Article 13(1)2 of the Act means the following: <Amended Apr. 30, 2009; Feb. 3, 2012; Jun. 29, 2012>

1. Mining under Article 3(2) of the 「Mining Industry Act」 (limited to those who work in a mining pit); and
2. Fishery, under Article 2(2) of the 「Fisheries Act」, performed on a fishing boat referred to in Article 3 of the 「Seafarers Act」 (limited to those who are directly engaged in fishing work).

(2) In the case of paragraph (1), if the insured period as a special occupation employee is less than three-fifths of his/her entire insured period, such an employee shall not be deemed as a special occupation employee.

Article 23 (Presumption of Death) (1) In accordance with Article 15 of the Act, those who are described in the following cases shall be presumed deceased:

1. When a ship has been sunken, capsized, destroyed or its whereabouts is unknown, or an aircraft has crashed, been destroyed or its whereabouts is unknown, any person who was on the ship or aircraft at the time shall be presumed deceased if his/her survival or death cannot be confirmed three months after the incident took place;
2. When the whereabouts of the person who was on a ship or aircraft that was already under way remains unknown for three months and his/her survival or death cannot be confirmed; and
3. When the survival or death of a person cannot be confirmed for three months due to natural disasters or other similar fatalities

(2) A person who is presumed deceased in accordance with paragraph (1) shall be presumed deceased on the day the accident took place or the day his/her whereabouts became unknown.

(3) When a person whose survival or death could not be confirmed due to reasons as described in paragraph (1) is proved to be deceased within three months after the accident occurred or he/she became missing, but the date of his/her death is not certain, he/she shall be presumed deceased on the day that the incident took place or when he/she went missing.

Article 23-2 (Contents Contained in the Certificate of Insured Person) Contents contained in the certificate of the insured person referred to in Article 16(2) of the Act shall be as follows:

1. Personal data of the insured person;
2. Category of the insured person and the date of acquisition of insured status

[Newly Inserted Dec. 8, 2011]

Article 24 (Individual Payment of Contributions) (1) When a Workplace-based Insured Person intends to pay the whole or part of the employee's contributions to be borne by him/her from among delinquent pension contributions to be incurred from the month following the month for which a notice of delinquency in payment is given under the latter part of Article 17(3) of the Act, he/she shall pay the relevant pension contributions to the National Health Insurance Corporation under Article 13 of the 「National Health Insurance Act」 (hereinafter referred to as the "NHIC") within three years from the monthly payment deadline of the relevant pension contributions. <Amended Aug. 17, 2010; Aug. 31, 2012> <Enforcement Date Sep. 1, 2012>

(2) When the Health Insurance Corporation receives or collects from an employer the whole or part of delinquent pension contributions incurred from the month following the month for which a notice of delinquency in payment is given under Articles 88(2) and 95(4) of the Act, the Health Insurance Corporation shall return an employee's contributions paid in duplicate by an employer to the relevant employee, adding interest thereto. In such cases, Article 73(3) shall apply *mutatis mutandis* to the interest rate. <Amended Aug. 17, 2010> <Enforcement Date Jan. 1, 2011>

Article 24-2 (Calculation of Insured Period of the Month When Contributions are Partially Paid, etc.) (1) The NPS shall appropriate the final month's partially paid contribution to the arrears fees and delinquent pension contributions in sequence beginning from the first month if the contributions (limited to the contributions of Individually Insured Persons, Voluntarily Insured Persons and Voluntarily & Continuously Insured Persons; hereinafter the same shall apply in this Article) are partially paid in cases when a person who is or was an insured person claims the Old-age Pension or his/her survivors claim the Survivor Pension. In this case when a month paid in full through the appropriation is included in his/her insured period, the Standard Monthly Income and the annual revaluation rate of the month paid in full shall be applied.

(2) When the NPS refunds the partially paid contribution under Article 17(2)2 of the Act, the NPS shall refund it to the beneficiary of an Old-age Pension or a Survivor Pension. In the case where the beneficiary dies before he/she is refunded, it shall be refunded to the Unpaid Benefit claimant under Article 55 of the Act.

(3) When a person who is or was an insured person claims under the proviso of Article 17(2)2 of the Act, he/she shall pay the unpaid contributions and arrears fees of a partially paid month and the interest under paragraph 4 to the NPS by the 10th day of the month following the month in which he/she claims. In this case when the person who is or was an insured person and claimed to pay, falls under one of the following subparagraphs, the NPS shall refund the partially paid contribution.

1. When he/she dies before paying;
2. When he/she receives the Old-age Pension; and
3. When he/she fails to pay by the due date

(4) The interest under Article 17(2)3 of the Act shall be calculated based on the number of the months of the duration specified in the following subparagraphs, and the interest rate shall be the same as the interest rate of a time deposit with a maturity of one year. (If the rate fluctuates during the relevant calculation period, or differs depending on the bank, it shall be the average rate of interest of banks whose operations cover the entire nation and which are established under the 「Banking Act」 as of January 1 of the corresponding year. Hereinafter the same shall apply.)

1. When the partially paid contribution is refunded; starting from the month following the month in which the contribution is partially paid, to the month which includes the day of occurrence of the reason for pension payment;
2. When delinquent pension contributions of partially paid months are paid, from the month following the month which includes the due date of the contribution of the month, to the month including the day when the claim under Paragraph 3 is made.

[Newly Inserted Dec. 8, 2011]

Article 25 (Scope of Recognition of Children, etc.) (1) A child for whom an additional insurance period is included under Article 19 of the Act shall be a person as specified in the following subparagraphs (including a person who was deceased at the time when an additional insurance period is included): <Amended Aug. 3, 2012> <Enforcement Date Aug. 5, 2012>

1. A child of natural parents, child recognized as born, adopted child or child adopted through full adoption under the 「Civil Act」;
2. An adopted child under the 「Act on Special Cases concerning Adoption」

ENFORCEMENT DECREE OF THE NATIONAL PENSION ACT

(2) Where a father or mother (including foster parents; hereinafter the same shall apply in this paragraph) of a child referred to in paragraph (1) acquires his/her eligibility to receive Old-age Pension benefits, and if the child falls under one of the following subparagraphs, the father or mother of the child shall not be granted an additional insured period:

1. In the case where the child becomes an adopted child of another person; or
2. In the case where the adoptive relationship between the parent and the child is terminated

(3) No other person shall include an additional period in his/her insurance period with respect to a child for whom an additional period is included in a currently or formerly insured person's insurance period under Article 19 of the Act.

CHAPTER III NATIONAL PENSION SERVICE

Article 26 (Matters for Deliberation and Resolution by Board of Directors) The board of directors of the NPS shall deliberate on and decide the following matters:

1. Matters pertaining to the budget and closing accounts;
2. Matters pertaining to the amendment of Articles of incorporation;
3. Matters pertaining to the acquisition, management and disposition of major assets;
4. Matters pertaining to the operation plan and other basic policy of management of the NPS;
5. Matters pertaining to the calculation criteria and method of recommended monthly income for declaration;
6. Matters pertaining to an annual income confirmation plan for Individually Insured Persons and Voluntarily & Continuously Individually Insured Persons; and
7. Matters pertaining to the enactment, amendment, and abolition of rules or regulations

Article 27 (Meetings of Board of Directors) (1) The meeting of the board of directors shall be classified into regular and special meetings.

(2) The regular meeting shall annually be held in February and October, and shall be called by the president of the NPS.

(3) The special meeting may be called by request of the president of the NPS when he/she deems it necessary or when three or more directors (including executive directors; hereinafter the same shall apply) request it.

Article 28 (Preparing and Keeping Minutes of the Board of Directors) The Article 15 regarding preparing and keeping of minutes of the National Pension Deliberation Council shall apply *mutatis mutandis* to preparing, keeping and reading of the minutes of the board of directors of the NPS. In this case, the "National Pension Deliberation Council", "chairperson", and "member" shall be regarded as "board of directors", "chief director", and "director" respectively.

Article 29 (Operation Plan and Budget) (1) The NPS shall draw up the operation plan and budget for each fiscal year under the operation and budget guidelines announced by the Minister of Health and Welfare and submit it to the Minister of Health and Welfare no later than two months before the beginning of the fiscal year. <Amended Feb. 29, 2008; Mar. 15, 2010> <Enforcement Date Mar. 19, 2010>

(2) The operation plan and budget submitted under paragraph (1) shall be accompanied by annexed documents necessary to support its justification, such as a detailed plan for each major project, a projected balance sheet, and a projected income statement, etc.

(3) The Minister of Health and Welfare shall approve the proposed operation plan and budget submitted under paragraph (1) no later than the beginning of each fiscal year. <Amended Feb. 29, 2008; Mar. 15, 2010> <Enforcement Date Mar. 19, 2010>

Article 30 (Temporary Loans and Appropriation by Transfers) (1) When the NPS deems it necessary to get a temporary loan under Article 44(1) of the Act, the NPS shall submit a written statement disclosing reasons, methods, interest rates of the loan and the repayment method to the Minister of Health and Welfare. <Amended Feb. 29, 2008; Mar. 15, 2010> <Enforcement Date Mar. 19, 2010>

(2) When the NPS deems it necessary to make up for any shortfalls through financial transfers from the Fund pursuant to Article 44(3) of the Act, the NPS shall submit a written statement disclosing the reason for transfers and the amount to be transferred, etc. to the National Pension Fund Operation Committee referred to in Article 103 of the Act (hereinafter referred to as the "Operation Committee").

Article 31 (Welfare Services) (1) Under Article 46(1) of the Act, the NPS may conduct the following welfare programs: <Amended Apr. 30, 2009> <Enforcement Date May 1, 2009>

1. Building, supplying, renting and operating elderly welfare facilities, building and operating sports facilities as supplementary facilities of elderly welfare facilities and loan services;
2. Building and operating welfare facilities, such as welfare facilities for the children and welfare facilities for the disabled and loan services;
3. Building and operating hospitals, recreational facilities, or nursing facilities and loan services;
4. Loan services for the stabilization of livelihoods;
5. Loan services for school expenses;
6. Loan services for building welfare facilities in small and medium-sized workplaces which are mandatorily covered workplaces; and
7. Loan services for purchasing houses or leasing houses

(2) The NPS may allow those who are or were insured persons or non-beneficiaries to use welfare facilities referred to under subparagraphs 1 through 3 of paragraph (1) to an extent which does not affect its services. <Amended Apr. 30, 2009> <Enforcement Date May 1, 2009>

Article 32 (Loan Services) (1) The NPS may provide loan services to a person who is or was an insured person under Article 46(3) of the Act up to the amount corresponding to 80/100 of the contributions he/she has paid: <Amended Apr. 30, 2009>

(2) Matters necessary with regard to the interest rates, duration, criteria and procedure of the loan shall be determined and announced by the Minister of Health and Welfare. <Amended Feb. 29, 2008; Mar. 15, 2010> <Enforcement Date Mar. 19, 2010>

Article 32-2 (Special Cases Concerning Acquisition of Land for Welfare Facilities Establishment) The term "public institutions designated by Presidential Decree" in Article 46(2) of the Act means local government-invested public corporations established under Article 49 of the 「Local Public Enterprises Act」.

[Newly Inserted Apr. 30, 2009] <Enforcement Date Mar. 19, 2010>

Article 32-3 (Service on Successful Aging) The NPS may, as prescribed in Article 46(3) of the Act, conduct service on successful aging related to the matters in the following subparagraphs:

1. Consultation and education on finance such as the guarantee of appropriate income through a multi-pillar old-age income security system, such as all kinds of pensions under Acts including the National Pension and personal pensions; and discovering and linking with related specialized agencies;
2. Consultation and education on health, recreation, job, social participation, etc.; and discovering and linking with related specialized agencies;
3. Construction and operation of information systems for services on successful aging;
4. Education and training for services on successful aging and publicity thereof;
5. Survey and research concerning services on successful aging and international cooperation thereon; and
6. Post management and matters needed to perform services on successful aging.

[Amended Jun. 29, 2012]

Article 33 (Entrustment of Services) (1) The range of services and bodies the NPS may entrust its services to, under Article 47(2) of the Act, shall be as follows: <Amended May 27, 2008; Apr. 30, 2009; Aug. 17, 2010> <Enforcement Date Jan. 1, 2011>

1. Affairs concerning the receipt of repayment of loans, benefit recovery under Article 57 of the Act, return of the Refund under Article 78(1) of the Act, postponed contributions under Article 92(1) of the Act, or amounts received by the NPS through subrogation of relevant beneficiaries rights under Article 114(1) of the Act, the payment of benefits, and the payment of loans: Postal service or financial institution, or non-profit corporation in finance-related business;

2. Affairs related to accepting the application for acquisition and loss of insured status, etc.: the insurer of National Health Insurance or the heads of local self-governing bodies;
3. Business of Building and operating of elderly welfare facilities, sports facilities as supplementary facility thereof, and welfare facility such as welfare facilities for the children and welfare facilities for the disabled, and business of building and operating hospitals, recreational facilities, and nursing facilities: social welfare organizations as defined in the 「Social Welfare Services Act」, or public enterprises or government-invested organizations as defined by the 「Government Invested Organization Basic Management Act」, and the National Federation of Agricultural Cooperative, Fisheries Cooperatives and the Forestry Cooperatives established under the 「Agricultural Cooperatives Act」, 「Fisheries Cooperatives Act」 and 「Forestry Cooperatives Act」 respectively, and persons who run religious organizations or similar types of organizations
4. Deleted <Aug. 17, 2010> <Enforcement Date Jan. 1, 2011>

(2) The NPS may pay commission fees to bodies which are entrusted with services under paragraph (1).

Article 34 (Enactment of Provisions) The NPS shall obtain the approval of the Minister of Health and Welfare, when it intends to enact or modify the necessary provisions concerning its organization, personnel, remuneration for officers and staff, audit, management and operation of the Fund. <Amended Feb. 29, 2008; Mar. 15, 2010>

CHAPTER IV BENEFITS

Article 35 (Issuance of Certificate of National Pension Pensioner) The NPS shall issue a pensioner certificate under the National Pension Scheme to a person eligible for benefits (hereinafter referred to as the "beneficiary") as prescribed by the Ordinance of the Ministry of Health and Welfare. <Amended Feb. 29, 2008; Mar. 15, 2010> <Enforcement Date Mar. 19, 2010>

Article 36 (Annual Revaluation Rate, etc.) The annual revaluation rate (hereinafter referred to as the "revaluation rate") shall be determined every year on the basis of the amount calculated by dividing the amount settled under the following subparagraph 1 by the amount pursuant to subparagraph 2, when it is announced by the Minister of Health and Welfare under Article 51(1)2 of the Act. In this case, prior deliberation by the National Pension Deliberation Council shall be conducted. <Amended Feb. 29, 2008; Mar. 15, 2010> <Enforcement Date Mar. 19, 2010>

1. The amount calculated under Article 51(1)1 of the Act
2. The amount calculated according to the calculation method under Article 51(1)1 of the Act each revaluation year

Article 37 (Application Period Related to Calculation of Basic Pension Amount) The amount calculated under Article 51(1)1 of the Act and the annual revaluation rate under Article 36 shall be applied to a person entitled to receive benefits of which the payment commences in the period from April of the relevant year to March of the next year.

Article 38 (Recognition Criteria for Maintenance of Livelihood of Persons Eligible for Dependents' Pension Amount) Under Article 52(1) of the Act, the recognition criteria for each category of eligible persons who may be given Dependents' Pension benefits shall be as shown in Table 1.

Article 39 (Persons Eligible for Unpaid Benefits, etc.) Under the proviso of Article 55(1) of the Act, the persons corresponding to the case of runaway, missing, etc. who shall not be paid the Unpaid Benefits, and siblings whose livelihoods have been maintained by the beneficiary who shall be paid the Unpaid Benefits, shall be as shown in Table 1.
[Amended Jun. 29, 2012]

Article 40 (Payment Method of Unpaid Benefits) When two or more people having equal priority under Article 55(2) of the Act are entitled to unpaid benefits, the payment shall be made as shown below: <Amended Dec. 8, 2011> <Enforcement Date Jan. 9, 2012>

1. A claim filed by a claimant who has equal priority to other claimants shall only effect his/her share of unpaid benefits; and
2. In the case where persons having equal priority or their legal representative appoints a representative who is to receive the entire or part of the benefits on behalf of all of the persons having equal priority, the representative can apply for part of or the entire amount of the unpaid benefits.

Article 41 (Notice of Collection of Recovery Amount) (1) When grounds of collection of recovery amount occur as referred to in Article 57(1) and (4) of the Act, the NPS shall decide the amount to collect (including interest as referred to in Article 57(2) of the Act, hereinafter referred to as the "Recovery Amount") and give at least twenty days' notice. <Amended Jun. 29, 2012>

(2) When the recovery amount is not collected within the deadline specified in paragraph (1), the NPS shall demand payment, giving a new deadline period of at least twenty days. <Amended Jun. 29, 2012>

(3) The recovery amount may be paid in monthly installments as determined in the following subparagraphs. <Amended Jun. 29, 2012>

1. In the case where the recovery amount ranges from 200,000 won to less than 400,000 won (as of the date of the application for payment in installments, hereinafter the same shall apply in this paragraph): up to and including two payments
2. In the case where the recovery amount ranges from 400,000 won to less than 1,200,000 won: up to and including four payments
3. In the case where the recovery amount ranges from 1,200,000 won to less than 1,800,000 won: up to and including twelve payments
4. In the case where the recovery amount is more than 3,600,000 won: up to and including thirty-five payments .

(4) In the case where the recovery amount under paragraph (3) has not been paid continuously for more than three months, the NPS may collect the entire recovery amount at one time. <Amended Jun. 29, 2012>

[Title Amended Jun. 29, 2012]

Article 42 (Interest Added on Benefit Recovery) (1) Under Article 57(2) of the Act, the calculation duration for the interest to be added shall be based on the number of months beginning from the month which includes the date of the benefit paid until the month proceeding the month including the date of the notice of collection of the recovery amount given. In this case, the interest shall be calculated based on the entire paid benefits, including the compound interest on an annual basis. <Amended Jun. 29, 2012>

(2) The interest rate to be applied in the period calculated as referred to in paragraph (1) shall be as follows; <Amended Jun. 29, 2012>

1. In the case of Article 57(1)1 of the Act: the interest rate of a time deposit with a maturity of three years
2. In the case of Article 57(1)2 of the Act: the interest rate of a time deposit with a maturity of one year

[Title Amended Jun. 29, 2012]

Article 42-2 (Exemptions from Collection of Arrears Fee on Benefit Recovery) Under the proviso of Article 57(3) of the Act, the NPS may not collect the arrears fee in cases falling under the following subparagraphs:

1. In the case where a person was not able to pay due to a war or disaster; or
2. In the case where a person was not able to pay contributions due to the occurrence of an accident such as a fire, etc.

[Newly Inserted Jun. 29, 2012]

Article 43 (Exemption from Collection of Recovery Amount and Arrears fee) The NPS may not collect any recovery amount and arrears fee amounting to less than 3,000 won pursuant to Article 57(6) of the Act. <Amended Jun. 29, 2012>

[Title Amended Jun. 29, 2012]

Article 44 (Amount of Paid Benefits not Eligible for Seizure) Benefits paid to a beneficiary but which shall not be seized pursuant to Article 58(2) of the Act shall be the amount as determined by Article 2 of the 「Enforcement Decree of the Civil Execution Act」. <Amended Dec. 8, 2011>

Article 45 (Income-earning Activities) (1) "Income-earning activities by a Presidential Decree", under the provisions of Article 61(2) and 63(2) of the Act, refers to the activities with income that exceeds the amount calculated pursuant to Article 51(1)1 of the Act. Income here is calculated by dividing the sum determined from the following subparagraphs by the number of months worked (months worked in the relevant year; a period of less than one month shall be counted as one month): <Amended Dec. 8, 2011; Jun. 29, 2012>

1. Deleted; <Aug. 17, 2010> <Enforcement Date Sep. 1, 2010>
2. Business income under Article 19(2) of the 「Income Tax Act」; and
3. Earned income under Article 20(2) of the 「Income Tax Act」

(2) The NPS may halt a pension payment or provide a reduced pension based on data supplied by the state and the like according to Article 123(1) of the Act when providing a pension for an Old-age Pension beneficiary under the Article 61 of the Act. However,

if the beneficiary submits objective materials which may prove the income of the year in question, they can be exempted. <Newly Inserted Dec. 8, 2011> <Enforcement Date Jan. 1, 2012>

(3) The NPS determines the pension reduction amount or suspension of payment after filing a final return on tax base of global income in accordance with Article 70 of the 「Income Tax Act」 and provides the differences at the time of giving a pension after the following month. However, if there are no payments to provide because of the death of the beneficiary or whole suspension of payments, etc. the NPS shall collect the calculated differences under Article 41. <Newly Inserted Dec. 8, 2011> <Enforcement Date Jan. 1, 2012>

Article 46 (Degree of Disability, etc.) (1) The classification standard for the degree of disability referred to in Article 67(5) of the Act shall be as shown in Table 2.

(2) The NPS shall conduct evaluation on disability to decide the degree of disability.

(3) The NPS may have a disability evaluation committee member or commission an advisory physician for the purpose of ensuring the proper evaluation of the degree of disability.

(4) Matters necessary with regard to the qualification of a disability evaluation committee member and an advisory physician and also the criteria for classification of the degree of disability, etc. shall be determined and announced by the Minister of Health and Welfare. <Amended Feb. 29, 2008; Mar. 15, 2010> <Enforcement Date Mar. 19, 2010>

Article 46-2 (Change of the Amount of Disability Pension, etc.) The basic date of determination on the degree of disability, according to Article 70(3)1 of the Act, is set according to the pertinent date of each of the following subparagraphs:

1. In the case of the advent of the cycle of judging over the degree of disability fixed by the NPS, regarding the probability of change of the degree of disability: the last day of a month covering the date of advent
2. In the case of submitting the relevant data after payment has been suspended under Article 86(1) of the Act because the data regarding the review has not been submitted notwithstanding the advent of a cycle of judging over the degree of disability based on subparagraph (1): Date of submitting the relevant data
3. In the case of applying for a Disability Pension on the date of complete recovery, according to Article 67(1) of the Act, or after the month following the month covering the date of more than a year and a half since the first medical examination date, according to Paragraph (1) of the same Article: Date of submitting the

application for a Disability Pension
[Newly Inserted Jun. 29, 2012]

Article 47 (Recognition Criteria for Maintenance of Livelihood of Persons Eligible for Survivor Pension) Under Article 73(1) of the Act, the recognition criteria for each category of persons who have been supported by a current or former insured person whose dependents are eligible to receive the Survivor Pension shall be as shown in Table 1.

Article 48 (Payment Method of Survivor Pension) In the case where there are two or more survivors having the same priority under Article 73(3) of the Act, Article 40 shall apply *mutatis mutandis* to the payment method of the Survivor Pension.

Article 49 (Income-earning Activities of Spouses Eligible for Survivor Pensions) In the case of spouses who are beneficiaries of the Survivor Pension, Article 45 shall apply *mutatis mutandis* to the scope of income-earning activities, which suspend the concerned pension payment, and the method of suspension and calculation of the pension payment under Article 76(1)3 of the Act. <Amended Jun. 29, 2012>

Article 50 (Calculation of Lump-sum Refund) When a Lump-sum Refund is calculated under Article 77(2) and 116(1) of the Act, the amount of interest to be added to the Lump-sum Refund shall be calculated as prescribed in the following subparagraphs by the number of concerned months: <Amended Dec. 8, 2011>

1. The interest rate over the period from the month following the month which includes the date of the initial contribution (including the postponed contribution as referred to in Article 92 of the Act) to the month which includes the date on which the insured status is lost: the rate of a time deposit with a maturity of three years of the concerned period
2. The interest rate over the period from the month following the month that includes the date on which insured status is lost to the month that includes the date in which any reason referred to in any subparagraph of Article 77(1) of the Act occurs (in the case where the Lump-sum Refund is paid pursuant to Article 116 of the Act, the date as described in the following items): the rate of a time deposit with a maturity of one year of the concerned year;
 - a. In the case where a person receives a Lump-sum Refund pursuant to Article 67(1)1 of the previous Act (referring to the provisions which were amended by Act No. 3902, the National Welfare Pension Amendment Act and repealed by Act No. 5623 the National Pension Amendment Act): The date of five years since the reason occurs; however, if the person reaches sixty years of age, emigrates to a foreign country, loses Korean nationality or becomes covered under other public pension programs before five years; the date on which the reason for entitlement to the

Lump-sum Refund occurs;

- b. In the case where a person receives a Lump-sum Refund, as referred to in Article 77(1)3 of the Act and Article 67(1)4 of the previous Act (referring to the provisions which were amended by Act No. 6027 the National Pension Amendment Act): The date on which the reason for the payment of the Lump-sum Refund occurs

Article 51 (Payment Method of Lump-sum Refund) In the case where there are two or more survivors having the same priority in receiving a Lump-sum Refund under Article 77(3) of the Act, Article 40 shall apply *mutatis mutandis* to the payment method.

Article 52 (Time Limit of Return of the Refund, etc.) (1) When a person who received a Lump-sum Refund pursuant to Article 78(1) of the Act, returns his/her refund and its interest to the NPS (hereinafter referred to as the "return of the Refund"), the return of the Refund shall be made by the last day of the month following the month in which he/she applies for the return of the Refund, or by the last day of each successive month following the month in which he/she applies for the return of the Refund in installments.

(2) When the application for return of the Refund, in installments, is accepted by the NPS under Article 78(2) of the Act, the return of the Refund shall be paid monthly, according to the request of the payee, through dividing the return of refund, to be counted as his/her insured period, into monthly units within the installment times as described in any of following subparagraphs: <Amended Dec. 8, 2011> <Enforcement Date Jul. 1, 2012>

1. If the insured period is less than one year: three times
2. If the insured period ranges from one year to less than five years: twelve times
3. If the insured period is over five years: twenty-four times

(3) The calculation of the interest added to the Lump-sum Refund under Article 78(1) and (2) of the Act shall be based on the methods by division of each subparagraph as follows. In this case, if the period for calculating interest exceeds a year, interest shall be calculated yearly and counted into the amount of principal. Interest after that shall be recalculated based on the aforementioned amount <Amended Dec. 8, 2011> <Enforcement Date Jul. 1, 2012>

1. In the case of full payment: the amount calculated on the Lump-sum Refund according to the interest rate for a time deposit with a maturity of one year applicable for the relevant period from the month in which the payment of the Lump-sum Refund was made to the month preceding the month in which the return of the Refund is applied for
2. In the case of payment in installments: the amount calculated on each installment according to the interest rate for a time deposit with a maturity of one year applicable for the relevant period from the month in which the payment of the

Lump-sum Refund was made to the month preceding the month in which the installment payment is made

(4) Requirements of applying for return of the refund shall be determined by the Ordinance of the Ministry of Health and Welfare. <Amended Dec. 8, 2011> <Enforcement Date Jul. 1, 2012>

(5) Deleted <Dec. 8, 2011> <Enforcement Date Jul. 1, 2012>

Article 53 (Person Eligible for Lump-sum Death Payment, etc.) Under the proviso of Article 80(1) of the Act, a person corresponding to such cases as runaways or missing and who shall not be given a Lump-sum Death Payment, and a collateral blood relative within first cousin whose livelihood has been maintained by a person who is or was an insured person and who shall be given a Lump-sum Death Payment, shall be as shown in Table 1. [Amended Jun. 29, 2012]

Article 54 (Payment Method of Lump-sum Death Payment) In the case where there are two or more persons having the same priority in receiving a Lump-sum Death Payment under Article 80(3) of the Act, Article 40 shall apply *mutatis mutandis* to the payment method.

Article 55 (Restrictions on Benefit Payment) In the case where the payment of benefits is restricted under Article 82(2) of the Act, the scope of benefits, which may not be paid, shall be by division of each subparagraph as follows:

1. If not complying with the instructions for proper medical care on purpose or by gross negligence: from 800/1000 to 1000/1000 of the benefit
2. If not complying with the instructions for proper medical care without justifiable reason: from 500/1000 to 800/1000 of the benefit

Article 56 (Temporary Suspension of Benefit Payment) (1) In the case where the NPS intends to temporarily suspend the payment of benefits under Article 86(2) of the Act, it shall demand in writing with a time limit of at least ten days that the beneficiary resolve the reason for the suspension of benefits payment.

(2) In the case where the person who is under demand of the NPS as referred to in paragraph (1) does not take any necessary actions within the given period, the NPS shall temporarily suspend the benefit payment from the following month for a designated period within three years.

ENFORCEMENT DECREE OF THE NATIONAL PENSION ACT

(3) In the case where the person whose benefit payment is temporarily suspended under paragraph (1) takes necessary actions during the period of temporary suspension, the temporary suspension shall be immediately released and benefits which have not been paid during that period shall be paid.

(4) In the case where the NPS suspends the payment of benefits pursuant to Article 86(1) of the Act to a person who has not taken any necessary actions within the period of temporary suspension by the provisions of paragraph (2), it shall suspend the payment, including the period of temporary suspension.

CHAPTER V FINANCIAL RESOURCES AND COLLECTION OF PENSION CONTRIBUTIONS, ETC.

Article 56-2 (Payment of Retroactive Pension Contributions in Installments) (1) When pension contributions which shall be paid additionally under Article 88(5) of the Act (hereinafter referred to as the “retroactive pension contributions”) exceed the pension contributions of the month, a insured person or an employer may apply for payment in installments on retroactive pension contributions.

(2) An insured person or an employer who wishes to pay retroactive pension contributions in installments according to the paragraph (1), shall submit an application form according to the Ordinance of the Ministry of Health and Welfare to the NPS three days before its due date.

(3) An insured person or an employer who has applied for payment in installments on retroactive pension contributions according to paragraph (2), may make up to 3 evenly-split payments of the retroactive pension contributions.

(4) The retroactive pension contributions in installments, according to the paragraph (3) must be paid up to 10th the following month of each month of the notification. However, the first retroactive pension contributions must be paid up to the due date of the retroactive pension contributions according to the paragraph (2).

[Newly Inserted Dec. 8, 2011]

Article 57 (Scope of Farmers and Fishermen) (1) A person who operates or is engaged in agriculture, forestry, livestock or fishery businesses (hereinafter referred to as the “farmers and fishermen”) referred to in the proviso of Article 89(1) of the Act shall be any person falling under Article 3(2) of the 「Framework Act on Agriculture and Fisheries, Rural Community and Food Industry」. <Amended Nov. 26, 2009; Jul. 1, 2010>

(2) Notwithstanding paragraph (1), if a person is concurrently engaged in the agricultural business under subparagraph 1(a) of Article 3 of the 「Framework Act on Agriculture and Fisheries, Rural Community and Food Industry」 (hereinafter referred to as “agriculture” in this Article), or fisheries business under item(b) of the same subparagraph (hereinafter referred to as “fishery business”), whether he/she is a farmer or a fisherman shall be decided by aggregating the total amount of sales or the engagement period in each industry as prescribed by the Ordinance of the Ministry of Health and Welfare. <Amended Feb. 29, 2008; Mar. 15, 2010; Jul. 1, 2010>

(3) Notwithstanding paragraphs (1) and (2), a person falling under one of the following subparagraphs shall be excluded from the farmers and fishermen category: <Amended Jul. 1, 2010>

1. A person who has any other income that is more than the total amount of agricultural (including income from agriculture related business), or fishery (including income from fishery related business) income; and
2. A person whose annual income except the total amount of agricultural (including income from agriculture related business), or fishery (including income from fishery related business) income exceeds the amount equivalent to 12 times the average monthly income calculated pursuant to Article 4

(4) Farmers and fishermen referred to in paragraphs (1) and (2) shall be confirmed by the head of a City, Gu, Eup or Myeon, having jurisdiction over the location of their residences or lands under the Ordinance of the Ministry of Health and Welfare. However this shall not apply to any of the following persons: <Amended Feb. 29, 2008; Mar. 15, 2010; Jul. 1, 2010>

1. A person who can be verified as a farmer in the farmland ledger under Article 49 of the 「Farmland Act」;
2. A person who has registered a livestock farming business under Article 22(1) of the 「Livestock Industry Act」;
3. A person who obtains a fishing license under Article 8 of the 「Fisheries Act」, or registers a fishing right under Article 17 of the same Act, or obtains a fishing permit under 41 of the same Act, or files an application for fishing under Article 47 of the same Act

Article 58 (Advance Payment and Refund of Contributions) (1) A person who wants to make payment in advance of pension contributions under Article 89(2) and 89(3) of the Act shall apply for an advance payment on the pension contributions as provided by the Ordinance of the Ministry of Health and Welfare. In such cases, a period of advance payment should be set in less than a year but persons who are more than 50 of age at the time of the application shall pay in less than 5 years.

(2) If there is an application according to paragraph (1), the NPS shall determine matters in each of the following subparagraphs after estimating approximately the amount the applicant shall pay in advance, and the applicant of the advance payment shall pay the total estimated prepayment pension contributions from subparagraph 4 by the due date for the pension contributions of the month previous to the first month of the prepayment period.

1. Amount of the pension contributions of the month in which the application for prepayment is made (hereinafter referred to as the “standard pension contributions”)

2. Amount of reduction over payment in advance (calculated on a monthly basis by multiplying $1/12$ of the interest rate of the time deposit with a maturity of one year by the number of months of advance payment respectively on the amount of standard pension contributions (hereinafter referred to as the “standard reduced money”))
3. Amount of money through deduction of standard reduced money from the amount of standard pension contributions (hereinafter referred to as the “estimated prepayment pension contributions”)
4. The sum total of the estimated prepayment pension contributions, which is the sum of the estimated prepayment pension contributions

(3) When an applicant makes a full payment of the sum total of the estimated prepayment pension contributions according to paragraph (2), the NPS shall determine matters in each of the following subparagraphs each month, and in case of prepayment of over a year, it should inform the applicant of the balance for prepayment from subparagraph 4.

1. Amount of the pension contributions from the relevant month over a period of the prepayment under Article 88(2) of the Act imposed upon the applicant (hereinafter referred to as the “determined pension contributions”)
2. The reduced amount with prepayment (calculated on a monthly basis by multiplying $1/12$ of the interest rate of the time deposit with a maturity of one year by the number of months of advance payment respectively on the amount of determined pension contributions; hereinafter referred to as the “determined reduced money”)
3. Amount of money through deduction of the determined reduced money from the determined pension contributions (hereinafter referred to as the “determined prepayment pension contributions”)
4. Amount of money through deduction of all the determined prepayment pension contributions up to the relevant month from the sum total of the estimated prepayment pension contributions (hereinafter referred to as the “balance of the prepayment”)

(4) Determined prepayment pension contributions set with paragraph (3) is considered to be paid on the date corresponding to Article 89(2) of the Act.

(5) In the case of one of the following subparagraphs, the NPS shall determine refund on the balance of the prepayment at the time of verification of the reasons and the NHIC shall return it to the applicant. In this case, the provisions of Article 73(2) to (4) shall apply *mutatis mutandis* as to the method for refund.

1. In the case where an applicant dies
2. In the case where an applicant loses his/her nationality or immigrates to a foreign country

3. In the case where an applicant is excluded from the coverage under the proviso of Article 6 of the Act (a case in which a person acquires Voluntarily & Continuously insured status in accordance with Article 13 of the Act is excluded)
4. In the case where an applicant receives an Old-age Pension, early Old-age Pension or lump-sum refund under Article 61 or 77(1) of the Act
5. In the case where determined pension contributions for the period of prepayment are paid off
6. In the case where a balance for prepayment becomes less than the determined pension contributions
7. In the case of an application for refund from the applicant.

[Amended Jun. 29, 2012]

Article 59 (Benefits for Automatic Transfer of Contributions) Under Article 89(4) of the Act, the NPS may subtract the amount corresponding to the costs saved by automatic transfer from the contributions, and/or provide gifts, money and the like by lot for the insured person who pays contributions by automatic transfer.

Article 60 (Exemptions from Contribution Payment) Exemptions from pension contribution payments under Article 91(1)7 of the Act are as following subparagraphs: <Amended Feb. 29, 2008; Mar. 15, 2010> <Enforcement Date Mar. 19, 2010>

1. In the case where a person has been hospitalized for more than three months because of sickness or injury;
2. In the case where a person who is aided or supported by the 「Act on the Prevention of and Countermeasures against Agricultural and Fishery Disasters」, 「Countermeasures against Natural Disasters Act」 or by the 「Disaster Relief Act」; and
3. In the case where a person whose income has been reduced by disaster, accident and so on, to an extent that it becomes difficult to maintain a minimum standard of livelihood as determined by the Minister for Health, Welfare and Family Affairs.

Article 61 (Application for Exemption from Contribution Payment, etc.) (1) In the case where an employer or Individually Insured Person intends not to pay his/her contributions under Article 91(1) of the Act, he/she shall submit an application for an exemption from his/her pension contribution payment to the NPS as prescribed by the Ordinance of the Ministry of Health and Welfare. <Amended Feb. 29, 2008; Mar. 15, 2010> <Enforcement Date Mar. 19, 2010>

(2) Notwithstanding paragraph (1), when the NPS judges that contributions cannot be collected from an Individually Insured Person due to the occurrence of reasons as prescribed by the subparagraphs 2 through 6 of Article 91(1) of the Act, it may determine the exemption from contribution payment for the period in which the reasons occurred.

This shall not be applied to contributions which have already been paid for all or part of the period in which the reasons occurred.

(3) The NPS shall confirm whether the cause of exemption expires or not whenever one year passes from the starting day of exemption from contribution payment for the person who does not pay the contributions by the cause of provisions of Article 91(1)6 or 7 of the Act.

(4) When the cause of exemption from contribution payment expires, the NPS shall notify in advance that fact to the insured person concerned.

(5) Article 20(1) shall apply *mutatis mutandis* to the recognition criteria for confirming a person as missing referred to in Article 91(1)6 of the Act.

(6) The period of exemption from contribution payment shall be from the month including the date on which the cause of exemption occurs to the month including the date on which the cause expires. However, in cases falling under one of the following subparagraphs, the exemption period shall be until the month preceding the month including the date on which the cause of payment exemption expires:

1. In the case where a cause of payment exemption occurs on the first day of the month; and
2. In the case where an insured person wishes to pay his/her contributions for the month including the date on which the cause of payment exemption expires.

Article 62 (Application for Payment of Postponed Contributions, etc.) (1) In the case where a person falling under one of the subparagraphs of Article 92(1) of the Act intends to pay contributions (hereinafter referred to as the "postponed contributions") corresponding to the whole or part of the period provided in the subparagraph concerned to the NPS, he/she shall apply for payment of the postponed contributions as prescribed by the Ordinance of the Ministry of Health and Welfare. <Amended Feb. 29, 2008; Mar. 15, 2010> <Enforcement Date Mar. 19, 2010>

(2) The provisions of Article 52(1) through (4) shall apply *mutatis mutandis* to the deadline for making the postponed contribution payments and to the method, the frequency of payment, and any additional interest rates in the case of postponed payments to be made in installments. In this case, the "return of the Refund" and the "insured period" shall be deemed as "postponed contributions" and "additional period" respectively.

Article 63 (Imposition of Pension Contributions on Persons Working in more than two Covered Work Places) The NPS shall, in imposing the pension contributions of a

Workplace-based Insured Person, where he/she is a worker or employer in more than two work places which are covered by the National Pension Schemes, impose them respectively on the basis of the Standard Monthly Income by each workplace. <Amended Aug. 17, 2010; Dec. 8, 2011> <Enforcement Date Jan. 1, 2011>
[Title Amended Aug. 17, 2010]

Article 64 (Demand of Pension Contribution Payments, etc.) (1) The NHIC, when it demands that a Workplace-based Insured Person pay his/her pension contributions or other due payments under Article 95(1) of the Act, shall issue a demand note to the employer of the Workplace-based Insured Person concerned within twenty days after the due date for paying his/her pension contributions has elapsed. <Amended Aug. 17, 2010> <Enforcement Date Jan. 1, 2011>

(2) The NHIC, when it demands an Individually Insured Person to pay his/her contributions or other due payments under Article 95(1) of the Act, shall issue a demand note to him/her within three months after the due date for paying such pension contributions has elapsed. <Amended Aug. 17, 2010> <Enforcement Date Jan. 1, 2011>

Article 65 (Appropriation of Pension Contributions in Disposition for Arrears) When contributions in arrears and other dues are collected in the same manner as delinquent national taxes are collected under Article 95(4) of the Act, and if the allotment appropriated for the arrears is short of the amount in arrears after the dispositions are concluded, the pension contributions and other dues shall be appropriated by methods falling under each of the following subparagraphs: <Amended Aug. 17, 2010> <Enforcement Date Jan. 1, 2011>

1. In cases where the pension contributions have been in arrears for more than two months: in the order of arrears fee followed by pension contributions of the initial default on the due date
2. In cases where the pension contributions have been in arrears for one month: in the order of arrears fee followed by pension contributions
3. Notwithstanding subparagraphs 1 and 2, in cases where a person who is in arrears in his/her contributions as an Individually Insured Person, and then in arrears in his/her contributions as a Workplace-based Insured Person (limited to an employer who is not a legal person): after priority appropriation of the arrears fee and pension contributions as a Workplace-based Insured Person from the initial default on the due date, in the order of the arrears fee followed by pension contributions as an Individually Insured person from the initial default on the due date

Article 66 (Request for Vicarious Execution of Disposal, etc.) (1) If the NHIC intends to request for vicarious execution of disposal of seized property to the Korea Asset

Management Corporation established under the 「Act on the Efficient Disposal of Non-Performing Assets, etc. of Financial Institutions and the Establishment of Korea Asset Management Corporation」 (hereinafter referred to as "KAMCO") pursuant to Article 95(4) of the Act, it shall prepare a vicarious disposal request form containing the following information and send it to KAMCO. <Amended Aug. 17, 2010> <Enforcement Date Jan. 1, 2011>

1. Name and address or dwelling place of the delinquent;
2. Type, quantity, quality, and location of property subject to disposal;
3. Detailed information and due date regarding contributions or other due payment related to the seizure; and
4. Other necessary information

(2) The NHIC shall make known the fact of vicarious disposal to the delinquent, the person(s) with right to the property, including the lease right, pledge right, and mortgage right, etc. and others holding the property subject to seizure. <Amended Aug. 17, 2010> <Enforcement Date Jan. 1, 2011>

Article 67 (Delivery of Property Seized) (1) The NHIC may, upon requesting a vicarious execution of disposal under Article 66(1), deliver the property held by it or being kept in custody of a third party to KAMCO. With respect to the NHIC property being held by a third party, its delivery may be substituted by delivering a property holding certificate issued by the third party. <Amended Aug. 17, 2010> <Enforcement Date Jan. 1, 2011>

(2) When KAMCO takes over the seized property under paragraph (1), it shall prepare a transfer/take over document.

Article 68 (Request for Cancellation of Vicarious Execution of Disposal) (1) In the case of any property that is not disposed within two years after the receipt of request for vicarious execution of disposal, KAMCO may request the NHIC to cancel the vicarious execution of disposal of the property. <Amended Aug. 17, 2010> <Enforcement Date Jan. 1, 2011>

(2) The NHIC shall, upon receipt of a request for cancellation under paragraph (1), comply with it unless there are compelling reasons not to. <Amended Aug. 17, 2010> <Enforcement Date Jan. 1, 2011>

Article 69 (Notification of Release of Seizure) (1) In the case where the NHIC requests a vicarious execution of disposal of the seized property to KAMCO and then, releases the seizure of the property before its disposition, it shall immediately notify KAMCO of the fact. <Amended Aug. 17, 2010> <Enforcement Date Jan. 1, 2011>

(2) When notification is received under paragraph (1), KAMCO shall immediately stop the disposal procedure and notify the NHIC of the fact. <Amended Aug. 17, 2010> <Enforcement Date Jan. 1, 2011>

Article 70 (Detailed Matters Regarding Vicarious Execution of Disposal) Matters necessary with regard to vicarious disposal by KAMCO under Article 95(4) of the Act and specified by this Decree shall be defined after discussion between the NHIC and KAMCO. <Amended Aug. 17, 2010> <Enforcement Date Jan. 1, 2011>

Article 70-2 (Mail Delivery) When the NPS or the NHIC delivers documents under Article 57-2, 88-2, and 95 of the Act by mail in accordance with the proviso of Article 96 of the Act, it may serve the documents by regular mail notwithstanding the main sentence of Article 10(2) of the 「Framework Act on National Taxes」. <Enforcement Date Jan. 1, 2011>

[Newly Inserted Aug. 17, 2010] <Enforcement Date Jan. 1, 2011>

Article 71 (Exemptions from Collection of Arrears fee) The NPS may not collect the arrears fee under Article 97(3) of the Act, in cases falling under the following subparagraphs: <Amended Feb. 29, 2008; Mar. 15, 2010; Aug. 17, 2010> <Enforcement Date Jan. 1, 2011>

1. In the case where a person was not able to pay contributions due to a war or disaster;
2. In the case where a person was not able to pay contributions due to the closure of workplace (limited to a Workplace-based Insured Person);
3. In the case where a person was not able to pay contributions due to the occurrence of an accident such as a fire; or
4. Other situations that prevented the collection of arrears fees or additional charges determined by the Ordinance of the Ministry of Health and Welfare

[Title Amended Aug. 17, 2010] <Enforcement Date Jan. 1, 2011>

Article 72 (Accounting Agency for Contributions, etc.) (1) The president of the NHIC may appoint an executive Contribution collection official from among executive directors of the NHIC and also a division officer from among employees of the NHIC to put them in charge of the collection of contributions and the arrears fees referred to in Article 88(2) and 97 of the Act. <Amended Aug. 17, 2010> <Enforcement Date Jan. 1, 2011>

(2) The chief executive officer of the NPS may appoint an executive return of the Refund and Postponed Contribution collection official from among executive directors of the NPS and also a division officer from among employees of the NPS to put them in charge of collecting the amount of collection according to the law except the amount of collection

pursuant to paragraph (1). <Newly Inserted Aug. 17, 2010> <Enforcement Date Jan. 1, 2011>

Article 73 (Appropriation and Refund of Excessive or Erroneous Contributions) (1) In the case where any excessive or erroneous contribution has occurred, as referred to in Article 100 of the Act, the NPS shall appropriate it in the order of each of the following subparagraphs. In this case, the provisions of Article 65 shall apply *mutatis mutandis* to the appropriation method of the collected amount referred to in subparagraph 3: <Amended Aug. 17, 2010; Jun. 29, 2012>

1. Disposition fee for arrears;
2. Recovery amount and arrears fee under Article 57(3) of the Act.
3. Contributions not paid, and the arrears fee referred to in Article 97 of the Act; and
4. One month's contribution to be paid; the appropriation shall not be made against the intention of the person entitled to receive the remainder of the excessive and erroneous contributions under paragraph (2).

(2) In the case where there is an outstanding amount of excessive or erroneous contributions that have remained after the appropriation under paragraph (1), the NHIC shall refund it in the order of the following subparagraphs. In this case, if there exist more than two persons in the same order, Article 40 shall apply *mutatis mutandis* to the return method: <Amended Aug. 17, 2010; Jun. 29, 2012>

1. Persons liable for payment;
2. Persons eligible to receive the Survivor Pension referred to in Article 73 of the Act;
3. Successor of persons liable for payment.

(3) "The interest according to the Presidential Decree" in Article 100(3) of the Act is a amount calculated by multiplying the excessive or erroneous contributions under Article 100(1) of the Act and the interest rate from additional payment on the refund of national taxes under Article 43(3)2 of the 「Enforcement Decree of the Basic Law for National Taxes」 for the periods from a date in accordance with the classification of each of the following subparagraphs to a determined date on appropriation or refund. <Amended Aug. 17, 2010, Jun. 29, 2012>

1. In the case of an occurrence of excessive or erroneous contributions by declaring a change of qualification under Article 21 of the Act: In 7 days from the date of declaring a change of qualification
2. A case except for subparagraph 1: the day following the excessive or erroneous contributions paid

(4) When the NPS intends to appropriate under paragraph (1) or the NHIC intends to refund the excessive or erroneous contributions under paragraph (2), it shall issue notification of the fact in writing to the concerned person referred to in paragraph (2). <Amended Aug. 17, 2010> <Enforcement Date Jan. 1, 2011>

(5) The provisions of paragraphs (1) through (4) shall apply *mutatis mutandis* to the excessive or erroneous contributions incurred from the collection of the return of the Refund and postponed contributions, and the provisions of paragraphs (1), (2) and (4) shall apply *mutatis mutandis* to the excessive or erroneous contributions incurred from the collection of the recovery amount. In this case, “the NHIC” is deemed to be “the NPS”. <Amended Aug. 17, 2010; Jun. 29, 2012>

Article 73-2 (Object of Pension Contribution Support) (1) "a workplace with a size determined by the Presidential Decree" in Article 100(3)1 of the Act refers to a workplace (public organizations according to Article 2(1) of the 「Act on the Prevention of Corruption and the Establishment and Management of the Anti-Corruption and Civil Rights Commission」 are excluded, hereafter the same shall apply) of which the number of employees except the employer (representative director in the case of corporations, hereafter the same shall apply) among the workplace-based insured persons according to Article 8 of the Act is one of each of the following subparagraphs:

1. A workplace which has fewer than 10 employees at the time of the last day of the month including an application date and fewer than 10 employees on monthly average in the year before a year including an application date
2. A workplace which has fewer than 10 employees at the time of the last day of the month including an application date and during 3 months (when a workplace becomes a mandatorily covered workplace under Article 8 in the year including an application date, if those periods are not beyond 3 months, it should be from the month of becoming an obligatorily applicable workplace to the month including an application date) in a row just before the month including an application date in the year including an application date.

(2) When a workplace selected as a recipient for support of pension contributions, according to paragraph (1), has more than 10 employees for 3 months in a row, the support of pension contributions shall be suspended from the month following the month including an effective date for the reason to the last month of the relevant year.

(3) In Article 100(3)1 of the Act “income of the amount determined by the Presidential Decree” shall be defined in the case that the Standard Monthly income under Article 6 and Article 7 corresponds to the amount which is publicly posted with the agreement between the Minister of Health and Welfare and the Minister of Employment and Labor

allowing for the coverage state according to employees' income level, wage growth rate, labor market conditions, and relations with other Acts, etc.

[Newly Inserted Jun. 29, 2012]

Article 73-3 (Level and Method of Pension Contribution Support, etc.) (1) The level of supporting pension contributions under Article 100(3)2 of the Act shall be announced by the Minister of Health and Welfare after conferring with the Minister of Employment and Labor allowing for employees' income level, etc. in the sphere of half of the pension contributions covered by an employer and an employee respectively.

(2) When an employer seeks for support of pension contributions according to paragraph (1), he/she shall apply for the support of pension contributions to the NPS as determined by the Ordinance of the Ministry of Health and Welfare.

(3) Following the application under paragraph (2), the NPS verifies whether an employer has made a payment of pension contributions by the due date in accordance with Article 89 of the Act each month and supports pension contributions of the relevant month. In this case, the period for the support is set from the month including the date of the application to the last month of the relevant year.

(4) If a workplace is receiving pension-contributions support at the end of a year and has fewer than 10 employees, it is regarded as applying for the pension contribution support under paragraph (2) on January 1 of the next year and the pension contributions for the following year shall be supported consecutively.

(5) In the case of suspension of the pension contribution support under Article 73(2)2, an application according to paragraph (2) cannot be filed by the last month of the relevant year.

(6) Matters necessary for application and notifying a result regarding pension contribution support other than matters defined in paragraphs (1) to (5) shall be determined by the Ordinance of the Ministry of Health and Welfare.

[Newly Inserted Jun. 29, 2012]

Article 73-4 (Recovery of Pension Contribution Support) (1) The NPS shall redeem the amount of money according to the relevant subparagraph if a person who received pension contribution support under Article 100(4) of the Act is falling under one of the following subparagraphs:

1. In the case where a person was supported through fabrication or other foul means although the requirements for application was not met at the time of the application:
all amount supported

2. In the case of verification of having received support continuously in spite of a cause for suspension of pension contribution support under Article 73(2)2 occurred: the amount supported after the month following the month including the occurrence date of the cause
3. In the case where the next year's Standard Monthly Income of an employee eligible for the support (limited to employees who newly acquired workplace-based insured person status in the relevant year) exceeds one thousand one hundred thousandth of the maximum income notified in accordance with Article 73(2)3: all amounts the employee concerned has received
4. Beyond that, in the case of verification of support for persons who do not have qualification owing to employer's oversight, etc.: the amount supported erroneously

(2) In the case where a reason for the recovery of support according to Article 100(4) of the Act occurs, the NPS shall notify an employer of the fact according to the Ordinance of the Ministry of Health and Welfare, and notify and collect the amount for recovery. In this case Article 41(1) and (2) shall apply *mutatis mutandis* to the procedure of notification.

[Newly Inserted Jun. 29, 2012]

CHAPTER VI NATIONAL PENSION FUND

Article 74 (Operation of Fund, etc.) (1) Financial institutions referred to in Article 102(2)1 of the Act shall be as follows: <Amended May. 27, 2008; Jul. 29, 2008; Nov. 15, 2010> <Enforcement Date Nov. 18, 2010>

1. Banks under the 「Banking Act」, Industrial Bank of Korea under the 「Industrial Bank of Korea Act」; Small and Medium Industry Bank under the 「Small and Medium Industry Bank Act」;
2. Investment dealer, investment broker, trust businessman, collective investment trader, investment consulting trader, and merchant banks referred to in 「Capital Market and Financial Investment Services Provider Act」
3. deleted <Jul. 29, 2008> <Enforcement Date Feb. 4, 2009>
4. deleted <Jul. 29, 2008> <Enforcement Date Feb. 4, 2009>
5. deleted <Jul. 29, 2008> <Enforcement Date Feb. 4, 2009>
6. Insurance companies under the 「Insurance Business Act」
7. Communications agency

(2) In the case of lending funds to implement the businesses as described in Article 102(2)5 of the Act, the interest rate shall be determined by the National Pension Fund Management Committee.

(3) The business to increase the Fund referred to in Article 102(2)7 of the Act shall be as follows: <Amended Jul. 29, 2008; Apr. 30, 2009; May. 6, 2009> <Enforcement Date May. 8, 2009>

1. Investment in venture companies under Article 4(1) of the 「Act on Special Measures for the Promotion of Venture Businesses」, including investment associations for small and medium business establishment, investment associations for the development of promising future technologies and Korea venture investment associations;
2. Investment in corporate restructuring associations under Article 15 of the 「Industrial Development Act」 (previous to the law 9584, general revision of the Industrial Development Act) or structural improvement private placement investment company under Article 20 of the 「Industrial Development Act」;
3. Transaction of exchange-traded derivatives and over-the-counter derivatives under Article 5(2) and (3) of 「Capital Market and Financial Investment Services Provider Act」;
4. Sale and purchase of foreign exchange under Article 3(1)13 of the 「Foreign Exchange Transactions Act」;
5. Investment in and financing of collective investment vehicles under Article 9(18) of 「Capital Market and Financial Investment Services Provider Act」;

6. Investment in and financing of infrastructure business under Article 2(2) of the 「Act on Private Participation in Infrastructure」;
 7. Investment in and financing of businesses for the development, acquisition or management of real estate;
 8. Investment in and financing of businesses for energy and resource development;
 9. Investment in and financing of companies or businesses for the acquisition of aircraft or vessel, enterprises;
 10. Investment in and financing of companies legally established or operated under relevant legislation in foreign countries falling under subparagraphs 1 through 9; and
 11. Businesses expecting the earning rate higher than that of a state bond with a maturity of five years under the proviso of Article 102(3) of the Act and which are deemed necessary businesses for an increase of the Fund by the Management Committee
- (4) The earning rate of a state bond with a maturity of five years referred to in the proviso of Article 102(3) of the Act shall be the higher yield between the bonds of the following subparagraphs transacted outside a securities market under Article 166 of 「Capital Market and Financial Investment Services Provider Act」: <Amended Jul. 29, 2008; Apr. 30, 2009> <Enforcement Date May. 1, 2009>
1. Type 1 of the national housing bond issued under Article 91(1)1 of the 「Enforcement Decree of Housing Act」; and
 2. State bond under Article 3 of the 「State Bond Act」

Article 75 (Accounting of the Fund) The accounting of the Fund referred to in Article 102(4) of the Act shall be calculated and arranged in accordance with the relevant facts and the principles of business accounting.

Article 76 (Entrustment of Works Related to Management and Operation of the Fund, etc.)

- (1) The Minister of Health and Welfare shall entrust the work described in any of the following subparagraphs to the NPS under Article 102(5) of the Act: <Amended Feb. 29, 2008; Mar. 15, 2010> <Enforcement Date Mar. 19, 2010>
1. The management and operation of the Fund referred to in Article 102(2) of the Act;
 2. Accounting of the Fund referred to in Article 102(4) of the Act; and
 3. Matters determined by the Minister of Health and Welfare relating to management and operation of the Fund including the rent of property obtained by the NPS as referred to in Article 102(2)6 of the Act.

Article 76-2 (Calculation Criteria and Use of Financial Supporting) (1) The Minister of Health and Welfare shall calculate the amount of a financial supporting made under Article 102-2(1) of the Act based on the rate of the affairs concerning collection of pension contributions and other related dues (hereinafter referred to as “entrusted collection

affairs”) to the whole affairs which are being performed by the NHIC, concerning collection under Article 13(1)2 (limited to the affairs concerning collection of insurance premiums and related dues) and Article 13(1)10 of the 「National Health Insurance Act」. In this case, the Minister of Health and Welfare shall determine the rate of entrusted collection affairs following consultation with the Minister of Employment and Labor.

(2) The NHIC shall submit to the Minister of Health and Welfare a written request for a financial supporting amount calculated according to the criteria provided in paragraph (1) with attached evidential documents such as its business management plan by May 31 of each year.

(3) When a financial supporting amount is confirmed, the Minister of Health and Welfare shall inform the NHIC of such an amount.

(4) The NHIC shall use a financial supporting amount for the following purposes only;

1. Personnel, operation and business expenses incurred in performing entrusted collection affairs;
2. Facilities (including equipment) purchase and lease expenses incurred in performing entrusted collection affairs;
3. Other expenses incurred in performing entrusted collection affairs;

(5) Where the NHIC uses a financial supporting amount for purposes other than those purposes under paragraph (4), the Minister of Health and Welfare shall retrieve such financial supporting amounts.

(6) The NHIC shall make a report to the Minister of Health and Welfare on the execution of financial supporting amounts by the tenth of the month following the end of each quarter of the year.

[Newly Inserted Aug. 17, 2010] <Enforcement Date Jan. 1, 2011>

Article 76-3 (Additional Financial Supportings) (1) Where a financial supporting amount under Article 76-2(3) is insufficient to defray the expenses incurred in the collection of pension contributions, etc., the NHIC may request an additional financial supporting amount from the Minister of Health and Welfare.

(2) Where the Minister of Health and Welfare reviews the requested amount under paragraph (1) and deems that the amount is appropriate, the Minister may make an additional financial supporting.

[Newly Inserted Aug. 17, 2010] <Enforcement Date Jan. 1, 2011>

Article 77 (Duties of Chairperson of Management Committee, etc.) (1) The chairperson of the Management Committee shall represent the Committee and supervise the affairs of the Committee.

(2) When the chairperson cannot perform his/her duty owing to unavoidable circumstances, a person who is appointed by the chairperson in advance from among the committee members qualified to represent the public interest, shall act on his/her behalf.

Article 78 (Meetings of Management Committee, etc.) (1) The chairperson of the Management Committee shall call a committee meeting by request of a third of the incumbent members or when he/she deems it necessary, other than the meetings referred to in Article 103(5) of the Act.

(2) The Management Committee shall have a secretary appointed by the chairperson among government officials of the Ministry of Health and Welfare. <Amended Feb. 29, 2008; Mar. 15, 2010> <Enforcement Date Mar. 19, 2010>

(3) Article 15 shall apply *mutatis mutandis* to the preparing, keeping and reading of minutes of the Management Committee. In this case, the "National Pension Deliberative Council" shall be regarded as the "Management Committee".

Article 79 (Allowance to Management Committee Members) Members present at the meetings of the Management Committee may be provided an allowance within the scope of the budget. This, however, shall not apply in cases where a member who is a government official is present in direct connection with his/her duties.

Article 80 (Evaluation Committee for National Pension Fund Operation) (1) The chairperson of the Evaluation Committee for National Pension Fund Operation (hereinafter referred to as the "Evaluation Committee") referred to in Article 104 of the Act shall represent the Evaluation Committee and supervise the affairs of the Committee.

(2) The vice-chairperson of the Evaluation Committee shall assist the chairperson and stand proxy for him/her when the chairperson cannot perform his/her duty owing to unavoidable circumstances.

(3) The Evaluation Committee shall have a secretary appointed by the chairperson among government officials of the Ministry of Health and Welfare. <Amended Feb. 29, 2008; Mar. 15, 2010> <Enforcement Date Mar. 19, 2010>

(4) Members present at the meetings of the Evaluation Committee may be provided an

allowance within the scope of the budget. This, however, shall not apply in cases where a member who is a government official is present in direct connection with his/her duties.

(5) Other necessary matters relating to the operation of the Evaluation Committee, with the exception of paragraphs (1) through (4), shall be determined by the chairperson of the Management Committee through resolution of the Management Committee.

Article 81 (Statement of Guidelines for Fund Management) (1) The Minister of Health and Welfare shall prepare a statement of guidelines for National Pension Fund Management (hereinafter referred to as the "Fund Management Guidelines") for the forthcoming year, and shall submit it to the Management Committee by the end of April of that year. <Amended Feb. 29, 2008; Mar. 15, 2010> <Enforcement Date Mar. 19, 2010>

(2) The Management Committee shall deliberate on and make resolution of the Fund Management Guidelines by the end of May of that year.

Article 82 (Opening of Fund Account) In order to keep an accurate record of revenues and outlays, the Minister of Health and Welfare shall open the account of the National Pension Fund at the Bank of Korea. <Amended Feb. 29, 2008; Mar. 15, 2010> <Enforcement Date Mar. 19, 2010>

Article 83 (Deposit, etc. of Contributions, etc. in Fund) (1) The NPS and NHIC shall deposit all collected contributions in the account of the National Pension Fund on a daily basis. <Amended Aug. 17, 2010> <Enforcement Date Jan. 1, 2011>

(2) The NPS and NHIC shall file a separate report on the total amount of contributions collected and uncollected, etc. for the previous month, with the Minister of Health and Welfare, by the end of each month. <Amended Feb. 29, 2008; Mar. 15, 2010; Aug. 17, 2010> <Enforcement Date Jan. 1, 2011>

[Title Amended Aug. 17, 2010] <Enforcement Date Jan. 1, 2011>

Article 84 (Monthly Fund Operation) The Minister of Health and Welfare shall, in principle, manage and operate the accumulated Fund on a monthly basis in accordance with the Fund Management Plan referred to in Article 107(1) of the Act. <Amended Feb. 29, 2008; Mar. 15, 2010> <Enforcement Date Mar. 19, 2010>

Article 85 (Accounting Body of Fund, etc.) (1) The Minister of Health and Welfare shall appoint officers to be in charge of revenue collection, financial affairs, expenditures and accounts of the Fund among government officials of the Ministry of Health and Welfare. In this case, the Minister shall report the appointments to the Chairperson of the Board of

Audit and Inspection and the Governor of the Bank of Korea respectively. <Amended Feb. 29, 2008; Mar. 15, 2010> <Enforcement Date Mar. 19, 2010>

(2) The officers in charge of revenue collection and financial affairs shall be responsible for the contracts necessary for management and operation of the Fund, and matters relating to actions that are the cause of revenues and expenditures and matters relating to any decision and collection of income accrued from the Fund. The officers in charge of expenditures and accounts shall be responsible for revenues and expenditures resulting from the management and operation of the Fund.

(3) The NPS shall have a fund accounting director and a fund accountant to conduct work related to the operation and management of the Fund, entrusted under Article 76(1). The Executive Fund Director under Article 31 of the Act shall be the fund accounting director, and a person appointed by the chief executive officer of the NPS among personnel of the NPS shall be the fund accountant. In this case, the fund accounting director shall perform the duties of the officers in charge of revenue collection and financial affairs, and fund accountant shall perform duties of the officers in charge of expenditures and accounts of the Fund.

(4) In the case where the chief executive officer of the NPS appoints the fund accounting director and the fund accountant under the provisions of paragraph (3), he/she shall report these appointments to the Minister of Health and Welfare, the Chairperson of the Board of Audit and Inspection and the Governor of the Bank of Korea respectively. <Amended Feb. 29, 2008; Mar. 15, 2010> <Enforcement Date Mar. 19, 2010>

(5) The matters necessary for expenditures and actions to be the cause of expenditures of the Fund, etc. shall be determined by the Ordinance of the Ministry of Health and Welfare. <Amended Feb. 29, 2008; Mar. 15, 2010> <Enforcement Date Mar. 19, 2010>

Article 86 (Settlement of Accounts for Fund Operations, etc.) (1) The NPS shall submit the results on Fund operations at the end of every quarter referred to in Article 107(3) of the Act to the Management Committee by the 20th day of the first month of the following quarter.

(2) The NPS shall submit the annual results of Fund operations with the audit report of auditors under Article 3 of the 「Act on External Audit of Stock Companies」, to the Minister of Health and Welfare within two months after the end of every fiscal year. <Amended Feb. 29, 2008; Mar. 15, 2010> <Enforcement Date Mar. 19, 2010>

Article 87 (Public Notice on Contents of Fund Operations, etc.) Under Article 107(4) of the Act, the chairperson of the Management Committee shall make an annual public notice of the contents of operations and uses of the Fund in one or more daily general newspapers and daily economic newspapers respectively which have nationwide distribution under Article 9(1) of the 「Act on the Promotion of Newspapers, etc.」. In this case, the chairperson of the Management Committee shall also make public notice of the evaluation results concerning Fund operations submitted by the Evaluation Committee as referred to in Article 104(6) of the Act. <Amended Jan. 27, 2010> <Enforcement Date Feb. 1, 2010>

CHAPTER VII REQUEST FOR EXAMINATION AND REVIEW

Article 88 (Process of Request for Examination) (1) The Request for Examination referred to in Article 108 of the Act shall be filed in writing with the statements shown below (including an electronic document under Article 2(7) of the 「Electronic Government Act」), and signed and sealed (including an electronic signature) by the claimant: <Amended Aug. 17, 2010; Dec. 8, 2011>

1. Name, address and resident registration number of the claimant (alien registration number in the case of foreigners; hereinafter the same shall apply.);
2. Name, address and resident registration number of the person given a disposition;
3. Description of dispositions for the Request for Examination;
4. Date of disposition noticed to the claimant;
5. Intent and reason of the Request for Examination;
6. Date of filing the Request for Examination;
7. The relationship between the claimant and the person given dispositions, if they are not the same person; and
8. List of attached documents, if any.

(2) If the claimant and the person given dispositions are identified as neither a current nor a former insured person, the name, address and resident registration number of the relevant current or former insured person shall be specified.

(3) If the Request for Examination is filed by an agent, a letter of attorney shall accompany this request.

Article 89 (Composition of Examination Committee) (1) Under Article 109(1) of the Act, the National Pension Examination Committee (hereinafter referred to as the "Examination Committee") shall be composed of less than twenty-six committee members, including one chairperson. <Amended Dec. 8, 2011> <Enforcement Date Jan. 9, 2012>

(2) The Committee members shall be appointed or commissioned by the chief executive officer of the NPS among the following persons: <Amended Dec. 8, 2011> <Enforcement Date Jan. 9, 2012>

1. Officers or personnel who are at a position of head of the department or higher in the NPS;
2. Persons recommended by employers' associations;
3. Persons recommended by the federations of labor unions;
4. Persons recommended by associations representing Individually Insured Persons; and

5. Persons who fall under one of the following items and who have good knowledge and experience in the fields of law, medicine and social insurance
 - a. A person who has worked as a qualified attorney or doctor for more than 5 years
 - b. A person who has three or more years of teaching experience at a position of assistant professor or higher in a department related to social insurance at a university as referred to in Article 2 of the 「Higher Education Act」;
 - c. A person who has worked for five or more years after acquiring a doctoral degree in the field of social insurance
 - d. A person who has worked for 10 or more years in a field related to social insurance

Article 90 (Chairperson of Examination Committee) (1) The chairperson of Examination Committee shall be appointed from among executive directors by the chief executive officer of the NPS.

(2) A person designated by the chairperson shall stand proxy for him/her if the chairperson cannot perform his/her duty owing to unavoidable circumstances.

Article 91 (Term of Office for Examination Committee Members) The term of office for Examination Committee members shall be two years with the possibility of being twice reappointed. However, the term of office for the member who is an officer or staff of the NPS shall be that of his/her incumbent period of the position. <Amended Dec. 8, 2011>

Article 92 (Meetings of Examination Committee) (1) Meetings of Examination Committee shall be composed of the chairperson and seven members designated by the chairperson at each meeting. The members shall include more than one person referred to in each of the subparagraphs of Article 89(2)2 to Article 89(2)4 and more than three persons referred to in subparagraph 5 of the same paragraph. <Amended Dec. 8, 2011> <Enforcement Date Jan 9, 2012>

(2) The chairperson shall call and preside over committee meetings.

(3) The meetings of the Examination Committee shall be held with the attendance of a majority of the members and any resolution shall require the consent of a majority of all attending members.

Article 93 (Secretary) (1) The Examination Committee shall have one secretary.

(2) The secretary shall be appointed by the chief executive officer of the NPS from among personnel in the NPS.

(3) The secretary shall, in compliance with the direction of the chairperson, be in charge of the general affairs of the Examination Committee.

Article 94 (Allowance) An allowance may be paid to Examination Committee members present at the meeting, except for members who are NPS executives and staff.

Article 95 (Correction) (1) If the Request for Examination is unlawful but presumed correctable, the Examination Committee shall ask for corrections to this claim, allowing a reasonable period of time; however, the correction may be made at the Committee's discretion, if it is slight or negligible.

(2) The correction under paragraph (1) shall be made in writing. The Request for Examination having such corrections shall be regarded as being legitimate from the beginning.

Article 96 (Submission of Evidence) Before the decision is made by the Examination Committee on the Request for Examination, the claimant may submit the documents concerned, account books and material evidence, as well as make a verbal statement to the Examination Committee.

Article 97 (Request for Expert Opinion) The Examination Committee, if necessary, may ask for opinions of an expert who has good knowledge and experience in this field by request of the claimant or at the Committee's discretion.

Article 98 (Withdrawal of Request for Examination) The claimant may withdraw the Request by written form at any time before a decision is made by the Examination Committee.

Article 99 (Decision) (1) The NPS shall make a decision to reject the Request for Examination when it is unlawful.

(2) The NPS shall make a decision to dismiss the Request for Examination when it is presumed to have no reason.

(3) The NPS shall make a decision to cancel or change its disposition when the Request for Examination is presumed to have fair reasons.

(4) When the decision has been made pursuant to the provisions of paragraphs (1) to (3), the NPS shall forward the original letter of decision to the claimant without delay.

Article 100 (Period of Decision) (1) The NPS shall make a decision within sixty days from the receipt of the Request for Examination. The chairperson may extend the period for thirty more days by virtue of his/her office if there are unavoidable circumstances.

(2) In the case where the period is extended under the proviso of paragraph (1), the claimant shall be notified of this seven days before the period of decision ends.

(3) The correction period referred to in Article 95 shall not be included in the period of decision referred to in paragraph (1).

Article 101 (Form of Decision) A written decision shall include the following subparagraphs and be signed and sealed by the chief executive officer of the NPS:

1. Name and address of the claimant;
2. Name and address of the person given a disposition;
3. Text of decision;
4. Intent of the Request for Examination;
5. Reason for decision; and
6. Date of decision

Article 102 (Regulations for Operation of Examination Committee) Matters necessary for the operation of the Examination Committee other than provisions prescribed in Article 88 through 101 shall be determined by the provisions of the NPS. <Amended Dec. 8, 2011>

Article 102-2 (Organization, Operation and Examination, etc. of Collection Examination Committee) (1) The Pension Collection Examination Committee under Article 109(1) (hereinafter referred to as the "Collection Examination Committee") shall consist of 25 committee members, including one chairperson.

(2) The president of the NHIC shall appoint the chairperson of the Collection Examination Committee from among standing executive directors of the NHIC; the president of the NHIC shall appoint or commission committee members from among the following persons:

1. One employee of the NHIC;
2. Eight persons including four persons each recommended by employers' organizations and workers' organizations;
3. Eight persons including two persons each recommended by non-governmental organizations, consumer organizations, farmers and fishermen's organizations, and organizations representing Individually Insured persons;
4. Seven persons including attorneys and persons who have substantial knowledge and experience in social insurance and medical fields;

(3) The term of office for committee members who are commissioned under paragraph (2) shall be three years.

(4) Article 55 of the 「Enforcement Decree of the National Health Insurance Act」 shall apply *mutatis mutandis* to the operation of the Collection Examination Committee. In this case, the "Objection Committee" shall be deemed the "Collection Examination Committee". <Amended Aug. 31, 2012> <Enforcement Date Sep. 1, 2012>

(5) The provisions of Articles 95 through 101 shall apply *mutatis mutandis* to the review of the Collection Examination Committee. In this case, the "Examination Committee" shall be deemed the "Collection Examination Committee" and the "NPS" shall be deemed the "NHIC."

(6) The matters necessary for the organization, management and Examination of the Collection Examination Committee other than the provisions provided in paragraphs (1) through (5) shall be prescribed by the regulations of the NHIC subject to the resolution of the Collection Examination Committee.

[Newly Inserted Aug. 17, 2010] <Enforcement Date Jan. 1, 2011>

Article 103 (Form of Request for Review) When a person who is dissatisfied with the decision of the Request for Examination makes a Request for Review under Article 110 of the Act, the following items shall be specified in addition to applying *mutatis mutandis*, items described in Article 28(2) of the 「Administrative Appeals Act」: <Amended Jul. 26, 2010>

1. Name, address and resident registration number of the person given a disposition in the case where the claimant for a Review and the person given a disposition are not identified as the same person; and
2. Name, address and resident registration number of the current or former insured person concerned in the case where both the claimant for a Review and the person given a disposition are identified as neither a current nor former insured person

Article 104 (Composition of Review Committee, etc.) (1) The National Pension Review Committee (hereinafter referred to as the "Review Committee") referred to in Article 111(1) of the Act shall be composed of seven committee members including one chairperson.

(2) Committee members shall be persons appointed or commissioned by the Minister of Health and Welfare among the following persons: <Amended Feb. 29, 2008; Mar. 15, 2010> <Enforcement Date Mar. 19, 2010>

1. A government official of Grade 3 or 4 in the Ministry of Health and Welfare or a general government official belonging to the Senior Executive Service;

2. Persons eligible to hold the position of judge, prosecutor or general lawyer;
3. Persons having experience of teaching at a position of associate professor or higher at a university described in Article 2 of the 「Higher Education Act」; and
4. Persons having good knowledge and experience in the field of social insurance or health care among persons whose eligibility is approved by the Minister of Health and Welfare.

Article 105 (Chairperson of Review Committee) (1) The director general of National Pension Policy in the Ministry of Health and Welfare shall be the chairperson of the Review Committee. <Amended Feb. 29, 2008; Mar. 15, 2010; Dec. 8, 2011>

(2) A committee member designated by the chairperson shall stand proxy for the chairperson when the chairperson cannot perform his/her duty.

Article 106 (Meetings of Review Committee) (1) The chairperson shall call and preside over committee meetings.

(2) The meetings of the Review Committee shall be held with the attendance of a majority of the incumbent members and its resolution shall require the consent of a majority of the members present.

Article 107 (Secretary) (1) The Review Committee shall have one secretary.

(2) The secretary shall be appointed by the Minister of Health and Welfare among government officials in the Ministry of Health and Welfare. <Amended Feb. 29, 2008; Mar. 15, 2010> <Enforcement Date Mar. 19, 2010>

(3) The secretary shall, in compliance with the direction of the chairperson, be in charge of the general affairs of the Review Committee.

Article 108 (Allowance) Members present at the meetings of the Review Committee may be provided an allowance within the scope of the budget. This, however, shall not apply in cases where a member who is a government official is present in direct connection with his/her duties.

Article 109 (Term of Office for Review Committee Members) Article 91 regarding the term of office for Examination Committee members shall apply *mutatis mutandis* to the term of office for Review Committee members. In this case, the "Examination Committee" and "officer or staff of the NPS" shall be regarded as the "Review Committee" and "government official" respectively.

CHAPTER VIII SUPPLEMENTARY RULES

Article 109-2 (Scope of Verification and Investigation of the Beneficiary, etc.) (1) The NPS shall carry out an investigation on persons whose changes or lapse of eligibility to benefits need to be confirmed among beneficiaries as referred to in Article 122(2)1 of the Act.

(2) The investigation referred to in paragraph (1) shall be carried out through materials verification, field investigation, phone calls, mailing or any other methods prescribed in the annual investigation plan under Article 122(2)1 of the Act.

(3) Article 56 shall apply *mutatis mutandis* to the cases which suspend the benefit payment as referred to in Article 122(2)3 of the Act.

[Newly Inserted Jun. 29, 2012]

Article 110 (Notification Process of Under-Report of Income and Tax Evasion Data) (1) In accordance with Article 125(1) of the Act, if the NPS recognizes that there has been an under-report of income or tax evasion on a monthly income that an employer or insured person declared, falling under one of the following subparagraphs 1 to 3, it shall report the case to the Minister of Health and Welfare and notify the Commissioner of the National Tax Service of the data: <Amended Feb. 29, 2008; Mar. 15, 2010> <Enforcement Date Mar. 19, 2010>

1. In the case where an income has significant difference from the one declared to the Commissioner of the National Tax Service;
2. In the case where an income is significantly lower than an average income of the same type of business/occupation; and
3. In the case where an income differs from the one entered on a payroll book, other income-related documents or an account book.

(2) In accordance with Article 125(2) of the Act, if the NPS is notified of audit results regarding income by the Commissioner of the National Tax Service, it shall ensure that these results are reflected accordingly in the income of the insured person.

Article 111 (Foreign Nationals Excluded from Mandatory Coverage) Under Article 126(1) of the Act, persons excluded from foreign nationals who shall mandatorily be Workplace-based Insured Persons or Individually Insured Persons shall be as follows: <Amended Feb. 29, 2008; Mar. 15, 2010> <Enforcement Date Mar. 19, 2010>

1. Persons sojourning in the Republic of Korea who are not permitted to extend their period of sojourn under Article 25 of the 「Immigration Control Act」;

2. Persons who do not file for foreigner registration under Article 31 of the 「Immigration Control Act」, or persons to whom a forced deportation order has been issued under Article 59(2) of the same Act; and
3. Persons specified by the Ordinance of Ministry of Health and Welfare among persons who has foreigners' status of sojourn under Table 1 of the 「Enforcement Decree of the Immigration Control Act」.

Article 112 (Notice to Foreign Nationals) The NPS shall notify foreign nationals who shall mandatorily be Workplace-based Insured Persons or Individually Insured Persons under Article 126(1) of the Act, of the fact that where any Act of those foreign nationals' home country applies to Korean nationals with any legislation corresponding to the National Pension of the Act, the foreign nationals shall be mandatorily covered by the National Pension Scheme; and the fact that where it does not grant a benefit corresponding to the Lump-sum Refund of the Act, a Lump-sum Refund shall not be paid.

Article 113 (Payment of Lump-sum Refund to Insured Foreign Nationals) "In the case where the legislation of a foreign national's home country provides the payment of benefits corresponding to the Lump-sum Refund referred to in Articles 77 through 79 for Korean nationals" referred to in Article 126(2)1 of the Act means that the legislation of the foreign nationals' home country provides a lump-sum payment, a certain amount which is calculated on the basis of the contributions made by the Koreans concerned during the insured period, to Koreans who do not acquire the right of benefits corresponding to the benefits under subparagraphs 1 through 3 of Article 49 of the Act but fall under any of subparagraph of Article 77(1) of the Act.

Article 113-2 (Processing of Sensitive Information and Uniquely Identifiable Information)

(1) The Minister of Health and Welfare and the NPS may process data on health referred to in Article 23 of the 「Act on the Protection of Personal Information」, information regarding criminal record data referred to in Article 18(2) of the Enforcement Decree of the same Act, information including resident registration numbers, passport numbers or alien registration numbers referred to in subparagraph 1, 2, or 5 of Article 19 of the same Decree in the case where it is unavoidable to perform affairs in each of the following subparagraphs. <Amended Jun. 29, 2012>

1. Operations regarding affairs referred to in Article 25 of the Act
 2. Operations Regarding Repossession of Benefits, Notice of Recovery Amounts, Demand, and Attachments, etc. referred to in Article 57 and 57(2) of the Act
 3. Operations regarding approval of the attachment for contributions, etc. referred to in Article 95(4) of the Act
- 3-2 Operations regarding contributions support and repossession referred to in Article 100-3, 100-4 of the Act

4. Operations regarding request for examination referred to in Article 108 of the Act
5. Operations regarding request for review and decision referred to in Article 110 and 112 of the Act
6. Operations regarding Investigation and Questioning, Request for Materials, etc. referred to in Article 122 and 123 of the Act
7. Operations regarding Notification of Under-Report of Income and Tax Evasion Data, etc. referred to in Article 125 of the Act

(2) The NHIC (in the case of subparagraph 4. the KAMCO which act for on behalf of the NHIC under Article 95(5) of the Act shall be included) may process data including personal information referred to in other parts except each subparagraph of paragraph (1) in the case where it is unavoidable to perform affairs in each of the following subparagraphs.

1. Operations regarding Notification of delinquency, etc. referred to in Article 17(3) of the Act.
2. Operations regarding collection, etc. of Pension Contributions referred to in Article 88(2) of the Act
3. Operations regarding notice of payment and extension of the time limit, etc. referred to in Article 88-2 and 89 of the Act.
4. Operations regarding demand for payment of pension contributions, etc. and disposition for arrears referred to in Article 95 of the Act
5. Operations regarding collecting arrears fee referred to in Article 97 of the Act
6. Operations regarding payment of excessive or erroneous contributions referred to in Article 100(2) of the Act
7. Operations regarding Request for Examination referred to in Article 108 of the Act
8. Operations regarding recording, maintaining and providing the matters in relation to payment of contribution or circumstance of termination of collection right, etc. referred to in Article 118(2) of the Act

(3) A corporate body that is entrusted to services from the NPS may process data including resident registration numbers, passport numbers or alien registration numbers referred to in subparagraph (1), (2) or (4) of Article 19 of the 「Enforcement Decree of the Protection of Personal Information Act」 in the case where it is unavoidable to perform entrusted services referred to in Article 33.

(4) The state and local governments, and other public organizations, etc. which are requested for materials related to in Article 123(1) of the Act from the NPS may process data including personal information referred to in other parts except each subparagraph of paragraph (1) in the case where it is unavoidable to provide the materials.

[Newly Inserted Jan. 6, 2012]

Article 114 (Criteria for Imposing Fines for Default) The criteria for imposing fines for default under Article 131 are as shown in Table 3.

[Newly Inserted Apr. 22, 2011]

ADDENDA <No. 20507, Dec. 31, 2007>

Article 1 (Enforcement Date) This Decree shall enter into force on the date of its promulgation. However, the amended provisions of Articles 3 to 10, Article 20, Article 25, Article 36, Article 43, Article 44, Article 50, Article 52(4), Article 53, Article 61(5) and (6), Article 62(2), and Article 63 shall enter into force on January 1, 2008.

Article 2 (Amount of Contribution Subsidies for Farmers and Fishermen) The amount of contribution subsidies referred to in Article 7 of the Addenda of Act No. 8541, the National Pension Amendment Act shall be the amount as prescribed in each of the following subparagraphs:

1. In the case where the monthly income amount of an insured person who is a farmer or fisherman is less than the amount announced at the beginning of the year through agreement between the Minister of Health and Welfare and the Ministry of Agriculture and Forestry (hereinafter referred to as the "Standard Income Amount" in this Article): One half of the pension contribution amount the concerned person is obliged to pay; and
2. In the case where the monthly income amount of an insured person who is a farmer or fisherman exceeds the Standard Income Amount: One half of the pension contribution amount based on the Standard Income Amount.

Article 3 (Application Example Regarding Exemption from Collecting Recovery Amount of Unjust Enrichment) The amended provisions of Article 43 shall be applied starting from the recovery amount of unjust enrichment which has not been collected at the time of enforcement of this Decree.

Article 4 (Application Example Regarding Time Limit of Return of the Refund) The amended provisions of Article 52(4) shall be applied starting from the application for return of the Refund which, at the time of enforcement of this Decree, has not yet been paid within the time limit.

Article 5 (Application Example Regarding Application for Payment of Postponed Contributions, etc.) The amended provisions of Article 62(2) shall be applied starting from the application for payment of the postponed contributions which, at the time of enforcement of this Decree, have not yet been paid within the time limit.

Article 6 (Transitional Measures on Voluntarily & Continuously Workplace-based Insured Persons) Voluntarily & Continuously Workplace-based Insured Persons under the previous provisions at the time of enforcement of this Decree shall be considered as the Voluntarily & Continuously Workplace-based Insured Persons, notwithstanding the amended provisions

of Article 3(1) except for each subparagraph.

Article 7 (Transitional Measures on Standard Monthly Income) (1) Notwithstanding the amended provisions of Article 5, Standard Monthly Remuneration Amount by Grade referred to in Table 1 of Presidential Decree No. 12227, Enforcement Decree of the National Welfare Pension Amendment Act shall be applied to the Standard Monthly Income of insured period from January 1, 1988 to March 31, 1995, and Standard Monthly Income Amount by Grade referred to in the Table 1 of Presidential Decree No. 14565, Amended Decree among Enforcement Decree of the National Pension Act shall be applied to the Standard Monthly Income of insured period from April 1, 1995 to December 31, 2007.

(2) Standard Monthly Income Amount by Grade under the previous provisions shall be deemed as the Standard Monthly Income under this Decree until the Standard Monthly Income is determined under the amended provisions of Article 5.

Article 8 (Transitional Measures Regarding Persons in Exemption from Contribution Payment) Any person who is granted an exemption from contribution payments as a missing person under the previous provisions at the time of enforcement of this Decree, notwithstanding the amended provisions of Article 20 and 61(5), shall be considered as a person who is granted an exemption from contribution payments under this Decree.

Article 9 (Transitional Measures on Determination of Standard Monthly Remuneration Amount and Standard Monthly Income Amount) (1) In accordance with the Presidential Decree No. 12227, Amendment Decree among Enforcement Decree of the National Welfare Pension Act, when the NPS shall determine the standard monthly remuneration amount of the Workplace-based Insured Person to be applied during the period from January, 1988 to March of the same year under the Presidential Decree, notwithstanding Article 6 of the same Decree, the NPS shall determine the standard monthly remuneration amount, based on the monthly remuneration amount which is calculated from dividing the total remuneration amount received for three months (where there is a month whose number of days forming the basis of remuneration payment is less than twenty days, that month shall be excluded) before the date of the declaration, by the number of the months of the corresponding period, on the basis of the date of the declaration referred to in Article 2 of the Addenda of the same Decree. However in the case of a Workplace-based Insured Person who is insured under the 「Medical Insurance Act」, the standard monthly remuneration amount under the previous 「Medical Insurance Act」 in effect as of the date of the declaration referred to in Article 2 of the Addenda of the same Decree may be the standard monthly remuneration amount to be applied during the same period.

(2) The standard monthly remuneration amount of the Individually Insured Person to be applied during the period from January 1988 to March 1989 under the Presidential Decree No. 12227, Enforcement Decree of the National Welfare Pension Amendment Act, notwithstanding Article 10 of the same Decree, shall be the amount corresponding to the standard monthly remuneration amount of the person falling under the median on the basis of the standard monthly remuneration amount referred to in paragraph (1).

Article 10 (Transitional Measures on Interest Rate Applicable to Lump-sum Refund) The interest rate which shall be applied to the Lump-sum Refund for the Individually Insured Person, Voluntarily Insured Person and Voluntarily & Continuously Insured Person under Article 67(2)2 of the Act No. 3902, the National Welfare Pension Amendment Act, shall be as follows from 1988 to 1992, notwithstanding Article 44(2) of Presidential Decree No. 12227, Enforcement Decree of the National Welfare Pension Amendment Act:

1. The three-year maturity interest rate of the general workers' property formation savings which has been applied during the continued insured period shall be applied to the amount corresponding to 1/2 of the pension contributions during the corresponding period; and
2. The one-year maturity interest rate of the time deposit which has been applied during the continuously insured period shall be applied to the amount corresponding to 1/2 of the pension contributions during the corresponding period.

Article 11 (Transitional Measures on Application of Standard Monthly Remuneration Amount for Workers Abroad) The worker's standard monthly remuneration amount referred to in the proviso of subparagraph 4 of Article 3 of Presidential Decree No. 12695, Amendment Decree among Enforcement Decree of the National Pension Act shall be determined within one month after enforcement of the same Decree, and that determined standard monthly remuneration amount, notwithstanding Article 11 of the same Decree, shall be applied starting from the month which includes the day on which the determination is made.

Article 12 (Transitional Measures on Determination of Standard Monthly Remuneration Amount) In accordance with the Presidential Decree No. 13449, Amendment Decree among Enforcement Decree of the National Pension Act, when the NPS shall determine the standard monthly remuneration amount of the Workplace-based Insured Person in the workplace with five to nine full-time employees to be applied during the period from January, 1988 to March of the same year under the Presidential Decree No. 13449, Amendment Decree among Enforcement Decree of the National Pension Act, notwithstanding Article 6 of the same Decree, the NPS shall determine the standard monthly remuneration amount, based on the monthly remuneration amount which is calculated from dividing the total remuneration amount received for three months (where

there is a month whose number of days forming the basis of remuneration payment is less than twenty days, that month shall be excluded) before the date of the declaration, by the number of months of the corresponding period on the basis of the date of the declaration referred to in Article 2 of the Addenda of the same Decree. However, in the case of a Workplace-based Insured Person who is insured under the 「Medical Insurance Act」, the standard monthly remuneration amount under the previous 「Medical Insurance Act」 in effect as of the date of the declaration referred to in Article 2 of the Addenda of the same Decree may be the standard monthly remuneration amount to be applied during the period.

Article 13 (Transitional Measures on Scope of Income) "Article 16(1)1 of the Enforcement Decree of the Income Tax Act" referred to in Article 3(1)4(b) of Presidential Decree No. 14565, Amendment Decree among Enforcement Decree of the National Pension Act, shall be deemed as "Article 12(1)2 of the Enforcement Decree of the Income Tax Act" until December 31, 1995.

Article 14 (Transitional Measures on Standard Monthly Income Amount by Grade) In cases where a person who acquired the status of the insured person before April 1, 1995, and whose standard monthly remuneration amount has been determined pursuant to the provisions of the proviso of Article 6 and Article 7 of the previous Decree before being amended to Presidential Decree No. 14565, Amendment Decree among Enforcement Decree of the National Pension Act or whose Standard Monthly Income amount has been determined pursuant to the provisions of Article 10 of the previous Decree before being amended to the same Decree, the NPS shall determine the standard monthly remuneration amount or the Standard Monthly Income amount pursuant to the Table of Article 2 of the Addenda of the same Decree deeming the monthly remuneration amount at the time of acquiring the status of the insured person as the monthly remuneration amount according to the Table as in Article 2 of the Addenda of the same Decree.

Article 15 (Transitional Measures on Calculation of Lump-sum Refund) In calculating the Lump-sum Refund pursuant to the amended provisions of Article 44 of Presidential Decree No. 14565, Amendment Decree among Enforcement Decree of the National Pension Act, the provisions of the previous Decree before being amended to the same Decree shall apply to the period for the calculation of the Lump-sum Refund and the interest rate before February 1, 1995.

Article 16 (Transitional Measures on Arrears Fees, etc.) The previous provisions before being amended to the Presidential Decree No. 14565, Amendment Decree among Enforcement Decree of the National Pension Act shall apply to the collection of the arrears, fees, etc. for pension contributions for which the payment period elapsed at the time of enforcement of the same Decree.

Article 17 (Transitional Measures on Earning Rate of Fund) The interest rate of loans for supporting programs to establish child care facilities in the workplace and private sector from among welfare promotion programs for insured persons and beneficiaries, which is in operation under Article 83(2)5 of Act No. 4909, the National Pension Amendment Act at the time of enforcement of Presidential Decree No. 14565, Amendment Decree among Enforcement Decree of the National Pension Act, shall be deemed to have been determined by the National Pension Fund Management Committee pursuant to the provisions of Article 52 of the same Decree.

Article 18 (Special Cases Regarding Period for Calculation of Interest to be Added on Lump-sum Refund) In calculation and payment of interest to be added for the beneficiary of the Lump-sum Refund under Article 16 of the Addenda of Act No. 5623, the National Pension Amendment Act (including the amended provisions by Act No. 6286, the National Pension Amendment Act; hereinafter referred to as the "Addenda of the Act" in this Article), the period from the first month following the month which includes the date on which that beneficiary lost the status of the insured person to the month in which he/she applied for the Lump-sum Refund shall be considered, notwithstanding Article 44(3) of Presidential Decree No. 16082, Amendment Decree among Enforcement Decree of the National Pension Act. However where the beneficiary of the Lump-sum Refund under Article 16(3) of the Addenda of the Act lost the status of Workplace-based Insured Persons or Individually Insured Persons before December 23, 2000, the enforcement date of the same provision, the period from the month following the month including the date on which that beneficiary lost the status of insured person to December, 2000 shall be considered in calculating interest to be added.

Article 19 (Application Example of Recognition Criteria Regarding Persons Whose Livelihood Has Been Maintained) The recognition criteria regarding persons whose livelihood has been maintained under the provisions of Articles 36, 37-2, 43-2, and 45-2 of Presidential Decree No. 16082, Amendment Decree among Enforcement Decree of the National Pension Act, shall be applied respectively to a person for whom the reason for payment of benefits occurs after enforcement of the same Decree, or to a person for whom the reason of change in eligibility for benefits occurs is receiving Dependents' Pension or Survivor Pension benefits under the previous provisions as of the enforcement date of the same Decree, January 1, 1999.

Article 20 (Special Cases for Standard Monthly Income of Newly Insured Persons, etc.)
(1) The NPS shall decide on the Standard Monthly Income for persons who acquired the insured status as Individually Insured Persons pursuant to the provisions of Article 10 of Act No. 5623, the National Pension Amendment Act at the enforcement date of Presidential Decree No. 16219, Amendment Decree among Enforcement Decree of the

National Pension Act, April 1, 1999 (hereinafter referred to as the "newly insured persons" in this Article), based on the preceding year's income under the amended provisions of Article 3(2), declared by the newly insured persons concerned or their agents pursuant to Article 2 of the Addenda of the same Act.

(2) The NPS may, with regard to the newly insured persons, decide separately when the Standard Monthly Income shall be decided and when the pension contributions shall be paid, within the scope of one year, through the approval of the Minister of Health and Welfare.

(3) Those newly insured persons who disagree with the Standard Monthly Income that the NPS has decided for them may petition the NPS to adjust the amount.

Article 21 (Transitional Measures Regarding Interest Rates of Lump-sum Refund, etc.) In calculating the Lump-sum Refund for the pension contributions paid during the insured period before the enforcement of Presidential Decree No. 16219, Amendment Decree among Enforcement Decree of the National Pension Act, the previous provisions shall be applied to the interest and interest rates of the above Lump-sum Refund, notwithstanding the amended provisions of Article 44 of the same Decree.

Article 22 (Scope of Cases Not Engaged in Income-Earning Activities) (1) The scope of cases not engaged in income-earning activities under Article 16 of the Addenda of Act No. 5623, the National Pension Amendment Act shall be defined as the case where a person has no income as referred to in Article 3 of Presidential Decree No. 16219, Amendment Decree among Enforcement Decree of the National Pension Act or the case that falls under the exemption from pension contribution payments pursuant to Article 49 of the same Decree.

(2) The scope of cases not engaged in income-earning activities under Article 3 of Addenda of Act No. 6027, the National Pension Amendment Act shall be defined as the case where a person has no income as referred to in Article 3 of Presidential Decree No. 16567, Amendment Decree among Enforcement Decree of the National Pension Act or a the case that falls under the exemption from pension contribution payments pursuant to the provisions of Article 49 of the same Decree.

Article 23 (Transitional Measures Regarding the Persons to be Excluded from National Pension Coverage) (1) Insured persons who shall be excluded from the coverage of the National Pension Scheme pursuant to Article 18-2(1) of Presidential Decree No. 17013, Amendment Decree among Enforcement Decree of the National Pension Act at the time of enforcement of the same Decree shall be deemed to be the persons insured under the

previous provisions, notwithstanding the same provisions.

(2) Persons who are insured under paragraph (1) may withdraw from the coverage of the National Pension Scheme after notifying the NPS of their intentions in accordance with the Ordinance of the Ministry of Health and Welfare.

Article 24 (Transitional Measures of Recognition Criteria Regarding Persons Whose Livelihood Has Been Maintained by Beneficiaries, etc.) With respect to the payment of Survivor Pension for the persons whose livelihood has been maintained by beneficiaries, etc. under the previous provisions at the time of enforcement of the Presidential Decree No. 17013, Amendment Decree among Enforcement Decree of the National Pension Act, notwithstanding Table 2 of the same Decree, the previous provisions before the amendment to that Decree shall apply.

Article 25 (Special Cases regarding the Criteria for Calculation of Reevaluation Rate by Year) (1) In calculating the amount under Article 34 of Presidential Decree No. 17188, Amendment Decree among Enforcement Decree of the National Pension Act, in the case of the year where Article 6(2) of the Addenda of Act No. 6286, the National Pension Amendment Act is applied, the provisions of Article 6(2) of the Addenda of the same Act shall be applied even to the case of calculating the amount under subparagraph 2 of Article 34 of the same Decree.

(2) In applying subparagraph 2 of Article 34 of Presidential Decree No. 17188, Amendment Decree among Enforcement Decree of the National Pension Act, the amount for 1988 shall be the Average Monthly Income of the year, and the amount for 1989 shall be obtained by summing up the Average Monthly Income of the year and the Average Monthly Income of 1988 adjusted to the national consumer price fluctuation rate of 1989 compared to 1988, which has been announced by the Commissioner of the National Statistical Office under Article 3 of the previous 「Statistics Act」, and by dividing that number by 2.

Article 26 (Application Example Regarding Mandatorily Covered Workplace) Article 19(1)1 and 19(1)2 of Presidential Decree No. 18027, Amendment Decree among Enforcement Decree of the National Pension Act shall be applied from the dates under the following classification:

1. The workplace of corporate body, the workplace falling under the retail business of medicine and medical supplies by the Korean Standard Industrial Classification under Article 17 of the previous 「Statistics Act」 (limited to pharmacies), the real estate assessment business, the legal profession (including notary public business), the patent attorney business, the certified judicial scrivener business, the certified public

accountant business, the certified tax accountant business (including licensed customs broker business), the building design and related service business (limited to certified architect business), workplace falling under hospital or clinic and veterinarian business, or the other similar workplace prescribed by the Ordinance of the Ministry for Health, Welfare and Family Affairs: July 1, 2003;

2. Any workplace which does not fall under subparagraph 1 and which was covered by the National Health Insurance or the Unemployment Insurance as of July 1, 2003, the date of enforcement of the same Decree: July 1, 2004; and
3. The workplace not falling under subparagraph 1 or 2: January 1, 2006

Article 27 (Application Example Regarding Income-Earning Activities) The provisions of Article 39 of Presidential Decree No. 19391, Amendment Decree among Enforcement Decree of the National Pension Act shall be applied starting from the payment of first pension benefits after enforcement of the same Decree.

Article 28 (Application Example Regarding Criteria for Determining Disability Degree) Article 41(4) of the Presidential Decree No. 19391, Partially Amended Decree among Enforcement Decree of the National Pension Act and Table 3 of the same Decree shall be applied starting from the first claim for assessment of disability degree after enforcement of the same provisions.

Article 29 (Application Example Regarding Arrears Fees) Article 51(1) and (2) of Presidential Decree No. 19391, Partially Amended Decree among Enforcement Decree of the National Pension Act shall be applied starting from the initial default on the due date of an arrears fee (including an extended time limit if it is extended pursuant to Article 76(5) of Act No. 6268, the National Pension Amendment Act) after enforcement of the same provisions.

Article 30 (Application Example of Recognition Criteria Regarding Persons Who Have Been Supported by Beneficiary or Insured Person, etc.) Table 2 of Presidential Decree No. 19391, Partially Amended Decree among Enforcement Decree of the National Pension Act shall be applied, starting from the payment of the first benefit amount after enforcement of the same Decree, to the persons falling under one of the following subparagraphs:

1. A person whose reason for pension payment occurs for the first time after enforcement of the same Decree;
2. A person who fails to receive the Dependents' Pension under the previous provisions at the time of enforcement of the same Decree but falls in the categories subject to receive benefits pursuant to Table 2 of the same Decree; and
3. A person who is receiving the Survivor Pension under the previous provisions at the time of enforcement of the same Decree and for whom the reason of change in

eligibility for pension benefits occurs pursuant to Table 2 of the same Decree.

Article 31 (Relations with Other Acts) In the case where other acts refer to the previous provisions of the 「Enforcement Decree of the National Pension Act」 at the time this Decree enters into force, it shall be deemed that those provisions refer to the relevant provisions of this Decree, substituting for the previous provisions, provided that the provisions corresponding to the previous provisions are stipulated in this Decree.

ADDENDA <No. 20679, Feb. 29, 2008>

(Minister of Health, Welfare and Family Affairs and Its Subordinate Agency Organization)

Article 1 (Enforcement Date) This Decree shall enter into force on the date of its promulgation.

Articles 2 through 8 Omitted

Article 9 (Amendment of Other Acts) Paragraphs (1) to (15) Omitted

<16> The Enforcement Decree of the National Pension Act shall be partially amended as follows:

In the provisions of Article 7(3) except for each subparagraph, Article 35, the main text of Article 57(2) and (4), Article 61(1), Article 62(1), subparagraph 4 of Article 71, Article 85(5) and subparagraph 3 of Article 111, "Ordinance of Ministry of Health and Welfare" shall be amended to "Ordinance of Ministry for Health, Welfare and Family Affairs" respectively.

In Article 11(1) and (2), Article 14(3)1 and (5), Article 16(1), Article 29(1) and (3), Article 30(1), Article 32(2), Article 34, the provisions of Article 36 except for each subparagraph, Article 46(4), subparagraph 3 of Article 60, provisions of Article 76(1) except for each subparagraph and subparagraph 3, Article 81(1), Article 82, Article 83(2), Article 84, the first part of Article 85(1) and 85(4), Article 86(2), Article 104(2) except for each subparagraph and subparagraph 4, Article 107(2), the provisions of 110(1) except for each subparagraph, Article 114(2) and (3), and items a-8, b-13, c-13, and d-11 of Table 2, "Minister of Health and Welfare" shall be amended to "Minister of Health, Welfare and Family Affairs" respectively.

In Article 16(1), Article 78(2), Article 80(3), the first part of Article 85(1), Article 104(2)1, Article 105(1) and 107(2), "Ministry of Health and Welfare" shall be amended to "Ministry for Health, Welfare and Family Affairs" respectively.

Paragraphs <17> to <80> Omitted

ADDENDA <No. 20795, May. 27, 2008>

This Decree shall enter into force on the date of its promulgation

ADDENDA <No. 20854, Jun. 20, 2008>

(Enforcement Decree of Framework Act on Agriculture, Rural Community and Food Industry)

Article 1 (Enforcement Date) This Decree shall enter into force on June 22, 2008.

Articles 2 through 4 Omitted

Article 5 (Amendment of Other Acts) Paragraph (1) Omitted.

(2) Part of the Enforcement Decree of the National Pension Act shall be amended as follows:

In the Article 57(1)1, "Enforcement Decree of Framework Act on Agriculture and Rural Community" shall be amended to "Enforcement Decree of Framework Act on Agriculture, Rural Community and Food Industry".

Paragraphs (3) to (22) Omitted

Article 6 Omitted

ADDENDA <No. 20947, Jul. 29, 2008>

(Enforcement Decree of Financial Investment Services and Capital Markets Act)

Article 1 (Enforcement Date) This Decree shall enter into force on February 4, 2009.
<Proviso Omitted>

Articles 2 through 25 Omitted

Article 26 (Amendment of Other Acts) Paragraphs (1) to <22> Omitted

<23> Part of the Enforcement Decree of the National Pension Act shall be amended as follows:

Article 74(1)2 shall be as follows, subparagraphs 3 to 5 of the same paragraph shall be each omitted respectively, "exchange-traded derivatives and over-the-counter derivatives under subparagraphs 8 and 9 of Article 2 of the 「Act on Business of Operating Indirect Investment and Assets」" in paragraph (3)3 of the same Article shall be amended to

"exchange-traded derivatives and over-the-counter derivatives under paragraphs 2 and 3 of Article 5 of the 「Financial Investment Services and Capital Markets Act」, "indirect investment organizations under Article 2(2) of the 「Act on Business of Operating Indirect Investment and Assets」" in subparagraph 5 of the same paragraph shall be amended to "collective investment scheme under Article 9(18) of the 「Financial Investment Services and Capital Markets Act」", "securities market or KOSDAQ market under Article 194 of the 「Securities and Exchange Act」" in the provisions of paragraph (4) except for each subparagraph shall be amended to "capital market under Article 166 of the 「Financial Investment Services and Capital Markets Act」".

2. Investment dealer/Investment broker/Trust manager/Collective investment manager/Investment advisor and General financial company under "the 「Financial Investment Services and Capital Markets Act」"

Paragraphs <24> to <113> Omitted

Article 27 and 28 omitted

ADDENDA <No. 21331, Feb. 25, 2009>

Article 1 (Enforcement Date) This Decree shall enter into force on the date of its promulgation.

Article 2 (Application Example Regarding Determination and Applicable Period of Standard Monthly Income During Insured Period) The amended provision of Article 7(1) shall apply from the case to determine Standard Monthly Income first after of its enforcement.

Article 3 (Special Cases Regarding Applicable Period of Standard Monthly Income of employees) Employees' Standard Monthly Income which was decided pursuant to former Article 7(1)1 at the time of enforcement of this Decree shall be applied until June, 2009.

ADDENDA <No. 21463, Apr. 30, 2009>

This Decree shall enter into force on May 1, 2009.

**ADDENDA <No. 21480, May. 6, 2009>
(Enforcement Decree of Industrial development Act)**

Article 1 (Enforcement Date) This Decree shall enter into force on May 8, 2009.

Article 2 (Amendment of Other Acts) Paragraphs (1) to (3) Omitted

(4) Part of the Enforcement Decree of National Pension Act shall be amended as follows.
Article 74(3)2 shall be as follows.

2. Investment in corporate restructuring associations under Article 15 of the 「Industrial Development Act」 (The Act before the wholly amended Act No. 9584, the Industrial development Act) or private placement company for corporate structure improvement pursuant to Article 20 of 「Industrial development Act」.

Paragraphs (5) to <22> Omitted

Article 3 Omitted

**ADDENDA <No. 21645, Jul. 27, 2009>
(Enforcement Decree of the Act on Aggregation of National Pension
and Occupational Pensions)**

Article 1 (Enforcement Date) This Decree shall enter into force on Aug. 7, 2009.

Article 2 (Amendment of Other Acts) Part of the Enforcement Decree of National Pension Act shall be amended as follows:

In the provisions of Article 3(1), except for each subparagraph, "excluding a case becoming a Voluntarily & Continuously Insured Person" shall be amended to "excluding a case becoming a Voluntarily & Continuously Insured Person and including a beneficiary of the retirement pension, etc. referred to in Article 8(1) of the Act, who filed an application for aggregation, referred to in Article 8 of the 「Act on Aggregation of National Pension and Occupational Pensions」"

**ADDENDA <No. 21847, Nov. 26, 2009>
(Enforcement Decree of the Agriculture, Rural Community
and Food Industry Framework Act)**

Article 1 (Enforcement Date) This Decree shall enter into force on November 28, 2009.

Articles 2 through 4 omitted

Article 5 (Amendment of Other Acts) Paragraphs (1) through (3) omitted

(4) Part of the Enforcement Decree of National Pension Act shall be amended as follows.
Article 57(1) shall be as follows.

(1) a person who manages agriculture, forestry, stock farming or fishing, or is engaged in these fields pursuant to proviso of Article 89(1) of the Act (hereinafter referred to as "farmers and fishermen") shall be a person falling under Article 3 of 「Enforcement Decree of the Agriculture, Rural Community and Food Industry Framework Act」.

(5) through <20> omitted

Article 6 omitted

ADDENDA <No. 21922, Dec. 30, 2009>

Article 1 (Enforcement Date) This Decree shall enter into force on the date of its promulgation. However, the amended provisions of Article 5 and 9 shall enter into force on January 1, 2010.

Article 2 (Application Example Regarding the Lower and Upper Limit of the Standard Monthly Income during the Applicable Period just before the Enforcement of this Decree)

When deciding the amount of each subparagraph in Article 5 (1) after the enforcement of this Decree, the lower and upper limit of the Standard Monthly Income during the applicable period just before the enforcement, shall be 220,000 won and 3,600,000 won respectively.

Article 3 (Transitional Measures Regarding Recognition Criteria Change Regarding Persons Who Have Been Supported by Beneficiary or Insured Persons) (1) Survivor Pensions or Lump-sum Death Payments shall be paid pursuant to the previous provision notwithstanding the amended provision of Table 1 to a person whose reason for paying a Survivor Pension or Lump-sum Death Payment occurred before the enforcement of this Decree;

(2) A person who receives the Dependents' Pension under the previous provision at the time of the enforcement of this Decree shall be considered eligible for a Dependent's Pension till he/she is excluded from eligibility by the previous provision after the enforcement of this Decree, notwithstanding the amended provision of Table 1.

ADDENDA <No. 22003, Jan. 27, 2010>
(The Enforcement Decree of the Act on the Promotion of Newspapers, etc.)

Article 1 (Enforcement Date) This Decree shall enter into force on February 1, 2010.

Articles 2 and 3 omitted

Article 4 (Amendment of Other Acts) (1) through (7) omitted

(8) Part of the Enforcement Decree of National Pension Act shall be amended as follows:
In Article 11(2), "Article 12(1) of the 「Act on a Guarantee of the Freedom and Function of Newspapers, etc.」" shall be amended to "Article 9(1) of the 「Act on the Promotion of Newspapers, etc.」".

In the first part of Article 87, "Article 12(1) of the Act on a Guarantee of the Freedom and Function of Newspapers, etc." shall be amended to "Article 9(1) of the 「Act on the Promotion of Newspapers, etc.」".

(9) through <45> omitted

Article 5 omitted

ADDENDA <No. 22075, Mar. 15, 2010>
(Ministry for Health, Welfare and Family Affairs and Its Subordinate Agency Organization)

Article 1 (Enforcement Date) This Decree shall enter into force on March 19, 2010.
<proviso omitted>

Articles 2 (Amendment of Other Acts) (1) to <33> omitted

<34> Part of the Enforcement Decree of the National Pension Act shall be amended as follows:

In Article 5(2) and (3), Article 11(1) and (2), Article 14(3)1 and(5), Article 16(1), Article 29(1) and(3), Article 30(1), Article 32(2), Article 34, the first part of Article 36 except for each subparagraph, Article 46(4), subparagraph 3 of Article 60, Article 76(1) except for each subparagraph and subparagraph 3, Article 81(1), Article 82, Article 83(2), Article 84, the first part of Article 85(1) and 85(4), Article 86(2), Article 104(2) except for each subparagraph and subparagraph 4, Article 107(2), the provisions of 110(1) except for each subparagraph, and items a-8, b-13, c-13, and d-11 of Table 2, "Minister of Health, Welfare and Family Affairs" shall be amended to "Minister of Health and Welfare" " respectively.

In the Article 7(3), except for each subparagraph, Article 35, Article 57(2) and the main text of (4), Article 61(1), Article 62(1), subparagraph 4 of Article 71, Article 85(5) and subparagraph 3 of Article 111, "Ordinance of Ministry for Health, Welfare and Family Affairs" shall be amended to "Ordinance of Ministry of Health and Welfare" respectively. In Article 16(1), Article 78(2), Article 80(3), the first part of Article 85(1), Article 104(2)1, Article 105(1) and 107(2), "Ministry for Health, Welfare and Family Affairs" shall be amended to "'Ministry of Health and Welfare" respectively.

<35> to <187> Omitted

ADDENDA <No. 22250, Jul. 1, 2010>

Article 1 (Enforcement Date) This Decree shall enter into force on the date of its promulgation.

Article 2 (Transitional Measures Regarding Standard Monthly Income determination) (1) The Standard Monthly Income pursuant to the previous provision shall apply to insured persons who are subject to the Standard Monthly Income pursuant to the previous provision at the time of the enforcement of this Decree till March 31, 2011, notwithstanding the amended provisions of Article 10(1). However, when insured persons apply for the application of the Standard Monthly Income pursuant to the amended provision of Article 10(1), the Standard Monthly Income pursuant to the amended provision of Article 10(1) shall apply according to his/her desire, from the month following the month which includes the day when he/she applied for the application, or from July, 2010.

(2) The insured person who wants the application of the Standard Monthly Income pursuant to the amended provision of Article 10(1) under the proviso of paragraph (1) shall apply it to the NPS till Mar. 31, 2011.

ADDENDA <No. 22311, Jul. 26, 2010> (The Enforcement Decree of Administrative Appeals Act)

Article 1 (Enforcement Date)

This Decree shall enter into force on the date of its promulgation.

Articles 2 (Amendment of Other Acts) (1) Part of the Enforcement Decree of the National Pension Act shall be amended as follows:

In Article 103 except for each subparagraph, "what is described in Article 19(2) of the

ENFORCEMENT DECREE OF THE NATIONAL PENSION ACT

「Administrative Appeals Act」 shall be amended to "item to be included pursuant to Article 28(2) of the 「Administrative Appeals Act」".

(2) omitted

Article 3 omitted

ADDENDA <No. 22347, Aug. 17, 2010>

Article 1 (Enforcement Date) This Decree shall enter into force on January 1, 2011. However, the amended provisions of Article 2(4), Article 3, Article 45 shall enter into force on September 1, 2010.

Article 2 (Application Example Regarding the Interest Added, Appropriation and Refund of Excessive or Erroneous Contributions) The amended provisions of Article 73(3) shall apply to Excessive or Erroneous Contributions that occurred first after the enforcement of this Decree.

**ADDENDA <No. 22493, Nov. 15, 2010>
(The Enforcement Decree of the Banking Act)**

Article 1 (Enforcement Date) This Decree shall enter into force on November 18, 2010.

Article 2 and **3** omitted

Articles 4 (Amendment of Other Acts) (1) to <24> Omitted.

<25> Part of the Enforcement Decree of the National Pension Act shall be amended as follows

In the Article 42(2) and Article 74(1)1, "Financial institutions" shall be amended to "bank" respectively

<26> through <115> omitted

Article 5 omitted

ADDENDA <No. 22906, Apr. 22, 2011>

(Partially Amended Decree of the Enforcement Decree of Public Health Control Act for Economic Revitalization and People-Friendly Solution of National Inconveniences, Etc.)

Article 1 (Enforcement Date) This Decree shall enter into force on the date of its promulgation.

Article 2 omitted

ADDENDA <No. 23359, Dec. 8, 2011>

Article 1 (Enforcement Date) This Decree shall enter into force on the date of its promulgation. However, the amended provisions of subparagraph 2 of Article 40, Article 89, Article 92(1) shall enter into force on the date one month after its promulgation and the amended provisions of Article 23-2, Article 24-2, Article 56-2 shall enter into force on December 8, 2011. The amended provision of Article 45 shall enter into force on January 1, 2012 and the amended provision of Article 52 shall enter into force on July 1, 2012.

Article 2 (Application Example of the Installment Return of the Refund) The amended provision of Article 52 shall apply to the person who applies for the installment return of the refund first after July 1, 2012.

Article 3 (Transitional Measures on Imposition of Pension Contributions of Persons Working in More Than Two Covered Workplaces) Where there exists a workplace which pays the amount corresponding to the maximum of the Standard Monthly Income from among the more than two workplaces, pension contributions shall be imposed under the previous provision till the last day of the month which includes the enforcement date of this Decree, notwithstanding the amended provision of the proviso of Article 63.

ADDENDA <No. 23488, Jan. 6, 2012>

(The Enforcement Decree of the Act on Submission and Management of the Taxation Data for the Basis of Sensitive Information and Uniquely Identifiable Information Processing, etc.)

Article 1 (Enforcement Date) This Decree shall enter into force on the date of its promulgation.

Article 2 omitted

ADDENDA <No. 23620, Feb. 3, 2012>
(Partially Amended Enforcement Decree of the Seafarers Act)

Article 1 (Enforcement Date) This Decree shall enter into force on February 5, 2012.
(proviso omitted)

Articles 2 through 7 omitted

Articles 4 (Amendment of Other Acts) (1) Part of the Enforcement Decree of the National Pension Act shall be amended as follows:

In Article 22(1)2, "Article 2 of the Seafarers Act" shall be amended to "Article 3 of the Seafarers Act"

(2) through (5) omitted

ADDENDA <No. 23908, Jun. 29, 2012>

Article 1 (Enforcement Date) This Decree shall enter into force on July 1, 2012.

Article 2 (Application Example of Date for the Determination of Degree of Disability) The amended provision of Article 46(2) shall apply to the evaluation of the Disability Pension amount change to be conducted after the enforcement of this Decree.

Article 3 (Transitional Measure on Advance Payment and Refund of Contributions) The previous provision shall apply to the persons who applied for Advance Payment pursuant to the previous provision of Article 58 as of the enforcement of this Decree, notwithstanding the amended provision of Article 58.

ADDENDA <No. 24017, Aug. 3, 2012>
(The Enforcement Decree on Act on Special Cases Concerning Adoption)

Article 1 (Enforcement Date) This Decree shall enter into force on August 5, 2012.

Articles 2 through 4 omitted

Article 5 (Amendment of Other Acts) Part of the Enforcement Decree of the National Pension Act shall be amended as follows:

In Article 25(1)2, "「Act on Special Cases concerning the Promotion and Procedure of

Adoption」" shall be amended to "「Act on Special Cases concerning Adoption」"

(2) through (6) omitted

Article 6 omitted

ADDENDA <No. 24077, Aug. 31, 2012>
(The Enforcement Decree of National Health Insurance Act)

Article 1 (Enforcement Date) This Decree shall enter into force on September 1, 2012
(proviso omitted)

Articles 2 through **7** omitted

Article 8 (Amendment of Other Acts) (1) through (6) omitted

(7) Part of the Enforcement Decree of the National Pension Act shall be amended as follows:

In Article 24(1), "Article 12 of the 「National Health Insurance Act」" shall be amended to "Article 13 of the 「National Health Insurance Act」".

In Article 102(2)4, "Article 48-2 of the 「Enforcement Decree of the National Health Insurance Act」" shall be amended to "Article 55 of the 「Enforcement Decree of the National Health Insurance Act」".

(8) through (30) omitted

Article 9 omitted

[Table 1] <Amended Jun. 29, 2012>

**Persons Eligible for Dependents' Pension Amount, Unpaid Benefits, Survivor Pension, Lump-sum Death Payment, etc.
(Relating to Article 38, Article 39, Article 47, and Article 53)**

Classification	Persons	Recognition Criteria	Supporting Evidence
1. Dependents' Pension Amount (Relating to Article 38)	a. Spouse/Children	Recognized. However, when a support relationship clearly ends due to runaway or missing, he/she shall not be recognized.	<ul style="list-style-type: none"> ○ In the case of co-residence: <ul style="list-style-type: none"> - A Family Certificate ○ In the case of non-co-Residence: <ul style="list-style-type: none"> - A Family Certificate - Documents to prove financial support, such as a copy of one's bankbook, etc.
	b. Stepchild born prior to the current marriage	Recognized only in the case of co-residence	
	c. Parents	1) In the case of co-residence: Recognized 2) In the case of non-co-residence: Recognized only when the beneficiary regularly provides financial support such as living expenses, etc.	
	d. Spouse of father or mother (the case falling under item c. shall be excluded)	Recognized only in the case of co-residence	
	e. Persons whose relationship with the current or former insured person is falling under one of the above items, from item a. to item d., but whose relationship with the beneficiary is not falling under it	Recognized only in the case of co-residence	

Classification	Persons	Recognition Criteria	Supporting Evidence
2. Unpaid Benefits (Relating to Article 39)	a. Spouse/Children/Parents/ Grandparents/ Grandchildren	<p>Recognized. However, if he or she is falling under one of the following items, not recognized.</p> <p>1) In the case where one year has passed from the day when Mayor, County governor, or Head of Gu registered a resident as unidentified pursuant to the main provision of Article 20(6) of [Residents Registration Act]</p> <p>2) In the case where one year has passed from a day when a police chief has received a report regarding runaway or missing</p> <p>3) In the case where the NPS confirms the fact that he/she has been out of contact for more than one year, as such, the right to receive the benefit expires within one year due to expiration of the period of prescription</p>	<ul style="list-style-type: none"> o In the case of co-residence: - A Family Certificate o In the case of non-co-Residence: - A Family Certificate - Documents to prove the reason why the residence is different as a certificate of studentship, a proof of employment, a certificate of convalescence, a business license, or a building register book, etc. or documents to prove financial support, such as a copy of one's bankbook, etc.
	b. Siblings	<p>1) In the case of co-residence: Recognized. However, in the case that is falling under the proviso of item a., he/she shall not be recognized.</p> <p>2) In the case of non-co-residence: Recognized only in the cases which fall under one of the following cases and do not fall under the proviso of item a.</p> <p>a) In the case of non-co-residence for the reasons of study, employment, medical treatment, business, residential circumstances, or other similar reasons of the relevant person</p> <p>b) In the case where the beneficiary regularly provided financial support such as living expenses, etc.</p>	
3. Survivor Pension (Relating to Article 47)	a. Spouse/Children	Recognized. However, when a support relationship clearly ends due to runaway or missing, he/she shall not be recognized	<ul style="list-style-type: none"> o In the case of co-residence: - A Family Certificate o In the case of non-co-Residence: - A Family Certificate
	b. Parents	<p>1) In the case of co-residence: Recognized.</p> <p>2) In the case of non-co-residence: Recognized only in the cases which fall under one of the following cases:</p>	

Classification	Persons	Recognition Criteria	Supporting Evidence
		<p>a) In the case of non-co-residence for the reasons of study, employment, medical treatment, business, residential circumstances, or other similar reasons of the relevant person</p> <p>b) In the case where the current or former insured person regularly provided financial support such as living expenses, etc.</p>	
	c. Grandchildren	<p>1) In the case of co-residence: Recognized only in the case where the grandchildren do not have parents, or even though they have parents, the parents do not have ability to support due to special reasons</p> <p>2) In the case of non-co-residence: Recognized only in the following cases:</p> <p>a) In the case of non-co-residence for the reasons of study, employment, medical treatment, business, residential circumstances, or other similar reasons of the relevant person, and they do not have parents, or even though they have parents, the parents don't have ability to support due to special reasons</p> <p>b) In the case where the current or former insured person regularly provided financial support such as living expenses, etc.</p>	<p>- Documents to prove the reason why the residence is different as a certificate of studentship, a proof of employment, a certificate of convalescence, a business license, or a building register book, etc. or documents to prove financial support, such as a copy of one's bankbook, etc.</p>
	d. Grandparents	<p>1) In the case of co-residence: Recognized only in the case where the grandparents do not have children to live with them, or even though they have, the children do not have ability to support due to special reasons</p> <p>2) In the case of non-co-residence: Recognized only in the following cases:</p> <p>a) In the case of non-co-residence for the reasons of study, employment, medical treatment, business, residential circumstances, or other similar reasons of the relevant person, and the grandparents do not have children to live with them, or</p>	<p>o In the case of special reasons:</p> <p>- Such documents as certificates for disabled people, etc. to prove the relevant reasons</p>

ENFORCEMENT DECREE OF THE NATIONAL PENSION ACT

Classification	Persons	Recognition Criteria	Supporting Evidence
4. Lump-sum Death Payment (Relating to Article 53)		<p>even though they have, the children do not have ability to support due to special reasons</p> <p>b) In the case where the current or former insured person regularly provided financial support such as living expenses, etc.</p>	
	a. Spouse/Children/Parents/ Grandchildren/ Grandparents/Siblings	<p>Recognized. However, if he or she is falling under one of the following items, not recognized.</p> <p>1) In the case where one year has passed from the day when Mayor, County governor, or Head of Gu registered a resident as unidentified pursuant to the main provision of Article 20(6) of 'Residents Registration Act'</p> <p>2) In the case where one year has passed from a day when a police chief has received a report regarding runaway or missing</p> <p>3) In the case where the NPS confirms the fact that he/she has been out of contact for more than one year, as such, the right to receive the benefit expires within one year due to expiration of the period of prescription</p>	<p>o In the case of co-residence: - A Family Certificate</p> <p>o In the case of non-co-residence: - A Family Certificate - Documents to prove financial support, such as a copy of one's bankbook, etc.</p>
	b. Collateral blood relatives within first cousins	<p>1) In the case of co-residence: Recognized. However, in the case that falls under the proviso of item a., he/she shall not be recognized</p> <p>2) In the case of non-co-residence: Recognized only in the cases which do not fall under the proviso of item a. and the current or former insured person regularly provided financial support such as living expenses, etc.</p>	

Remarks

1. "Spouse of father or mother" means stepfather or stepmother.
2. "Residential circumstance" means cases where actual co-residence is not possible due to limited housing space, etc.
3. "Special reasons" means the following items
 - a. In the case of a disabled person under the 「Act on Welfare of Persons with Disabilities」
 - b. In the case of beginning military service as a short-term staff sergeant or lower rank
 - c. When imprisoned in jail or other similar institutions
 - d. When missing
 - e. Students enrolled in an educational institution of lower stage than the university under Article 2 of the 「Higher Education Act」
 - f. People who are 60 years of age or more, or of less than 18 years of age
 - g. Beneficiaries under the 「National Basic Living Security Act」

[Table 2] <Amended Dec. 8, 2011>

**Standard for Degree of Disability
(Relating to Article 46(1))**

Degree of Disability	Condition of Disability
1st Degree	<ol style="list-style-type: none">1. Sight in both eyes has deteriorated below 0.02 respectively2. Both arms are completely disabled3. Both legs are completely disabled4. Loss of the wrist joint or above in both arms5. Loss of the ankle joint or above in both legs6. Physical impairment not included in the above mentioned subparagraphs 1 to 5, resulting in incapability for any type of labor and needing continuous care7. Impairment to mental or nervous system resulting in incapability for any type of labor and requiring continuous care or supervision8. Persons specifically designated by the Minister of Health and Welfare as persons whose physical, mental or nervous system impairment is incapable of performing any type of labor and in need of long-term rest, continuous care and supervision because of mental or physical impairment because the injury or disease is not healed
2nd Degree	<ol style="list-style-type: none">1. Sight in both eyes has deteriorated below 0.06 respectively2. Sight in one eye has deteriorated below 0.02 and the other below 0.13. Loss of chewing and speaking ability4. Severe handicap to the function of spine5. Loss of the wrist joint or above in one arm6. Loss of the ankle joint or above in one leg7. One arm is completely disabled8. One leg is completely disabled9. Loss of or complete disability in all fingers of both hands10. Loss of the Lisfranc's joint or above in both feet11. Physical impairment not included in the above mentioned subparagraphs 1 to 10, resulting in that labor capacity is severely limited or required to be constrained

Degree of Disability	Condition of Disability
	<p>12. Impairment to mental or nervous system resulting in incapability for any type of labor</p> <p>13. Persons specifically designated by the Minister of Health and Welfare as persons whose physical, mental or nervous system impairment is of a degree that labor capacity is severely limited or required to be restricted because the injury or disease is not healed</p>
<p>3rd Degree</p>	<p>1. Sight in both eyes has deteriorated below 0.1 or sight in one eye has deteriorated below 0.02 with that of the other eye deteriorating below 0.15</p> <p>2. Hearing ability impaired to such a degree that words shouted in the ear cannot be heard</p> <p>3. Considerable handicap to chewing and speaking ability</p> <p>4. Medium degree handicap to the function of spine</p> <p>5. Disability in two out of three major joints of one arm</p> <p>6. Disability in two out of three major joints of one leg</p> <p>7. Loss of the thumb and forefinger of one hand</p> <p>8. Disability in four fingers or more including the thumb and forefinger of one hand</p> <p>9. Loss of the Lisfranc's joint or above in one foot</p> <p>10. All toes of both feet are completely disabled</p> <p>11. Physical impairment not included in above mentioned subparagraphs 1 to 10, to a degree that labor capacity is greatly limited</p> <p>12. Impairment to mental or nervous system to such a degree that labor capacity is greatly limited or required to be restricted</p> <p>13. Persons specifically designated by the Minister of Health and welfare as persons whose physical, mental or nervous system impairment is of a degree that labor capacity is greatly limited or required to be restricted because the injury or disease is not healed</p>
<p>4th Degree</p>	<p>1. Sight in both eyes has deteriorated below 0.3</p> <p>2. Hearing ability impaired to such a degree that words normally spoken over a distance more than one meter cannot be heard</p> <p>3. Medium degree handicap to chewing and speaking ability</p> <p>4. Handicap to the function of spine</p> <p>5. Disability in one out of three major joints of one arm</p> <p>6. Disability in one out of three major joints of one leg</p> <p>7. Loss of two fingers including the thumb or forefinger, or loss of four fingers or more, except the thumb and forefinger</p> <p>8. Disability in six toes of both feet</p>

Degree of Disability	Condition of Disability
	9. Physical impairment not included in the above mentioned subgraphs 1 to 8, which comes to such a degree as it somewhat limits a person's ability to do labor 10. Impairment to mental or nervous system to such a degree that it somewhat limits a person's ability to do labor 11. Persons specifically designated by the Minister of Health and Welfare as persons whose physical, mental or nervous system impairment is of a degree that labor capacity is somewhat limited or required to be restricted because the injury or disease is not healed

Remarks

- 1. Eyesight shall be measured by the internationally authorized standard eye-chart and a person who has a refraction error in his/her eyesight shall be measured with the corrected eyesight in principle.
- 2. The loss of fingers means the case of losing the joint in the thumb and the 1st or upward joints in the other fingers.

[Table 3] <Amended Jun. 29, 2012>

Criteria for Imposing Fines for Default (Relating to Article 114)

1. General Criteria

- a. The criteria for imposing fines for default according to the number of behavioral violations shall apply to the case where a person is imposed fines for default due to the same behavioral violations during this one year. In this case, the numbers of violations shall be counted in the base of the date of disposition of imposing fines for default on behavioral violation and the date of exposure of the same behavioral violation.
- b. The Minister of Health and Welfare may reduce the amount within a range of 1/2 of the fines for default pursuant to subparagraph 2 in case of one of the following subparagraphs. However it shall not apply to the violator who fails to pay fines for default:
 - 1) When a violator falls under one of each subparagraph of Article 2-2(1) of the [Enforcement Decree of the Regulation of Violations of Public Order Act]
 - 2) When a violator is subjected to a fine, etc. pursuant to other acts owing to the same behavioral violations
 - 3) When the behavioral violation is regarded as the one from trivial carelessness or error
 - 4) When the content and degree of violation is regarded as minor
 - 5) When it is regarded that there are other needs to reduce the amount considering the degree, motive, and result of the behavioral violation
- c. The Minister of Health and Welfare may increase the amount within a range of 1/2 of the fines for default pursuant to subparagraph 2, considering the degree, motive, and result of the behavioral violation. However, the upper limit of fines for default pursuant to Article 131 of the act shall not be exceeded even in the case of increasing.

2. Individual Criteria

Behavioral Violations	Applicable provisions of the Act	Amount of fines for default (Unit: 10,000 won)		
		1st violation	2nd violation	3rd violation
a. When he or she fails to make a report or makes a false report in violation of Article 21(1) of the Act	Article 131(1)1 of the Act	17	33	50
b. When he or she fails to make a report as referred to in Article 21(2) of the Act	Article 131(2)1 of the Act	3	6	10
c. When he or she fails to make a notification as referred to in Article 23(2) of the Act	Article 131(2)2 of the Act	3	6	10
d. When he or she fails to make a report as referred to in Article 121(1) or (2) of the Act	Article 131(2)1 of the Act	3		
1) When the delayed period is less than 3 months		6		
2) When the delayed period is 3 months or more, but less than 6 months		10		
3) When the delayed period is 6 months or more				
e. When an employer refuses, evades, interferes, or provides false statements, when the NPS or its staff require the submission of documents and other materials related to income and assets, investigate or making inquiries under Article 122 of the Act.	Article 131(1)2 of the Act	17	33	50
f. When an insured person, a former insured person or a beneficiary refuses, evades, interferes, or provides false statements, when the NPS or its staff require the submission of documents and other materials related to income and assets, investigate or making inquiries under Article 122 of the Act.	Article 131(2)3 of the Act	3	6	10

This English text is not official. In the event of any interpretation,
only the Korean text is official and shall prevail.