



## DPF to outsource Fund Administration - Regulatory Developments

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### 1. Why does DPF need to outsource its administration?

The Retirement Funds Act, 2014 (hereinafter referred to as the "RFA") and the Retirement Funds Regulations commenced on April, 1 2017 and April 11, 2017 respectively. The commencement of the RFA repealed the Pension and Provident Funds Act. Consequently, all Retirement Funds and Fund Administrators are required to comply with the provisions of the RFA and its Regulations.

In a circular dated June 05, 2017, the Non-Bank Financial Institutions Regulatory Authority communicated to the retirement Funds industry the commencement of the Retirement Funds Act 2014 and the Retirement Funds Regulations 2016 effective April 1, 2017 and April 11, 2017 respectively. The circular further stipulates that transitional period of 6 months for the licensing of Funds and 12 months for the compliance to the regulations has been provided, meaning that by April 11 2018 the Fund needs to be administering through a limited liability company.

In terms of Regulation 54 (3) a person who wishes to carry on a retirement fund business shall within a period of six (6) months after the commencement of the Act, make an application to the Regulatory Authority to be issued with a new licence in exchange for the licence issued to that person under the repealed Act. In light of the above, it has become compulsory that the Fund administration and Fund management functions be separated.

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Debswana Pension Fund



Debswana Pension Fund  
@DebswanaPF

#### DPF Values

Customer Focused   Trust & Integrity   Innovation   Agility   Self driven & Motivated



Ogomoditse G. Letsholo

## Editorial

**Greetings to all our Members! We hope that you have managed to start off 2018 on the right foot and are on your way to achieving all your financial goals.**

Thank you to all the Members that took time out of their busy schedules to complete the 2017 Member Surveys. Your valuable feedback will go a long way in assisting the DPF to continue giving you quality service and products. In an endeavour to respond to your Survey questions, every issue of Bokamoso newsletter will have a "Your Questions Answered" section through which we will provide answers to your questions throughout the year.

Look out for answers to your questions from the 2017 Member Surveys in this and the next two editions during the year.

### Retirement Funds Act, 2014

The Government of Botswana passed into law the Retirement Funds Act, 2014 in April 2017. This move repealed the Pension and Provident Funds Act, 1984. All Pension Funds are required to comply with this law by 1st April 2018. The Act brings about developments that will affect operations of Pension Funds including DPF. Read more about this in our cover article.

We trust that the recent member engagements on the major regulatory development that were conducted by the Communications Manager shed some light to what is taking place in the Pension Fund industry. If you missed out on these sessions, kindly contact the DPF Member Relations Officer in your area to get an update.

Early this year we bid farewell to all our Alternate Trustees whose term had to be cut short due to one of the new requirements in the Retirement Funds Act, 2014 section 13 (2). The Act requires that a Board of Trustees does not exceed eleven and in order to comply the DPF Board resolved to abolish the position of Alternate Trustee.

We would like to encourage all our Members to familiarise themselves with regulations that governs Pension Funds. This will help you as Member to understand and appreciate what informs the decisions that are taken in the management of your Pension Fund.

Articles covered on this issue all of which are essential and value adding to your knowledge as a current and future Pensioner. We hope you will learn something from this material.

**Do not forget to follow us on Facebook and Twitter and share with us your WOW moments from interacting with your Pension Fund. Remember we are always happy to hear from you.**

## Announcements

### Staff Movements



#### Promotions

##### Ohimile Moselekatsi

Congratulations to Ohimile Moselekatsi on his job promotion. Mr Moselekatsi was previously an Office Assistant and has been promoted to the new role of Procurement and Administration Officer with effect from Feb 2018. He has been with the organisation since April 2016. The position is based in Gaborone in the Finance department.



#### New Appointment

##### Mbakisi Gopolang

In March 2018 DPF welcomed on board Mbakisi Gopolang into the newly established position of Investment Analyst. He was previously at Bona Life Insurance Botswana as an Investment Officer.

### Board Movements

**The DPF Board, CEO, Management and Staff of Debswana Pension Fund would like to bid farewell to all former Alternate Trustees of the Debswana Pension Fund whose term of Office ended on 9th February 2018.**

#### Company Appointed Alternate Trustees:

- Mr Kitlanang Phuthogo – DTCB
- Mr Tefo Sethare – DDC
- Ms Eunice Mpoloka – DDC
- Mr Letsibogo Ndwapi – Other participating Employers (DBHB, DBGSS, MCM and DPF)

#### Member Elected Alternate Trustees:

- Mr Victor Mbanga – Debswana Jwaneng
- Mr Boitumelo Senyane – OLDLM
- Mr Mooketsi Oaitse – MCM
- Mr Condry Motshabi – DTCB
- Mr Potoko Bogopa – Pensioners

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## 2. What does the new regulations say?

### a. Retirement Funds Act 2014 Part II Licensing of Funds – Sections 3(1) and 3(2) Reads;

“3. (1) a person shall not carry on the business of a fund without a licence issued by the Regulatory Authority;

(2) A person who contravenes this section commits an offence and is liable to a fine not exceeding P2 500 for each day the offence occurs, or to imprisonment for a term not exceeding five years, or to both.

“4. (1) A person who wishes to carry on the business of a fund shall make an application to the Regulatory Authority, which application shall be accompanied by -  
(a) Three copies of the rules; and  
(b) Such fee as may be prescribed.”

### b. Retirement Funds Act 2014 Part II Licensing of Funds – Sections 3(1) and 3(2) Reads;

“(2) An organization wishing to be licensed to carry on the business of a retirement fund administrator shall satisfy the following requirements, and shall submit evidence that it;

- (a) Is a limited liability company duly incorporated under the Companies Act;
- (b) Shall not engage in any business other than the management of retirement funds;
- (c) Has the professional and technical capacity to manage retirement funds and administer retirement benefits;
- (d) has satisfied all requirements determined by the Regulatory Authority, other relevant laws or any such additional requirements or conditions as may be determined from time to time by the Regulatory Authority; and
- (e) Possesses appropriate information and communication technology that could adequately cater for online real-time transactions in addition to keeping proper accounting records.

“3. Where a company is seeking to be licensed as a fund administrator, the minimum paid up share capital including unimpaired reserves of the company shall be P500 000 or such value as the Regulatory Authority may from time to time determine.”

## 3. What are the implications of these new regulations?

In the course of engaging with the regulator during the latter part of 2017, DPF has successfully requested an extension up to September 2018 to comply. In summary the new regulations will prompt the following:

- a. Separation of Fund administration unit out of DPF resulting in the following:
  - Organisational restructuring
  - Change of the DPF business strategy and operating model
- b. Renewal of the DPF licence as a Pension Fund

## 4. What is the current status of the DPF Administration?

The Fund has been operating with an insourced administration for the last 8 years which has now fully matured into a very stable and efficient administration.

Since its inception, Debswana Pension Fund has transitioned through various operating models arising from strategic business decisions. The Fund has over the last ten years evolved from operating as a division within its founding participating employer Debswana into what it is today, an autonomous self-administering Fund. The Fund has maneuvered through a challenging but fruitful decade since it was outsourced in 2007. Every milestone a mark of progress and every challenge an opportunity for further growth. Not only has the DPF worked hard over the years to achieve the current efficiencies in its operations, the Fund has built valuable industry goodwill and brand equity over the years. DPF is now a reputed industry player and a valuable benchmark both locally and regionally mainly for its pioneering spirit and innovative strategies. DPF is a Fund of many firsts some of which are;

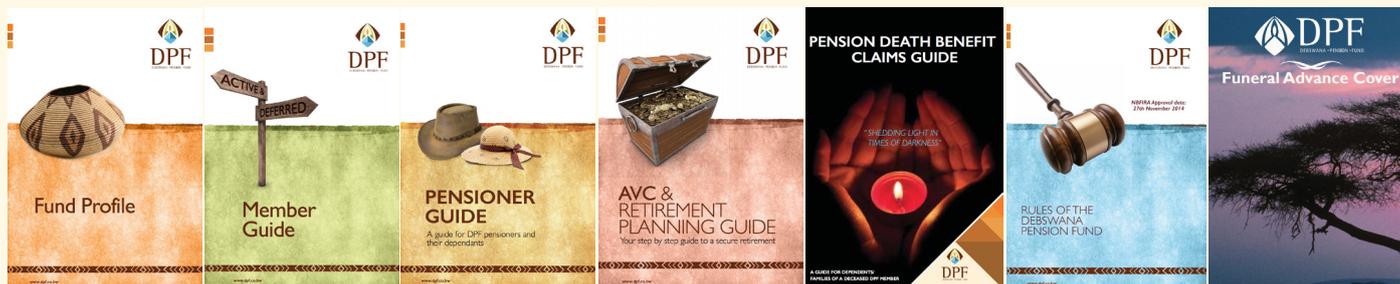
- (1) The first ever pension fund to be established in Botswana
- (2) The First pension fund of its size and calibre in Botswana to insource its administration
- (3) The first pension fund to introduce the Life Staging Investment model thus managing investment risk for near retirees.
- (4) A winner of many regional best practice awards in both Communication, Legal and Technical Compliance.

## 5. How and when does DPF intend to comply with new regulations?

The Fund has already begun the process of complying with the new regulations and has at the end of February 2018 submitted all the necessary submissions to the regulator for the approval of a proposed outsource model as decided by the DPF Board of Trustees in their December 2017 board sitting and the renewal of the DPF licence as a Pension Fund.

The Board is currently awaiting the guidance of NBFIRA on the submissions.

**Upon receipt of the NBFIRA decision, Members will be informed in writing before the compliance deadline of September 2018 on what the future Fund administration arrangements will be. For further clarification where necessary members can contact their usual Member Relations Officers.**



## Know your Fund's Publications

The process of communication is what allows individuals to interact with other people; without it, we would be unable to share knowledge or experiences with anything outside of ourselves.

In this issue article we would like to remind you of the various publications that the Fund has put in place to educate and disseminate Information to stakeholders with, most importantly the Members.

According to the DPF Communication Policy, we aspire to achieve the following:

- Communicate in a friendly, expert and direct way to our stakeholders, treating all our stakeholders equally.
- Ensure our Communications are simple, relevant and have impact.
- Deliver information in a way that suits all types of stakeholders
- Aim for full appreciation of the Pension Fund benefits and changes to the Fund by all Fund members, prospective Fund members and participating employers.
- Promote the achievement of targeted Net Replacement Ratios by members through extensive marketing of Additional voluntary contributions as we provide comprehensive financial education through the Fund's various communication mediums.

There is an array of publications that are at the Member's disposal whenever they need to refresh their memory;

### Fund Profile

Developed with the aim to educate members and stakeholders about the history of the Fund, its mandate and philosophy.

### Pension Fund Rules

These are rules through which the Fund is governed. The Fund rules are binding on the Fund, Trustees, Members, Dependants, Beneficiaries and the participating Employers. The Retirement Funds Act requires that every Pension Fund has its own rules that guides its operations.

### Member Guide

A good retirement plan starts with knowledge, which then empowers you to make timely financial planning decisions that can lead you to a comfortable life in retirement. This publication is to be used as a guide by every member as they begin their journey towards saving for retirement. Whether you are just beginning your working career or are an experienced worker, this handbook

will answer many of your questions about your Pension benefit coverage.

### Death Benefits

Everyone saves for pension with the hope that they will live to reach retirement age, become a Pensioner and enjoy their hard-earned pension savings, but as nature dictates, not everyone lives to reach retirement age hence some people will die whilst still in active employment. The Death Benefits guide is designed to assist the Member's surviving dependants familiarise themselves with the policies and processes in place for distributing the deceased member's benefits.

### Funeral Advance Cover

Debswana Pension Fund introduced the funeral advance brochure to equip Members and their families with information of what to do in the event a Member dies while in service and the Family needs financial assistance for the member's burial. Funeral advance cover will be subject to availability of benefits and in the case of Pensioners, a benefit entitlement to beneficiaries must be available also.

### AVC and Retirement Planning Guide

The savings you make now will provide you with a pension income from the age you retire from the Fund. This booklet is intended to guide members of the DPF on how they can increase their overall retirement benefits by making AVCs and other investments, however, members are encouraged to always consult a financial advisor when planning for long term savings in order to develop a holistic retirement plan taking into account all aspects of your finances and lifestyle.

### Pensioner Guide

This guide is intended for both retirees and members in pre-retirement. It is intended to assist retired members to understand how their pension is paid at retirement, what the applicable rules and regulations are for their pension, as well as providing more information that may be of interest to members during retirement. For pre-retirees the guide will assist them in preparing for their retirement.

These guides/publications are available on the DPF Website and may be downloaded from [www.dpf.co.bw](http://www.dpf.co.bw)

**An informed Member will make informed and valuable financial choices!**

## Retirement Planning: Is it really necessary?

At some point we all will have to retire from our normal jobs and either depend on the savings we made during our employment days or on the social grants offered by the government.

The choices we make today definitely play a big role in determining the kind of life we will live beyond retirement. For some people, life beyond retirement will be a smooth sail while for some it will mean making major adjustments to their lives. History has made record of some people who lived in perpetual state of distress post their retirement mainly because of poor retirement planning. Some moved from positions of power, influence and splashy living to devastating conditions of poverty. Unfortunately such major life adjustments do not only affect the retiree but their families as well. Your children can also lose the opportunities that you would otherwise provide with a better income such as a good education.

It is therefore important that we all prepare for our retirement and that we continually monitor our preparatory efforts so that we are not caught off guard when the final whistle that leads to retirement is blown.

As a rule in the world of savings and investments, the best time to start is NOW! As soon as one gets their first paycheck they should start saving some money towards retirement. If you have already been working for some time its never too late to reassess your level of readiness for retirement and make the necessary adjustments where needed. It's never too late! There are a couple of instruments that can be used to save towards retirement, but the most common is a retirement plan. A retirement plan is defined as a financial arrangement designed to replace the employees' income on retirement. Most employers offer staff pension funds into which both employers and employees may contribute, depending on the rules of the fund. While most of these funds are compulsory and offer minimum percentages to be contributed, the fact of the matter is that in most cases the total fund value at the retirement does not always afford the retiree the same standard of life he used to live before retirement. It is therefore important that we note the following points if we are going to retire successfully:

1. Start saving as early as possible: This helps you contribute more towards your retirement plan and also benefit from the power of compound interest. The sooner you begin saving, the more your money will grow!
2. 10% of your net income must go towards your retirement savings plan. If the minimum deductions set by your employer are below 10% of your net income, consider increasing your contributions immediately. The more you save now, the bigger your withdrawals will be on retirement.
3. It's never too late to make up for the opportunity lost! If you have not started well, you still can readjust your monthly contributions towards your retirement savings plan.
4. In addition to your employers pension plan consider other streams that can earn you passive income beyond retirement.
5. Plan your life that you would have settled all your debts (mortgage loan, car loan etc.) by the time you retire.
6. Family planning is important! Where possible, it will be great not to have school fees hanging over your head even after retirement!

Most of us unfortunately never plan for our retirement but choose to wait until the last moment. Failure to plan for your retirement may lead to an everlasting state of post retirement frustration and depression. It is therefore important that you consult your Financial Advisor on how best you can better plan for your retirement! Remember, the future belongs to those who start planning for it today!!

**By: Thato Kubu**  
**Country Head: Operations – Metropolitan**

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# WHAT'S YOUR PLAN FOR RETIREMENT



## Why Pre-retirement counselling?



Like any other life event, Retirement needs planning for. Before you make the decision to retire, assess your financial situation and ask yourself "Am I going to be able to continue enjoying life the way I have been while actively employed, or is my life going to have to drastically change to suit my new situation?" As a Member of Debswana Pension Fund, your Fund has put measures in place to help you prepare for retirement. One of the ways DPF assist Members is through Pre-retirement Counselling Workshops.

During your career your employer has been making savings for you for the journey you will be entering upon retirement. Through this journey you need to constantly assess if this saving that your employer is making on your behalf will be sufficient to sustain you and take action while you still can.

DPF hosts pre-retirement counselling workshops annually for the benefit of members. The purpose is to assist Members in understanding the state of their finances prior to retirement and giving them guidance on what to do to improve their finances prior to retirement.

The DPF offers one-on-one and group pre-retirement counselling workshops/sessions. The purpose of these workshops/sessions is:

- to educate and inform Members about DPF Pension benefits.
- to assist Members assess their financial situation and readiness for retirement in terms of their available fund credits.
- Advise members about retirement procedure and processes.
- Advise members about alternative resources for investment.

Many people do not give this life changing transition some thought. Retirement is not a destination. It is the beginning of a new journey. A Member's available pensions and investments need to be reviewed well in advance to make sure that the amount will be sufficient for retirement so as to meet the Member's future needs.

Retirement is also a transition that involves other changes other than income such as lifestyle ventures of an individual/s. It is a waited moment, an important life changing step. Retirees also need to know how to handle their retirement benefit prudently.

Impulsive spending of pension withdrawals often cause Members to look for employment a few months after becoming a Pensioner. The Fund encourages every pre-retiree to attend such workshops when called upon.

### DPF Values

- Customer Focused
- Trust & Integrity
- Innovation
- Agility
- Self driven & Motivated

## What is the role of a Member Relations Officer?

Members of Pension Funds need to understand the mandate of a Pension Fund in order to understand the role of a Member Relations Officer. An understanding of the responsibilities of the Fund in terms of services to members will allow members to know what to expect from these officials and allow them to exercise their rights as Pension Fund members.

The Member Relations Officer is the primary point of contact with the Pension Fund for all Participating Employers and Members.

The role of a Member Relations Officer is to:

- Provide Member services such as receiving member forms, verifying information.
- Provide ongoing Member education for the region they service (including new member inductions).
- Assess benefit claims, enrolment and other submissions for quality assurance and advise members on omissions and anomalies.
- Advise members on all Fund procedures and processes.
- Support the death benefits Investigations process and liaise with bereaved families.
- Receive and action all member and stakeholder enquiries.
- Implement training programs for HR Business partners and other participating employer liaisons.
- Support Fund Communication with the dissemination of information.

## Know your Member Relations Officer



It is important to know the Member Relations Officer that service your region. They are there to assist you and as a member be encouraged to fully utilise their Offices.

### **GABORONE CAMPUS** **Mr Mogomotsi Dipowe**

Responsible for assisting employees of all Participating Employers that fall under the Gaborone campus and every Deferred and Pensioner members in Gaborone and the surrounding areas. The Gaborone campus Participating employers are made up of:

- Debswana Diamond Company
- DeBeers Global Sightholder Sales
- Debswana Pension Fund
- DeBeers Holdings Botswana
- Diamond Trading Botswana Company
- Morupule Coal Mine

If you need Mr Dipowe's assistance you may contact him at 3614217 or email at [mdipowe@debswana.bw](mailto:mdipowe@debswana.bw). The DPF Office in Gaborone is located at Plot 50361, Block D Carlton House – Fairgrounds.



### **JWANENG MINE** **Ms Maipelo Thamage**

Responsible for assisting employees of Debswana Diamond Company in Jwaneng Mine and every Deferred and Pensioner members in Jwaneng and the surrounding areas.

If you need Ms Thamage's assistance you may contact her at 5884849 or email at [mthamage@debswana.bw](mailto:mthamage@debswana.bw). The DPF Office in Jwaneng is located at Township Housing Office block, Office number 9.



### **ORAPA, LETLHAKANE AND DAMTSHAA MINES** **Mr Baliki Bakgobokanye**

Responsible for assisting employees of Debswana Diamond Company in Orapa, Letlhakane and Damtshaa Mines and every Deferred and Pensioner members in Orapa and Letlhakane and the surrounding areas.

If you need Mr Bakgobokanye's assistance you may contact him at 2902323 or email at [bbakgobokanye@debswana.bw](mailto:bbakgobokanye@debswana.bw). The DPF Office in Orapa is located at HR block, Office number 11.

## Letlole la Phenshene ya Debswana le emisa go itlhokomelela dibuka - Diphetogo tsa Molao



### 1. Ke eng letlole la Phenshene le tshwannwa ke go emisa go itlhokomelela dibuka?

Molao wa Retirement Funds Act, 2014 le Retirement Funds Regulations, 2016 di tsene mo tirisong. Go tsena mo tirisong mo go raya gore molao wa Pension and Provident Funds Act, 1987 ga o sa tlhola ole mo tirisong. Se se raya gore matlole otlhe a diphenshene le dikompone tsotlhe tse di dirang tlhokomelo ya dibuka tsa matlole a diphenshene di tshwanelwa kego diragatsa tse di tlhokwang ke molao o mosh.

Mo mokwalong o ntshitsweng ka kgwedi ya Seetebesigo ka ngwaga wa 2017, Non-Bank Financial Institutions Regulatory Authority (NBFIRA) e ne ya itsise botlhe ba ba mo mohameng wa diphenshene fa molao wa Retirement Funds Act, 2014 le Retirement Funds Regulations, 2016 ditla tsena mo tirisong ka kgwedi ya Moranang ka ngwaga wa 2017. Mokwalo o o tselela o itsise fa go tla nna le nako ya ipaakanyo ya selekanyo sa kgwedi tse thataro go letla botlhe go feleletsa dikopo tsa tseletso le sebaka

sa ngwaga gore botlhe ba bo ba diragatsa molao. Se se raya gore ka kgwedi ya Moranang ngwaga wa 2018 matlole a diphenshene abo a sa tlhola a itlhokomelela dibuka.

Go ya ka tsetla ya molao 54 (3) ope yo eletsang go dira kgwebo ya go tlhokomela diphenshene o tshwannwa ke gore mo kgwedding tse thataro morago ga go tsennngwa mo tirisong ga molao o mosh abo a tseletse kopo ya go fiwa tseletso ya go dira.

### 2. Molao o mosh wa reng?

#### a. Retirement Funds Act 2014 Part II Licensing of Funds – Sections 3(1) and 3(2) O balega jaana;

- “3. (1) ga o kake wa dira kgwebo ya letlole o sa fiwa tseletso ke molaodi wa matlole a diphenshene.
- (2) fa oka tlola molao, o abo o dira molato o ka o otlhaelwang ka go atlolwa madi a ka se feteng P2500 tsatsi le letsatsi fa tlolo molao e e ntse e tseletse kgotsa wa isiwa kgolegelong ya lobaka

lwa ngwaga tse tlhano kgotsa dikattholo tsotlhe ka bobedi.

- “4. (1) fa o eletsa go dira kgwebo ya letlole o tshwannwa ke go tsenya kopo go molaodi wa matlole a diphenshene o tsentse tsemi latelang -
- meriti e mararo ya melao; le
  - seelo sa tlhwatlhwa e beilweng.”

**b. Regulation 10 (2) and (3) of the Retirement Funds Regulations 2016** O balega jaana;

- kompone e eletsang go fiwa tseletso ya go dira kgwebo ya go tlhokomela dibuka tsa letlole la phenshene e tshwanetse go dira tsemi latelang, o tsisitse le bosupi jwa gore;
  - ke kompone e ikemetseng ka nosi e kwadisitswe ka molao wa Companies Act;
  - e itebagantse fela le kgwebo ya go tlhokomela dibuka tsa matlole a diphenshene;
  - e nale boitseanape le bokgoni jwa go tlhokomela dibuka tsa matlole a diphenshene le dituelo;
  - e kgotsofaditse tsotlhe tse di tlhokafalang jaaka di batliwa ke molaodi wa matlole a diphenshene, melao e mengwe kgotsa tse dingwe tse di ka tlhokwang; le
  - go nna le kitso e maleba le go dirisa metlhale e e farologaneng ya go anamisa dikitsiso mme ebile disa salela ko morago.
- Fa kompone e batla go fiwa tseletso ya go tlhokomela dibuka tsa letlole la phenshene, e tshwanelwa ke go nna le madi a tshimolodiso a a kanang ka P500 000 kana seelo se molaodi wa diphenshene a tla bonang sele maleba.”

### 3. Ditlamorago tsa molao o, ke eng?

DPF e kgonne go kopa kokeletso ya nako e eyang go wela ka Lwetse 2018 ebo e diragaditse se se batliwang ke molao. Ka bokhutshwane molao o moshwa o batla tsemi latelang:

- Kgaoganyo ya ditirelo e amang tlhokomelo ya dibuka gotswa mo letloleng la phenshene ya Debswana e yang go baka tsemi latelang:
  - Tshekatsheko ya bodiredi
  - Phetogo mo tsamaisong ya letlole

- Ntshafatso ya tseletso ya DPF go tswelala e dira ele letlole la phenshene

### 4. Seemo sa tlhokomelo ya dibuka sa DPF se ntse jang?

DPF e nale sebaka sa ngwaga tse borobabobedi e ntse e itirela tlhokomelo ya dibuka mme ebile botsamaiso bo ne bo kgotsofalela tsotlhe tse bo di kgonne mo lobakeng le.

Letlole la Phenshene ya Debswana le tsamaile loeto le le neng le nale dikgwethlo le dikatlego fa e sale le ikemela ka nosi. Mo loetong le, letlole la Phenshene ya DPF le kgonne go itirela leina le le eletsegang le serodumo se segolo. DPF e fitlhetse dilo dile mmalwa dingwe tsa tsone ele tse di latelang:

- Letlole la ntlha la phenshene go simolodisiwa mo lefatsheng la Botswana.
- Letlole la ntlha la phenshene la mohuta le botona jwa lone go ithokomelela dibuka.
- Letlole la ntlha la phenshene go beeletsa madi a maloko ba lebile dingwaga tsa maloko lebaka legolo ele go sireletsa madi a maloko a tlogang a tsena mo phensheneng le ba ba setseng bale mo phensheneng.
- Mofenyi wa dieetselo tsa go dira ka manongtlhotlho ebile go eletsega mo kgaolong le mofenyi wa kanamiso dikitsiso le go sala molao morago mo tsamaisong ya letlole la phenshene.

### 5. DPF eya go dira jang go diragatsa molao o moshwa?

Letlole la phenshene ya Debswana le simolotse tsela ya diragatsa se se batliwang ke molao ka go isa tsotlhe tse di tlhokafalang ko molaoding wa matlole a diphenshene mafelo a kgwedi ya Tlhakole. Lekgotla la batlhokomedi le emetse phetolo gotswa go NBFIRA mabapi le tshutiso ya letlole la phenshene ya Debswana.

**Maloko a tla itsisiwe ka mokwalo phetolo e tla tswang ko NBFIRA pele ga nako e letlole la phenshene ya Debswana le ebeetsweng ya kgwedi ya Lwetse gore bokamoso ke eng. Fa o batla tlholoso e e tseletseng oka etela kgotsa wa leletsa ofisi e e gaufi le wena ya letlole la phenshene.**

## Frequently Asked Questions

### 1. What assurance are you giving me that every child that is presented as one of my legal dependants is indeed one of my rightful beneficiaries?

The onus lies with those claiming for the child to be the deceased's child to prove beyond reasonable doubt. If it requires for a DNA test to be done, it will not be at the expense of the Pension Fund. The two families will reach an agreement on who will pay for the test.

### 2. Why don't Pensioners get bonus payments?

Different pension funds have different pension payment and increase policies. The DPF increases Pensioners' salaries based on affordability. Affordability is determined through matching of Fund assets and liabilities in order to establish the Fund's funding levels.

Whatever the approach taken, the different methods of paying pensions must be affordable for the specific pension fund. Each pension fund will have its own set of rules and policies that govern benefit payments. DPF does not offer bonuses but has granted pension increases that have fully compensated for inflation in most of the recent years.

### 3. Can a DPF Pensioner apply for Government Social Grant - Tandabala (Old age grant)?

Whether or not DPF Pensioners qualify or should apply for social grants from the Department of Social Protection (DSP) at any District Commissioner's Office is not up to DPF. There is nothing that prevents any DPF pensioner from applying for social grant (Tandabala) if they have reason to believe that their household income is not sufficient. However, it is important for pensioners to understand that it remains DSP's responsibility to determine if a pensioner meets their standards and requirements for the old age grant. DPF does not have a say in the matter and is not allowed to assess pensioners to determine if they qualify. The two entities (DSP and DPF) are separate and are responsible for different functions. Pensioners are therefore advised to contact DSP to enquire about the application processes and the qualifying criteria.

### 4. What is a Unit Trust?

Unit Trusts, also known as mutual funds, are a type of pooled funds, which means that investors pool their money together to be invested by an experienced fund manager. Unit trusts are perfect for the beginners and busy people, since the funds pooled into unit trusts are managed by a fund manager equipped with the experience and know-how to properly diversify your collective investment portfolio.

If the pooled amount is large enough, investors may be able to use the financial muscle to drive the stockbroker fees lower and your savings can be pretty significant, even if the difference in percentage is in the single decimals.

Unit trusts are an easy way to get your feet wet in more active forms of investment, even without the technical knowledge to navigate through the various investment vehicles available. However, they have their disadvantages, too, so weigh them well before proceeding.

### 5. As a Deferred Member, am I allowed to make individual monthly contributions into my deferred account?

With effect from January 2017, Deferred Members can now make individual regular monthly contributions into their deferred accounts. This development accords Deferred Members an

opportunity to grow their fund credits for better pension salaries upon retirement. Only deferred members of Debswana Pension Fund registered as such in the Fund's records will be eligible for contributing into their pension fund account.

### 6. Why can't the Pension Fund send me frequent reminders on the nominees I have proposed on my Beneficiary nomination form?

In the near future, the Member's Benefit statement will have the Member's Beneficiary nomination form information displayed on the statement. As and when the Member's situation changes, they have to alert the Fund of the changes so that they are effected on the form. A Beneficiary nomination form should be filled out once every two years.

### 7. In the event I die, when can my beneficiaries put in a claim for their benefits?

After the Member passes on, the family should make it a point to notify the Pension Fund. Once they submit the death certificate, the notification will be registered. The Fund should be notified for the following reasons:

- To enable the Fund to assist the family timeously in the event the family needs a funeral advance. Eligibility limited to Active, Deferred Members and Pensioners whose guarantee period has not lapsed.
- To enable the Fund to plan for death investigations initial process, any delay will affect the period that the final payment will be made to dependants/beneficiaries. The Retirement Funds Act, 2014, stipulates that benefits should be paid within 12 months of the death of a member. This means that the Fund will start counting 12 months from the time of a proper notification. In some instances which are exceptional, death benefits are paid after 12 months due to disputes or family appeals.
- To enable the Fund to stop payments to the Pensioner Member's account.

### 8. When should I collect my Tax certificate for submission to BURS?

The ITW8 forms are sent to Pensioner and Deferred Members by the end of July every year. Members should expect to receive the forms by mail from the first week of August of every year.

### 9. Why are Pensioners not receiving annual Benefit statements like all the other Members?

Annual benefit statements reflect the build-up of a Member's Fund Credit (Pensions Savings) from the start of the year to the end of the year, reflecting the contributions made and investment return allocated. It provides the member yearly insight into the accumulation of his or her ultimate retirement benefit.

Once a member retires and purchases an Annuity, pensioners' benefits are no longer determined on a Fund Credit basis, but are rather a monthly pension amount payable for the lifetime of the pensioner and increasing annually at the discretion of the Trustees, there is no reconciliation of the benefit to be reflected. Once the annuity is purchased, it becomes a set payable monthly amount.

The set monthly annuity does have the ability to increase, pending approval by the Funds trustees. The Fund does however provide separate communication at the time of awarding the pension increase, which informs the pensioners about the underlying performance of the pensioners' assets and how this impacts on the annual pension increase determined by the Trustees.

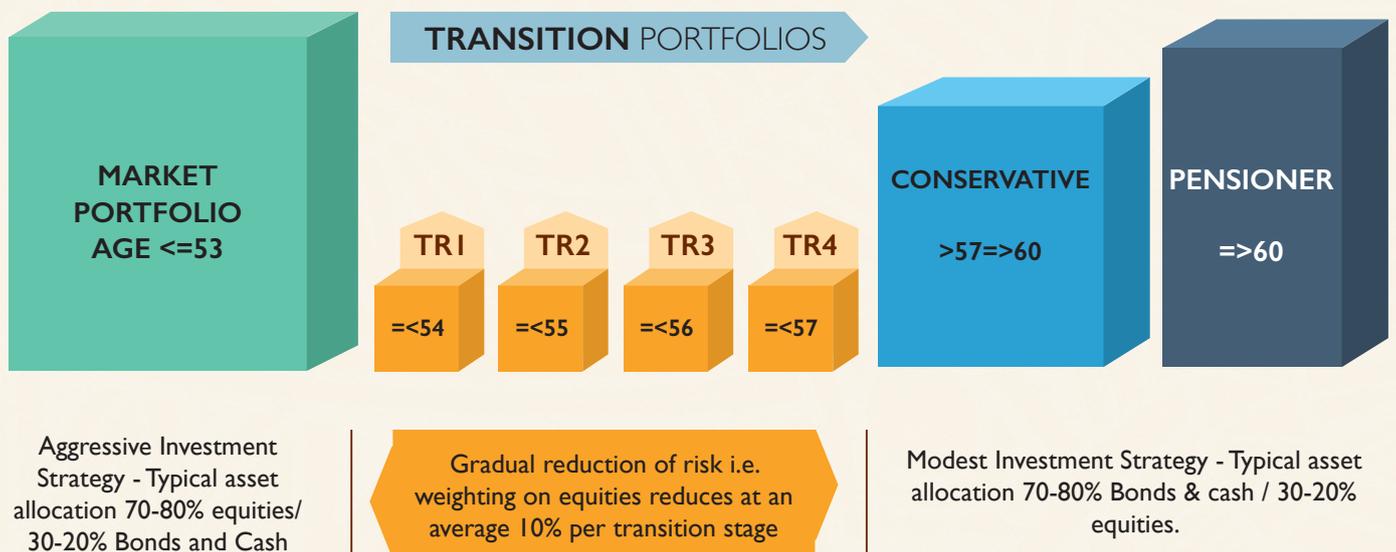
### 10. Why do I pay tax on the little salary I get as Pension?

The Income Tax Act of Botswana prescribes that anyone with earnings in excess of P36 000 annually or P3000 per month be charged income tax (Pay as you earn).

## HOW DOES DEBSWANA PENSION FUND INVEST AND GROW MEMBERS' PENSION FUNDS?

The DPF investment strategy uses the life Stage Investment Model. Basically, younger members' funds are invested aggressively and funds for older members nearing retirement age are invested conservatively. Younger members can assume a higher risk appetite because they are further away from retirement, the near retirees must conserve capital and prepare for retirement. The Fund invests in Equities, Bonds, Property and alternative investments.

### \*\*\* DPF LIFE STAGE MODEL SNAPSHOT \*\*\*



Visit [www.dpf.co.bw](http://www.dpf.co.bw) for more information.

## Can DPF use my Last Will and Testament to pay my beneficiaries?

Everyone saves for pension with the hope that they will live to reach retirement age, become pensioners and enjoy their hard-earned pension savings, but as nature dictates, not everyone lives to reach retirement age hence some people will die whilst still in active employment. As a result, those who die before they retire will often leave behind an accumulated fund of pension savings. Following their demise, this fund becomes a pension death benefit that is due to their surviving dependants.

From the many stakeholder engagements the DPF has hosted, Members are always asking if their Pension benefits cannot be distributed using the last Will and Testament they leave behind. Well the answer is very simple, Your Last Will and Testament is governed by the Administration of Estates of Deceased Persons law while Pension benefits are governed by the Retirement Funds Act, 2014.

Legislation that governs Pension Funds does not recognise a member's Will as a tool to determine beneficiaries. According to the Retirement Funds Act, 2014:

Section 39(1) "subject to section 38, any benefit payable by a Fund upon the death of a Member, shall not form part of the estate of the Member, but shall be paid to dependants and nominees designated in writing to the Fund by that Member before the Member's death, in such proportions as the board may deem equitable".

The most important document to be used in determining a Member's beneficiaries will be a valid Beneficiary Nomination Form that was signed by the member.

The DPF Board however has an obligation to consider other potential dependants provided they can prove dependency on the member. The member is required to list the details of all his Legal and Factual (financial) dependants. The member will then hand the form to their Human Resource Department (along with supporting documentation such as certified ID copies and birth certificates) who eventually sends the complete form to the Pension Fund.

Both the Human Resource department and DPF are bound by strict rules of confidentiality and may not disclose information contained in the Beneficiary Nomination Form to any other person whilst the Member is still alive. A member's dependent may under no circumstances while the Member is still alive request to view the Member's form. All DPF benefits are defined in the Fund rules. When a death benefit is payable in terms of **Rule 6.1**, it is payable to those persons who are the Dependants and/or beneficiaries of the Member.

**Rule 6.2** - The only time a Member's Last Will and Testament can be used to distribute benefits will be if there are no Dependants or beneficiaries to be allocated the death benefits. How these benefits are distributed will be upon the relevant regulatory body that deals with the Estate Law.

It is important that as a Member you familiarise yourself with the various legal tools and Fund rules that are in place. These help the DPF to ensure that the right dependants and beneficiaries receive the right benefits when the time comes.

## A Letlole la Phenshene ya DPF leka abela bajaboswa bame madi a Phenshene ba setse morago makwalo o ke o tlogetsweng (Last Will and Testament) e seng fomo ya ithophelo?

Re bolokela ditshiamelo tsa Phenshene ka tsholofelo ya gore retla tshela go fitlha dingwaga tsa bogodi, re nne Bagodi ba letlole la Phenshene mme re amogele madi a Phenshene a rea bereketseng ka Lobaka. Gole gantsi bangwe ba rona ga re kgone go fithelela se ka re felela re tlhokafala re ise re nne bagodi goka amogela madi a Phenshene. Bontsi re tlhokafala re santse re bereka. Se, se bake gore, bao re tlhokafalang pele ga re nna bagodi re tlogele ditshiamelo tsa rona tsa Phenshene disa dirisiwa. Morago ga go tlhokafala ga leloko, ditshiamelo tsa leloko diya go kgaogangwa ka bajaboswa ba leloko.

Letlole la Phenshene ya DPF le itemogetse makgetlho ale mmalwa maloko a Phenshene a botsa gore a ditshiamelo tsa leloko tsa Phenshene a dika abelwa bajaboswa go dirisiwa mokwalo o leloko le o tlogetsweng (Last Will and Testament) e seng fomo ya ithophelo. Karabo ke e motlhofo, kopa e ga e kake ya kgonega ka gore mokwalo o o tlogetsweng (Last Will and Testament) o diragadiwa go setswe morago go lebile molao Tsamaiso ya ditlholo tsa ba ba tlhokafetseng (Administration of Estates of Deceased Persons law) ha ditshiamelo tsa Phenshene di abiwa go dirisiwa molao o mosha o laolang tsamaiso ya matlole a dipenshene wa ngwaga wa 2014 (Retirement Funds Act, 2014).

Molao o laolang tsamaiso ya matlole a dipenshene wa ngwaga wa 2014 (Retirement Funds Act, 2014) ga o lemoge mokwalo o leloko le o tlogetsweng (Last Will and Testament) jaaka sengwe sa dilo tse di ka dirisiwang go supa bajaboswa ba leloko. Goya ka Molao o laolang tsamaiso ya matlole a dipenshene wa ngwaga wa 2014 tsetla 39(1) "goya ka tsetlana ya molao 38, ditshiamelo dipe tse di tshwanetse kego duelwa morago ga go tlhokafala ga leloko la Phenshene, gadi letlelelwe go tlhakangwa le dithoto dipe tsa leloko, mme di duelwe bajaboswa le baikaegi botlhe ba leloko ba tshwanetsa ba bo ba kwadilwe mo Fomong ya ithophelo pele leloko le tlhokafala, ka dielo tse Lekgotla la Batlhokomedi le tla bonang di utlwala. Pampiri ya botlhokwa e e dirisiwang go rurifatsa bajaboswa le baikaegi ba leloko ke fomo ya ithophelo e sa tswang go tlatlwa ebo e bewa monwana ke leloko mo lobakeng lo lo rileng.

Letlole la Phenshene ya DPF, le tshwanetse ke go rurifatsa bajaboswa le baikaegi botlhe ba leloko ba akareditswe ha ba kgone go rurifatsa fa ele bajaboswa kgotsa baikaegi ba leloko. Leloko le tshwanetse go neela letlole la Phenshene dintlha kgokagano tsa bajaboswa le baikaegi botlhe le go kaya ka ha a eletsang baka kgaogangwa ditshiamelo tsa gagwe. Fomo ya ithophelo e leloko lo e tladitseng e tshwanetse go neelwa ba lephata la tsa khiri ko leloko le berekang teng ba ba tla feleletsang ba e tsitsitse ko letloleng la Phenshene.

Lephata la tsa khiri ko leloko le berekang teng le letlole la Phenshene, molao o ba tlama gore ba seka ba ntsha sephiri sa fomo ya ithophelo sa leloko mo go ope fa leloko le santse le tshedile, lefa a ka tswa a nyalane ka molao wa tlhakanno dithoto. Ditshiamelo tsa go nna leloko la Phenshene thalositse mo melawaneng ya letlole. Fa ditshiamelo tsa leloko di tshwanetse ke go abiwa go ya ka **molawana 6.1**, di neelwa bao botlhe eleng bajaboswa kgotsa baikaegi ba leloko.

**Molawana 6.2** ware – Nako e fela mokwalo o leloko le o tlogetsweng (Last Will and Testament) oka dirisiwang go kgaoganya ditshiamelo tsa leloko, ke ha go rurifaditswe fa go sena bajaboswa kgotsa baikaegi ba ba ka neelwang ditshiamelo tse. Go rurifatsa se, letlole le ya go dira ditlholomiso tse di tseletseng, ko bokhutlong ditshiamelo tsa leloko di felela di isitswe ko dithotong tsa leloko ka go sena bajaboswa le baikaegi ba ba bonweng.

Go botlhokwa gore leloko le itse melao le melawana e e dirisiwang ke letlole la Phenshene. Melao e, e thusa letlole go netefatsa ha bajaboswa le baikaegi ba nnete ba neelwa ditshiamelo tse di le baganeng leka selekanyo se se siameng ha nako e tla.

## DPF in pictures

Member Engagements on Regulatory Developments



MCM Session



MCM Session



DDC-Jwaneng Mine Health Services Department



DDC-Jwaneng Mine Human Resource Department



DDC-Orapa Livingstone House



DBHB - Inalegolo Session



DBHB - Inalegolo Session

### DTCB People's Day



DTCB People's Day



DTCB People's Day

### DPF Values

■ Customer Focused  
 ■ Trust & Integrity  
 ■ Innovation  
 ■ Agility  
 ■ Self driven & Motivated



**DPF**  
DEBSWANA · PENSION · FUND

## WHY PAY MORE INCOME TAX UNNECESSARILY?

The more contributions you make into your pension Fund the lesser the income tax deducted from your salary.  
**KEEP YOUR MONEY!** Put it in a private retirement annuity or make an **Additional Voluntary Contribution** to your pension Fund!

### Example:

INCOME TAX **WITHOUT** AVC



INCOME TAX **WITH** AVC



- **PAYE**
- **15% Employers** Pension Contribution
- **15% Additional** Voluntary Contribution
- **Net Income**

### BY DOING AVC YOU HAVE:

1. Doubled your pension savings and increased your wealth!
2. Achieved a tax saving of 40.59%

**‘SAVE NOW, LIVE WELL IN RETIREMENT’**

## ‘After Whisky Driving Risky’



Over time Research has shown that traffic accidents are predominantly caused by driving under the influence of alcohol and other drugs;

**Definition** - Driving under the influence (DUI), driving while intoxicated (DWI), or drink-driving is the crime of driving or operating a motor vehicle while impaired by alcohol or other drugs (including recreational drugs and those prescribed by physicians), to a level that renders the driver incapable of operating a motor vehicle safely.

Alcohol is a depressant drug as a result slows down the activity of the central nervous system including the brain. It is never advisable for anyone to drive after the consumption of alcohol as that may affect their driving by causing;

- Over confidence – in most cases leads to risk taking
- Reduced reaction times
- Impaired vision
- Failure to obey road signs
- Reduced concentration (Failure to maintain correct lane or even the right direction.)
- Feeling drowsy and relaxed - causes the driver to fall asleep behind the wheel
- Reduced attentiveness and focus

### Ways to Avoid Drinking and Driving

**Designated Driver** – Plan in advance to have a non-drinker accompany you as your designated driver to an event where there are high chances of you indulging in alcoholic beverages. Remember as you begin to drink your brain function will slow down and your decision making skills will be impaired. It is important to know who will be getting you home before you leave. Ensure that you actually leave the venue with your designated driver. Tempting as it may be to leave with someone else, stick to the original plan and only leave with your sober, designated driver.

**Leave Your Car at Home** – Not having your car with you is almost certain that you will not make the choice to drive it home while intoxicated. If you decide to drink at home ensure your keys are held by a trustworthy friend to ensure that you do not choose to drive somewhere after you have been drinking.

**Find alternative transportation to the venue** - Walk to the venue where you will be drinking if it is close enough. Ensure first that the area in which you will be walking in is a safe environment. It is also advisable to have a neighborhood buddy to accompany you to the venue and the walk back home.

**Use Public Transport** – Make use of combis, taxis and cabs around the area you live and wish to drink at that are safe and operate at the time you wish to travel between your house and the drinking spot. Confirm that the transportation works through to the time you wish to get back home (late night transportation.) Again, ensure that you are accompanied with a friend should you opt to use public transport to ensure you are safe the whole time, simply stay safe.

**Look Out For The Warning Signs** – If you have been drinking you are already on the spectrum of drunkenness. You could already be showing signs of impaired body function and slowed down brain function which are the causes of the inability to operate a motor vehicle. Obvious signs are:

- Poor balance or stumbling
- Difficulty speaking clearly and slurred words
- Abnormal behavior. Doing things that you would not do when sober.

**Give up your car keys** – If you notice any of the impairment signs give your car keys to the next trusted person at the venue, a friend, bartender or event host. Ensure that you do not get behind the wheel showing any body impairment signs. Be sure to give out only your car keys and hold on to your house keys.

**Listen to other people** – Learn to listen to the people around you when they warn you against getting behind the wheel, you are most probably drunk. Listen to their advice and know that they are trying to help you.

**Accept help** – Most people are willing to help in getting you home when in a state of drunkenness. Learn to accept such offers from friends and the event host. If no one you know is around ask for help.

**Stay where you are** – If you having difficulty in getting help with getting you home safely. Look for a hotel within walking distance to spend the night. Ask the event host if there is a place you can sleep to keep you safe until the morning alternatively, stay with a friend who stays nearby the venue and are actually on their way home.

**Emergency backup plan** - Family members are usually the people who care most about you and wish that you are safe all the time. If other alternatives prove futile never be ashamed to call family members for help in situation of drunkenness. In fact, they might just be glad that you called them for assistance.

**Ensure your phone is charged** – Remember that you will need your phone charged to call for assistance and the help to reach you as well. If you feel uncertain about the battery span of the phone bring a power bank along just in case the phone battery dies before the end of the night.

When Throwing a Party;

- Offer guest plenty of non-alcoholic beverages. Never pressure guests to drink.
- Serve plenty of food
- Never serve alcoholic beverages to minors
- Arrange alternative transportation. Study the behavior of your guests call a cab or a sober driver for guests showing signs of body impairment.

**‘The person who has drank the least is still not sober.’**

**For any insurance enquiries contact Sesiro at:**

|            |                |                         |
|------------|----------------|-------------------------|
| Enquiries  | 3614241        | enquiries@sesiro.co.bw  |
| Claims     | 364 8780/ 8782 | claims@sesiro.co.bw     |
| Accounts   | 3648722        | accounts@sesiro.co.bw   |
| Complaints | 3648725        | complaints@sesiro.co.bw |

**By: Lesedi Mathogonolo Halahala  
Sesiro - Change Management and Communication  
Debswana Corporate Centre**

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## Info Bits

### Member Details - Please update your details

Please remember to send your latest address and contact details, including your cell phone number and email address, so that the DPF can stay in touch with you. This will assist the Fund in processing your pension benefits efficiently and effectively, and it will ensure that you receive your Bokamoso newsletter and other DPF correspondence accordingly. DPF relies on you to provide accurate personal details.

If you know of any DPF member who does not receive Bokamoso newsletter and any other Fund publications, please urge them to contact DPF to update their details.

### Beneficiary Nomination Form

Implementation of the Retirement Funds Act, 2014 requires that "Members Beneficiary Nomination Form" must be reasonable. For the form to be reasonable, the Member will have to follow the set guidelines as laid in Section 5 of the Act and also provide justifications and reasons for their allocation.

The current Beneficiary Nomination Form is being amended in order to create space for a Member to provide reasons for their allocation. Upon completion of the exercise, each and every Member will be required to complete a new Beneficiary Nomination form that will empower the Trustees to allocate benefits as laid out in the form once reasonableness have been determined.

### Member Portal

#### Have you registered to access your individual account on the DPF Member Portal?

With the introduction of the Member Portal, there is no need for those frequent visits and calls to the DPF. You are now able to access your Fund records at the click of a button.

If you still don't have access to the portal send a registration request to [portal\\_queries@dpf.co.bw](mailto:portal_queries@dpf.co.bw) or contact Member Relations Officer in your area.

### Deferred Member Contributions

*Did you know that Deferred Members can make individual regular monthly contributions into their deferred account?*

This development accords Deferred Members an opportunity to grow their fund credits for better pension salaries upon retirement. Only deferred members of Debswana Pension Fund registered as such in the Fund's records will be eligible for contributing into their pension fund account.

#### To find out more on this opportunity contact:

**Ms Pearl Makhao**  
Benefits and Contributions Officer  
Tel: 361 4318  
Tel: 3614267 (Reception)  
Email: [pmakhao@debswana.bw](mailto:pmakhao@debswana.bw)

Your Member Relations Officers is there to assist in addressing any questions, queries or concerns you may have.

- Gaborone Campus MRO – 3614217
- OLDM MRO – 290 2323
- Jwaneng Mine MRO – 588 4849

### DPF Pension/Annuity options

A number of variables are considered in determining your Monthly Pension salary. The Pension you earn will be determined by the pension/annuity option you have selected upon retirement. Things such as your fund balance, member's age, your spouse's age and/or your dependants' ages, are very vital in calculating your monthly pension salary.

To find out more on the different Pension/Annuity options on offer at DPF visit the DPF Website at [www.dpf.co.bw](http://www.dpf.co.bw)

#### Pension/Annuity options:

- Joint life Pension
- Life Pension with a surviving child and/or dependant but no spouse.
- Pension guaranteed for five (5) years and thereafter payable for life
- Pension guaranteed for ten (10) years and thereafter payable for life

#### GABORONE OFFICE

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