

Bokamoso



The new road ahead that is Mmila Fund Administrators (Pty) Ltd

The new wholly owned DPF subsidiary company, Mmila Fund Administrators will be offering the following administration services to DPF members:

Member - record management

Mmila Fund Administrators will be taking over and collecting large amounts of digital and paper based data from DPF as an administration company. This exercise is heavily reliant on the timely receipt of quality data from employers, in order to effectively administer for the DPF.

The purpose of a Pension Fund is to pay the correct pension benefits to its members when they become due. It is therefore imperative that Mmila Fund Administrators achieves and maintains the highest possible data quality standards, to comply with its clients' core functions.

Mmila Fund Administrators acknowledges that complete, accurate Fund records are a vital part of the administrative function.

Withdrawals

Pension withdrawal occurs around retirement. There are different methods of withdrawing funds from a pension.

The methods range from:

- Normal Age Retirement - 60yrs
- Early Retirement - 50yrs
- Ill-Health Retirement
- Resignation
- Death

Under current Fund Rules it is not possible to draw funds from one's pension until the age of 50 or 60, except in some rare circumstances such as death, ill health and resignation. At present 33% of a pension fund can be taken as a Pension Lump Sum upon retirement, which will be tax free.

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Debswana Pension Fund

Debswana Pension Fund @DebswanaPF



DPF Values

Customer Focused

Trust & Integrity

Innovation

Agility

Self driven & Motivated



Ogomditse G. Letsholo

Editorial

Greetings from the DPF Team.

With only days left to the end of 2018, now is the time to wrap up and prepare for 2019 with a fresh perspective. Whatever you did not achieve in 2018, the time is now to strategies on the way forward.

2018 was indeed a great year for DPF. The Fund managed to set up a subsidiary Administration Company as per the requirements of the Retirement Funds Act, 2014. This simply means that instead of outsourcing administration function to existing administration companies, the Fund's administration will be outsourced to its wholly owned subsidiary administration company which will translate into more return on investments for DPF Members in the future.

The 2019 Pensioner Conference was also a huge success which saw over 900 Pensioners converge in Palapye. Every year our Pensioners never disappoint as they keep registering high attendance rate at each and every Conference. Thank you to all our Pensioners that made it to Palapye and to all those that wanted to come but couldn't due to matters beyond their control.

That being said, this issue brings to you articles that are meant to keep you informed and entertained. You will come across articles such as Role of a Trustee, Monitoring your Pension Fund and why women are better investors just to mention a few.

In past Bokamoso newsletter publications, we had carried articles that were focusing on Retirement Planning, we wrap up the topic by presenting the last article which will focus on Retirement Planning checklist. We hope that all the information covered thus far was useful and handy for your ongoing retirement planning.

We hope that you will enjoy this issue of Bokamoso and we urge all members to continue giving us your valuable feedback. Look out for the 2018 Satisfaction Survey links sent by email and note that we need your feedback to continuously improve our services and products.

As Steven Covey has once said "Start the year with the end in mind" As you prepare for 2019, have in mind what you would like to have achieved come end of year.

Hope you enjoy your festive season and look forward to interacting with you in 2019...

Happy Christmas and Compliments of the New Year!!!

Follow us on Social Media



Announcements

New Appointment



**Legal and Compliance Manager
Tidimalo Poonyane**

In October the Fund welcomed Tidimalo Poonyane to the DPF as the new Legal and Compliance Manager. Ms Poonyane joins the Legal and Compliance department which oversees the Legal and compliance functions of the Fund. She joins DPF from the Botswana Stock Exchange where she

held the position of Head - Legal Services and Board Secretary. The experience that she brings to the team is diverse and we believe she will complement the existing team well. Welcome aboard Tidimalo!

Farewell



**Communications Manager
Agatha L Sejoe**

The Fund bids farewell to Agatha Leabaneng Sejoe who held the position of Communications Manager since 2007 after 11 years at the Fund! Agatha has held the position of Communication Manager all these years, she built up the department

and carved it into the award winning business wing that it is today. She has supported the organisation through its many changes and has contributed immensely to the success of the Fund throughout the years. Her absence will definitely be felt throughout the different levels of the organisation and we would like to wish her well in her new adventures!

Mmila Fund Administrators Team

The DPF would like to inform members that there will be a team from DPF transitioning to the new wholly owned DPF subsidiary company, Mmila Fund Administrators (Pty) Ltd.

This is the team that will continue giving an outstanding service our members have been getting from the DPF throughout the years. The following administration services will in future be sourced from Mmila Fund Administrators:

- Member-record management
- Withdrawals
- Benefits calculation and payments
- Member education
- Benefit Statements
- Pensioner Payroll
- Tax Management for Pensioners
- Finance administration
- General administration (Management of Member files)

Members will be kept abreast with all the developments regarding transitioning of administration services to Mmila.

OFFICE CLOSURE

All members are informed that Debswana Pension Fund Offices will be closed during these times over the festive season:

Gaborone office

24th December and will reopen on Thursday 3rd January 2019

Orapa Office

24th December and will reopen on 7th January 2019

Jwaneng office

19th December and will reopen on 7th January 2019

CEO End of Year Message



What a great year 2018 has been for the Debswana Pension Fund. In response to the new Retirement Funds Act, 2014 regulatory changes, DPF successfully established a subsidiary administration company to which the current in-house administration function will be outsourced to.

The company Mmila Fund Administrators (PTY) Ltd, was licensed to operate by the regulator on August 2018. I must say preparations to transition the administration function to Mmila are at an advanced stage

and members will be duly kept abreast of the progress because once everything has been concluded members need to know where they will be obtaining services from.

I must acknowledge and thank the DPF Board of Trustees, Management and Staff for your steadfast support in these challenging times.

Our industry has been faced with trying situations some of which threatened the credibility of the industry.

In light of the above the industry still continues to make strides as we continue to prove that

Pension Funds are vital for the member's financial well-being post-employment.

As and when we invite all our members for stakeholder engagements session, I sincerely encourage each member to make it a priority to at least attend one of these sessions or visit their respective MRO's office to get an update on what was being discussed. The only way to make meaningful financial decisions is when we are involved and partake in the awareness creation and education drive that the Fund embarks on.

I would also like to thank all Pensioner Members for submitting their certificate of existence on time. To all those that had challenges submitting their forms, I encourage you to engage us so as to improve on this and avoid having our Pensioners suspended due to failure to submit their forms within the stipulated times.

I am happy to look back and affirm that we have successfully wrapped up a productive year at the Debswana Pension Fund despite the challenges faced in 2018. While we tried by all means to maintain the costs within a reasonable limit, I must say the ever changing economic landscape has not made things any easier. Even though returns for 2017 were low, it's important to highlight that we managed to beat inflation.

All is not lost and gloomy as you have once again informed us through the annual stakeholder satisfaction surveys that you are satisfied with the service you received from the Fund in 2017. We endeavor to maintain this and we will be looking forward to your feedback for the services you obtained in 2018.

I would like to wish you all a merry Christmas and a Happy 2019.

Gosego January
Chief Executive Officer - DPF



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Benefits Calculation and Payments

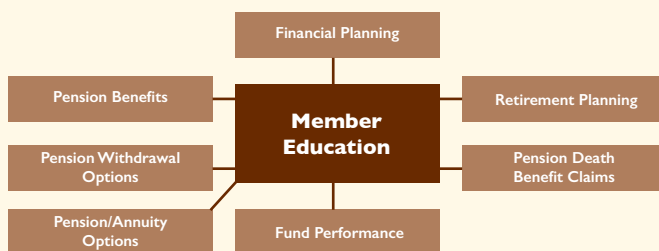
The key feature of pensions is that they pay a guaranteed monthly benefit for life. This provides retirees with unparalleled retirement security and keeps retired employees out of poverty. People often wonder though, how are those monthly pension benefits calculated?

DPF use a formula that takes into account the following factors:

- Your age when you retire, which may result in a reduced pension
- Whether married
- Life expectancy
- Type of annuity selected
- Beneficiaries/Dependants

Member Education

DPF communications is centred mainly on the Members. The objective towards communications and education is to support, develop and skill our Active, Deferred and Pensioner members.



Financial literacy has always been the main goal of the DPF's financial literacy drive. This was done and will continue to be done with the view to provide a comprehensive package whereby the Members' financial capabilities are enhanced in the area of financial control, financial planning, financial choice and financial knowledge. This will allow for better money management and comfortable retirement.

Mmila Fund Administrators will be providing this critical role to all the DPF members.

Benefit Statements

The Retirement Fund Act, 2014 requires that all Pension Funds should provide Benefit Statements to all Active and Deferred Pension Fund members. Benefit statements must disclose the total benefits earned, the interest accrued and closing balance as at end of the year in review.

Benefit Statements are also accessible to members through the DPF Member Portal. If you still don't have access to the portal send a registration request to: portal_queries@dpf.co.bw

2018 Benefit Statements will be issued by Mmila Fund Administrators in 2019.

Pensioner Payroll

The payment of benefits to Pensioners ranks as one of the most important aspects of Pensions Administration. After all, this is the most

visible process and has the most direct impact on members should things go wrong.



Dependents/Beneficiaries form part of the Fund's Pensioners. The group consists mainly of widows, children of deceased members and Pensioners who receive a monthly pension from the Fund. The pay dates for 2019 will be highlighted in the 2019 Pensioner Calendar. Mmila Fund Administrators will also be responsible to issuing of Certificate of Existence (COE) to all Pensioner members.

Tax Management for Pensioners

The Income Tax Act; regulates the taxation of retirement fund contributions, investment income and benefits. "Taxable income" means taxable income as ascertained in accordance with Part VII (Income Tax).

Every year the Fund issues ITW8 Forms to all Pensioner Members who are eligible for paying tax to complete their annual tax returns. From 2019 going forward, this will be one of the services Pensioner members will be attaining from Mmila Fund Administrators.

Mmila Fund Administrators will be offering these service using the same personnel that used to perform these roles at DPF. Members would still have the opportunity to enjoy the benefits of using the Projection statement and Retirement calculator in the DPF Member Portal.

Loeto lo lo ntsha le batlhokomedi ba dibuka tsa Phenshene ya Debswana Mmila Fund Administrators

Kompane e ntsha e e tshamilweng ke letlole la Phenshene ya Debswana (DPF), e bong Mmila Fund Administrators e tlaabo e neela maloko a DPF ditirelo tse di latelang:

Tlhokomelo ya dibuka tsa Maloko

Mmila Fund Administrators ba tla tsaya dibuka go tswa mo letloleng la Phenshene ya Debswana. Tiro e e tlaabo e ikaegile thata mo go reng Bahiri ba tswelela ba tsa tse di tlhokwang ka nako e tshwanetseng gore Mmila e tswelole e tlhokomela dibuka tsa maloko a DPF go sena sekgoreletsi sepe.

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Tiro ya letlole la phenshene ke go duela maloko dituelo tse di rurufaditsweng fa nako ya go duela etla, ka jalo go botlhokwa thata gore batlhokomedi ba dibuka ba fithelela boleng jwa dibuka jwa maemo a a kwa godimo. Mmila Fund Administrators e dumalana le gore dibuka e bo ele tsa boammaaruri, di heletse ka gole botlhokwa mo tlhokomelang ya tsone.

Go goga Madi a Phenshene

Go goga madi a phenshene go diragala ka nako ya go tlogela tiro ga leloko. Go nale mehuta e e farologanyeng ya go goga madi a phenshene.

Mehuta e, e akaretsa e e latelang:

- Dingwaga tsa tlwaelo tsa go tlogela tiro - masome a marataro (60yrs)
- Go tlogela tiro pele ga nako - masome a matlhano (50yrs)
- Go tlogela tiro ka bolwetse
- Go kgaogana le mohiri
- Leso

Melawana ya phenshene ga e letle leloko go goga madi a phenshene go fithelela dingwaga tse masome matlhano kgotsa masome marataro kwa ntle ga mabaka a a haphegileng jaaka Leso, bolwetse kgotsa go kgaogana le mohiri.

Dipalo le Dituelo tsa Madi a Phenshene

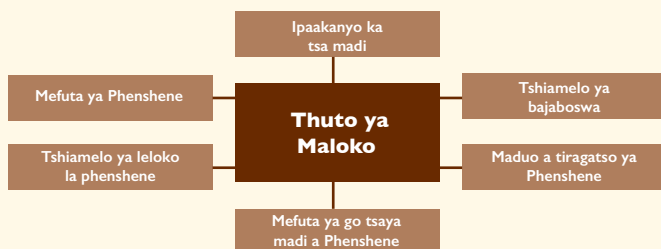
Tiro e tona ya matlole a dipenshene ke go netefatsa gore maloko a nale madi a itshetso ha ba setse ba le mo phensheneng. Se se netefatsa gore maloko a phenshene ga ba tshellele mo lehumeng. Motho oka ipotsa gore dikamogelo tsa kgwedi le kgwedi tsa phenshene di fithelelwa jang?

Letlole la phenshene ya Debswana le dira dituelo tsa kgwedi le kgwedi tsa phenshene di lebile mabaka a a latelang:

- Dingwaga tsa leloko ka nako ya fa o ipaakanyetsa go amogela phenshene
- Gore a leloko le nyetse kgotsa le nyetswe
- Lebaka le motho a ka le tshelang
- Mohuta wa phenshene e leloko le itlhophelang
- Bajaboswa kgotsa botlhe ba ba ikaegileng ka leloko

Thuto ya Maloko

Letlole la phenshene ya Debswana le ikemiseditse go isa dikitsiso ko malokong ka nako tsotlhe. Maikaelelo le maikemisetso a go dira jaana ke go netefatsa fa moloko otlhe a letlole la phenshene a nale kitso e tseneletseng ka tsa merero ya tsa dipenshene.



Go rutuntsha maloko ka tsa madi, ke yone konokono mo dithutong tse di direlwang maloko. Dithutuntsho tse di tlaa tswelela di dirwa gore maloko a nne le kitso e tseneletseng ya tsa madi.

Mokwalo wa Madi

Molao wa dipenshene wa 2014 (Retirement Funds Act 2014) o tlama matlole otlhe a dipenshene go neela maloko otlhe mokwalo o o supang madi a leloko a phenshene.

Mokwalo o, o tshwanetse go supa madi otlhe a leloko le a kokoantseng, morokotso o o tseneng le gore madi otlhe ke bokae fa ngwaga otlha ko bokhutlong.

Mokwalo o supang madi a leloko le nang le one oka bonwa gape mo maranyaneng a Portal. Fa o ise o ikwadisetse go dirisa maranyane a portal, romela molaetsa ko portal_queries@dpf.co.bw

Go amogedisa Phenshene

Go amogedisa maloko phenshene, ke konokono mo tsamaisong ya letlole la phenshene.



Bajaboswa kgotsa ba matshelo a bone a ikaegileng ka maloko a phenshene ba dira bontlha bongwe jwa maloko a phenshene. Setlhophla se, se akaretsa batlhologadi, bana ba moswi yo e neng ele leloko. Malatsi a dikamogelo tsa phenshene a ngwaga wa 2019 atla itlisiwe maloko a a amogelang phenshene ka khalentara ya 2019.

Tlhokomelo ya Tuelo ya Lekgetho

Molawana wa lekgetho la dituelo (Income Tax Act) o laola dikoleke tsa maloko a phenshene, madi a a beeditsweng le dituelo dipe hela. Lekgetho la dituelo, go tewa madi a dituelo a a kgethiswang jaaka go rurufaditswe ka fa tsamaisong ya karolwana ya bosupa ya tsa makgetho a dituelo.

Ngwaga le ngwaga, letlole le romela maloko difomo tsa lekgetho (ITW8) gore ba kgone go di isa ko lekaneng le le tlhokometseng tsa makgetho (BURS).

Mmila Fund Administrators e tlaabo e neela maloko ditirelo tse le tse dingwe, e dirisa bodiredi jo bontseng bo dira tiro e ko letloleng la phenshene ya Debswana. Maloko a tlaa tswelela ka go etela sebaladipalo sa go tlogela tiro se se mo maranyaneng a Portal.



Spectacular 2018 Pensioner Conference

The Pensioner Members are one amazing audience that never ceases to amaze. Year in year out they come out in large numbers to honour the DPF invitation to the annual Pensioner Conference. 2018 saw a whopping 900 Pensioners converge in Palapye for this year's Pensioner Conference.

Besides creating awareness and information sharing on all developments taking place within the Fund and the Pension Fund industry, the Pensioner Conference presents an opportunity for the Fund leadership to look for presentations of initiatives that will impact Pensioner member's lives positively.

This event presents a rare opportunity for the Fund to enable Pensioners' to further harness their life skills that is aimed at increasing financial freedom and comfort even in retirement. In order to achieve being the "preferred provider of retirement fund services in Botswana", DPF has to continuously come up with new initiatives such as the above mentioned to constantly place themselves above the rest with the service proposition they offer to members.



2018 Conference was no ordinary gathering. With the Pension Fund industry going through major regulatory changes, announcement of structural changes were made to this Pensioner gathering regarding the Fund's compliance strategy.

In order to comply with the Administration function aspect, Debswana Pension Fund has set up a wholly owned subsidiary company that will be in the business of Pension Fund administration. The administration company has been successfully registered and licensed and will be in operation in 2019. The new subsidiary company will go by the names Mmila Fund Administrators (PTY) Ltd.

This company is wholly owned by DPF and the good news for all the members is that once the company starts making profit, members will be getting more returns on their investment.

A wide array of topics were covered at the 2018 Pensioner Conference and the one that was a favourite amongst Pensioners was the presentation on AgroTourism Operations from the Department of tourism. Mr Motlhalosi Jongman, Chief Tourism Officer, shared valuable information on how retirees can leverage on the available Agro-Tourism opportunities.

He highlighted that most Batswana are involved in agricultural activities which they can use to earn extra income. He urged DPF Pensioners to get hold of the guidelines for licensing of agro-tourism operations in an endeavour to participate in the programme and be counted amongst those contributing towards community tourism development.

Besides Department of Tourism's presentation there was a presentation from the guest speaker Mr Mendel Ngoni Nlanda, Deputy Vice Chancellor Finance and Administration at the University of Botswana. Mr Nlanda shared with the audience information on the status of Botswana's economy and the challenges that lies ahead. Mr Nlanda's presentation was focused on simplifying the complex language around elements that affect countries economies for the benefit of an ordinary Mlotswana.

Another interesting topic was presented by Ms Bopelokgale Soko, Director of Retirement Funds from Non-Banking Financial Institutions Regulatory Authority (NBFIRA). Ms Soko covered information on emerging legislation in the Retirement Funds Sector; progress update and compliance expectations from the Regulator. This presentation was deliberately added in order for Pensioner Members to appreciate the way things are within the Pension Industry.

To keep the proceedings interesting and engaging, the Fund saw it fit to engage none other than Mr Michael "Dignash" Morapedi to be the director of ceremony. Mr Morapedi kept Pensioners entertained one would have easily mistaken him and the audience to be old buddies catching up on lost times. It is encouraging to continuously get so many Pensioners honour the Pensioner Conference invitations in high numbers. We do value your attendance and appreciate your time and effort taken to be at this important event.

Thank you to all our Pensioners for a successful 2018 Conference and we look forward to seeing you in 2019!!!



Monitor your Pension Fund

Many employees depend on their pension fund for retirement, but most do not even know the name of the company fund, let alone the benefits they will get from it.

Feedback from the many stakeholder engagements shows that very few people take an interest in their pension funds. Some people don't even know what benefits they or their children and other dependants should expect when they retire, die or resign from their companies.

To make matters worse, some pay little attention to the benefit statements that are issued annually. This makes keeping track of one's Fund credit and record next to impossible. You do not want to realise upon retirement that what you have in your Fund credit is far less than what you were anticipating to be your balance.

One cannot over emphasise the importance of keeping safe any employment documents as these will help with the reconciliation of one's Fund account should there be issues. Information such as an individual's date of birth, when they were enrolled in the Fund, how much the employer is contributing for them is very important.

There has been instances where a member's contribution was not reaching their Pension

Fund account. This was only realized when the member was about to retire. Imagine the stress the member would go through, the thought of losing out the profit their Fund credit could have made for them. In other instances one member's contributions were invested in a wrong portfolio as their date of birth was not captured correctly.

You might think this cannot happen to you, not in this country. Unfortunately these are some of the issues some employees go through all because they did not invest that little energy required to know and keep track of their Pension Fund account. The importance of knowing what is happening in one's Pension account cannot be over-emphasized.

You need to make it your top most priority to know what will and can affect your future financial livelihood. #YourFund #YourSecurity #YourFuture, this tag line is loaded and I urge you all to take time and unpack it in line with your aspirations of what you would want your Pension to mean to you.

Tlhokomela Letlole la gago la Phenshene

Bontsi jwa Badiri bo ikaegile ka madi a phenshene ele yone itshetso mo nakong tsa fa motho a sa tlhole a dira.

Mathata Bontsi ga bo itse le bone bao ba tlhokometseng phenshene ya bone le gone gore ditshiamelo tsa bone ele maloko ke eng. Maitemogelo a letlole la phenshene le a

dirileng ke gore bontsi jwa maloko ga bona kgatlhego mo mererong ya tsa phenshene. Maloko a mangwe bone ga ba itse le tsone ditshiamelo tsa bone le tsa bajaboswa/ baikaegi ba bone ba tshwanang ke go di solofela ka nako ya fa ba togela tiro kgotsa ba tlhokafala.

Bangwe ba maloko ga ba nke ba tlhokomela mekwalo ya ditshiamelo tsa phenshene e ba e bonang ngwaga le ngwaga. Se se dira gore leloko le ketefalelwe ke go baya leitlho letlole la gagwe la phenshene gore le gola jang. Ga gona ope yo batlang go itemogela go setse gole thari gore madi a o a kgobokantseng ga a lekana go go tshetsa ka o sa tlhole o dira.

Go bothokwa gore leloko le somarele dipampiri tsotlhe tse dika thusang mo go sekasekeng ditshiamelo tsa phenshene fa go ka tlhokafala gore di sekasekiwe. Gore leloko le simolotseng leng go ntsha madi a phenshene, malatsi a matsalo le gore mohiri o go ntshetsa madi e le bokae ke dingwe tsa dintlha tse di bothokwa thata.

Go nale diemo tse o tla fitlhelang fa madi a mohiri a ntshetsang leloko a sa goroge ko letloleng la phenshene mme se se lemogiwe fa leloko le setse le tsaya tshwetso ya go togela tiro a tsena mo phensheng. Kakanyo ya go latlhegelwa ke merokotso e leloko le ka bong le itemogetse fa madi a lone a ne a beeditse e ka opisa leloko tlhogo le go mo tlhokisa boroko. Mo maitemogelong a mangwe madi a leloko a ne a beediwa ko go sa tshwanelang ka letsatsi la matsalo le ne le sa kwalwa sentle.

Oka akanya gore dikai tsa tse di buiwang tse ga di kake tsa go diragalela, akanya gape ka tse tsotlhe ele dikai tse di tshelang tse di diragalelang bangwe ba maloko a diphenshene. Go bothokwa go kgathala ka tsotlhe tse di diragalang mo ditshiamelong tsa gago o leloko la phenshene.

O tshwanelwa ke go tsaya tsisa go batla go itse ka tsotlhe tse di amang itshetso ya gago ya phenshene. #LetloleLaGago #ItshereletsoYaGago #BokamosoJwaGago, mafoko a a buwa gole gontsi. O leloko la phenshene re go rotloetsa go tsaya nako o a bale o tlhologanye gore a raying eng mo isagong ya gago ebile a tlhoka gore o direng go sireletsa isago eo.

DPF in Pictures

DPF at Bathoen House Sponsored walk - July 2018



Deferred Members Engagement Meeting - September 2018



DPF Values

Customer Focused

Trust & Integrity

Innovation

Agility

Self driven & Motivated

2018 Pensioner Conference - September 2018



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The Role of Pension Fund Trustees

The Pension Fund industry in Botswana has undergone a welcome transformation, with the coming into effect of various pieces of rules, regulations and guidelines.

The body that regulates pension funds and their operations, NBFIRA, has the sole responsibility of ensuring the smooth functioning of the industry as a whole, as well as the ethical conduct of all the players.

Why a Board of Trustees?

Pension Funds are custodians of their members' life savings, and therefore need to have in place structures that will ensure that members' monies aren't only safe, but also grow in the long-term, to enable a comfortable retirement for all. The new Retirement Funds Act and its Regulations, requires for every licensed fund to have in place a board of trustees, which will serve as the governing body of the fund. The primary responsibility of this board is to manage the affairs of the pension fund in the best interest of its members.



Who can serve on the Board of Trustees?

The new Act prescribes that only fit and proper individuals can sit on the board of a pension fund. These individuals are to have the right skills and competencies, as well as display ethical conduct in their professional affairs. The board is required to have a minimum of 5 trustees and a maximum of 11. Of these trustees, one must be an independent specialist trustee, who cannot be an employee, agent, director or shareholder of any of the funds' service providers.

This independent specialist is to possess a general understanding of the retirement fund industry, and provide expertise to the board. 50% of the trustees must be elected by the members of the fund themselves, and the rest may be appointed by the employer. Each fund is also required to have a Principal Officer resident in Botswana, who will

serve as the liaison between the fund and the Regulator. No person may serve on the board of a pension fund if they are a minor, mentally incompetent, an un-rehabilitated insolvent, or have been convicted of fraud theft perjury or forgery.

Conduct expected of the Board of Trustees

In addition to the Act and its Regulations, NBFIRA has put in place various pension fund rules that govern different aspects of the retirement fund industry. One such rule is Pension Fund Rule number ten (PFR10), which speaks specifically to the conduct that is expected of a board member. Some of the minimum standards expected of a board member are that they must understand the rules of their fund, their duties and the various financial services laws that are applicable to pension funds.

Board members are also required to discharge their duties with honesty, to manage conflicts of interest, identify and manage risks, and obtain expert advice when they lack sufficient expertise within the board.

Duties of the Board of Trustees

The board of trustees has a number of responsibilities which must be carried out to ensure the smooth functioning of the fund. The board is responsible for formulating various policies which must be adhered to; namely, the rules of the fund – which must be approved by the Regulator, the risk policy, the investment policy & strategy and the communication policy.

Within the structures of the fund, there needs to be put in place a risk management committee, whose main responsibility is to identify and manage the major risks that the fund is exposed to.

The board of trustees is also responsible for the appointment and monitoring of various service providers of the fund. These service providers are administrators, investment managers, auditors, and asset consultants where required. Each service provider must have a contract with the fund, with clear deliverables and performance measures.

The future of Pension Fund Trusteeship

As the complexity of financial markets continues to increase, and as the needs of pension fund members continue to evolve, the burden on trustees will increase too, as well as their need to be competent and adequately qualified to discharge their duties. All of this will ensure a properly functioning pension ecosystem.

About the Author

This article was written by Ms Setshwano Sharey Ngope. She is the Founder and MD of MerlotWEALTH – an independent advisory practice that specializes in financial planning, wealth management and employee financial wellness. Ms Ngope serves as an independent trustee on the boards of the BBS and CAAB Pension Funds. She is also the co-founder of the Botswana Financial Literacy Excellence Center (BFLEC) – a personal finance foundation that specializes in financial education, financial literacy research and designs financial literacy programs for the youth, and women.

Tiro ya maloko a Lekgotla la Batlhokomedi ba letlole la Phenshene

Mohama wa matlole a diphenshene mo Botswana a itemogetse diphetogo tsemi amogelesegang ka go tliša mo tirisong melawana le ditsamaiso.

Lekalana le le tlhokometseng tiragatso ya molao wa diphenshene (NBFIRA) le nale maikarabelo a go netefatsa fa mohama wa diphenshene o tsamaisiwa bonolo le gore ba tsaya karolo botlhe ba nale boitshwaro jo bo lolameng.

Ke eng go tshwanela go nna le maloko a lekgotla la Batlhokomedi

Matlole a diphenshene a na le maikarabelo a go tlhokomela dipeeletso tsa maloko a bone, ka jalo go botlhokwa go nna le mealo e e tla netefatsang gore dipeeletso di babalesegile le gore di itemogela kgolo mo lobakeng lo lo beilweng gore ba ba tlogelang tiro ka bogodi ba dire jalo seemo sa dipeeletso tsa bone e le se se itekanetseng. Melawana e tseneng mo tirisong, le ditsamaiso di lopa gore letlole lengwe le lengwe la Phenshene le le kwadisitsweng ka fa molaong, le tshwanetse go nna le lekgotla la batlhokomedi. Maikarabelo magolo a lekgotla la batlhokomedi ke go tsamaisa merero ya letlole la phenshene ba lebile dikgatlhego tsa maloko.



Ke mang yo o ka nnang leloko la lekgotla la batlhokomedi

Molawana o mosha o laola gore ke fela ba ba maleba ba ba ka nnang maloko a lekgotla la batlhokomedi. Ope yo o nang le Keletso ya go nna leloko, o tshwanetse abo a na le kitso le bokgoni le go supa boitshwaro jo bo lolameng mo ditirong tsa gagwe. Letlole la Phenshene le tshwanetse go nna le maloko a lekgotla la batlhokomedi a seng ko tlase ga botlhano mme a sa fete lesome le motso. Mo malokong a, a le

mongwe o tshwanetse go nna leloko le le ikemetseng, e seng mmereki, moemedi, motsamaisi kgotsa motsaakarolo wa nngwe ya dikgwebo tse di tsisang ditirelo mo letloleng la Phenshene.

Leloko le le ikemetseng le, o tshwanetse go bo a nale kitso e akaretsang tsa kgwebo ya diphenshene le go tsaya karolo mo bookameding. Sephatlo sa maloko a lekgotla la batlhokomedi se tshwanetse go nna maloko a a itlhophetsweng mo ditlhopong ke maloko a letlole la Phenshene fa sephatlo se sengwe e nna maloko a a itsisiweng ke mohiri. Lekgotla lengwe le lengwe la batlhokomedi le tshwanetse go nna le motsamaisa mogolo, a nna mo Botswana, yo o tlaabong a golaganya lekgotla la batlhokomedi le botsamaisa jwa letlole la Phenshene.

Boitshwaro jo bo solofelwang mo malokong a lekgotla la batlhokomedi

Mo godimo ga melawana le ditsamaiso tsa letlole la Phenshene, NBFIRA e beile melao e laolang dikarolo tse di farologaneng tsa mohama wa matlole a diphenshene. Mongwe wa melawana e ke wa bo lesome ebong PFR10, o o buang ka boitshwaro jo bo eletsegang mo lelokong la lekgotla la batlhokomedi. Sengwe sa dielo tsemi beilweng ke gore leloko le tshwanetse go tshloganya melawana ya letlole la Phenshene, tiro ya gagwe mo lekgotleng la batlhokomedi, le ditirelo tsemi farologaneng tsa melawana ya tsamaiso ya madi e e amanang le matlole a diphenshene.

Ditiro tsa maloko a lekgotla la batlhokomedi

Maloko a lekgotla la batlhokomedi a nale maikarabelo a le mmalwa a a tshwanetseng go diragadiwa go netefatsa fa letlole la phenshene le tsamaisiwa bonolo. Ke maikarabelo a maloko a lekgotla la batlhokomedi go tswa ka melao motheo e e farologaneng e e tshwanetseng go salwa morago; ebong melawana ya letlole e e tshwanetseng go amogelwa ke NBFIRA, molao o o tlhokomelang dipeeletso tsa letlole le molao wa ditlhaeletsanyo tsa letlole.

Maloko a lekgotla la batlhokomedi a lebagane gape le go tsenya leitlho ba ba tsisang ditirelo mo letloleng la phenshene jaaka badupi ba dibuka tsa madi le ba beeletsa.

Bokamoso jwa Makgotla a Batlhokomedi

Jaaka mebaraka ya madi e tswelala go sa ikanyege, le jaaka letlhoko la maloko a phenshene a tswelutse a fetoga, tshlofelo mo malokong a lekgotla la batlhokomedi a tsamaya a golela pele. Tse tsoitlhe ditla netefatsa gore mohama wa diphenshene o bereka sentle ka ha go tshwanetseng.

Ka Mokwadi

Lokwalo le le kwadilwe ke Mme Setshwano Sharey Ngope. Ke moemolodi le moeteledipele wa kompone e e bidiwang MerlotWEALTH, kompone e e ikemetseng ka nosi e lebagane le go ruta ka tsa madi. Mme Ngope ke leloko la lekgotla la batlhokomedi la phenshene ya BBS le CAAB.

“Qualifications of a Trustee”

No person may be appointed or elected as a board member if that person:

- a) is below 18 years of age;
- b) is mentally incompetent or otherwise incapable of performing the duties required;
- c) is disqualified from being a director in terms of a court order issued under the Companies Act;
- d) is an unrehabilitated insolvent;
- e) has been removed from an office of trust on account of misconduct; or
- f) has been convicted and sentenced either to imprisonment without the option of a fine or to a fine exceeding P100.00 for any one of the following offences;
 - (i) theft,
 - (ii) fraud,
 - (iii) forgery or uttering a forged document,
 - (iv) perjury,
 - (v) any offence involving dishonesty, or
 - (vi) any offence in connection with the promotion, formation or management of a company.



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WHY CASH OUT YOUR PENSION LUMP SUM AND LOSE IT TO THE TAXMAN?



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Let your money grow!

If you do cash out, you will lose a huge chunk of the withdrawal to tax. But if you wait to cash when you retire, it's all tax free! This one is a no brainer right?

‘Save now, live well in retirement’

Why women are better investors – Study



When it comes to industries, Wall Street is about as male-dominated as they come. So many people just assume that men are better investors. And they would be wrong.

According to new data from financial services giant Fidelity Investments, women are actually superior investors. In sifting through more than 8 million investment accounts, Fidelity discovered that women not only save more than men, 0.4 percent, their investments earn more annually, also 0.4 percent.

"It is a double whammy," says Alexandra Taussig, Fidelity's senior vice president for women investors. "The myth that men are better investors is just that - a myth." Those differences may seem slight at first. But extrapolated over a lifetime of saving and investing, the disparity at retirement age is

anything but minor. For a 22-year-old starting out with a salary of \$50 000 a year, a woman investor will outpace her male counterpart by more than \$250 000.

Even more revealing about general attitudes is Fidelity's companion "Women and Money" survey, which asked participants which gender was better at investing its money. The outcome: Barely 9 percent of people said women.

What is it, exactly, that makes women better investors? One factor, Fidelity said, is that men are 35 percent more likely to make trades, which means that trading fees eat away at their portfolios more than they do women's. Another advantage: Women assume less risk, such as not loading up entirely on equities. They also invest more in vehicles like target-date funds, whose automatic allocations make

for smarter diversification, Fidelity said.

The resulting gender outperformance gibes with a study by academics Terrance Odean (University of California, Berkeley) and Brad Barber (University of California, Davis), who also found that women outperform men, by roughly 1 percent a year.

If you want to invest like a wonder woman, that means shifting to a long-term focus, saving more up front and giving up on trying to time the market with brilliant trades. "Men regard their stock picks as a sport that comes with bragging rights, and that is what gets them into trouble," said George Gagliardi, a financial planner in Lexington, Massachusetts.

Source - <https://www.reuters.com>

By Chris Taylor

Editing: Beth Pinsker and Steve Orlofsky

Are You Ready For Retirement? This Checklist Might Be Helpful!

Retirement can be a daunting prospect. Not only is it a time of personal adjustment but it is also a time to make financial decisions that will impact your lifestyle for the rest of your life.

Before you decide to write the retirement letter it is important that you take a close look at your retirement plan and be 100% sure that you are ready for retirement. Failure to do so may result in you not being able to meet your financial obligations post retirement. This may lead to unending regrets and self-blame. To circumvent this, I propose that all near-retirees make use of the below points to ascertain if indeed they are ready for retirement.

Draw up your personal balance sheet

This is simply a statement reflecting the value of your assets and liabilities. The difference between the value of your assets and your liabilities is known as your net worth. Your net worth, in simple terms, gives an indication of how wealthy you are. A positive net worth exists when your assets exceed your liabilities.

A negative net worth exists when your liabilities exceed your assets. You need to also include the value of the cattle you keep at the farm. If your net worth is negative, you are not ready for retirement! If your net worth is positive, but by a small margin you may still be in the danger zone. A qualified financial planner should be able to help you ascertain a comfortable net worth value at which you can retire. This will be based on your lifestyle and other life demands.

You must be debt free prior to retirement

After retirement most people get a reduced monthly income. In some instances, the reduced income is not enough to accommodate any debt repayment. A retiree who has debt is likely to struggle to maintain his standard of living. It is therefore important that ten years before retirement age one should stop taking any new debt and should focus on clearing the outstanding debts. This will also ensure that you have a positive net worth by the time you retire.

You must have your own house which is fully paid

Although mortgage loans are generally cheaper than most loans, they also tend to take a significant amount of money as loan repayments. It is therefore important that you own a fully paid house at retirement. Who wants to retire to go and stay with his siblings? Let's face it, debts always takes away peace from the borrower. Who wants to have their peace disturbed during retirement with a constant worry that the bank officials may knock any moment seeking to repossess the house?

Make sure your health insurance is taken care of

Healthcare is one of the biggest challenges retirees face. It is therefore important that you check if you will continue to afford medical aid post retirement and if needed, you may have to make adjustments to your lifestyle to free some money and get healthcare insurance. This is one area that retirees normally neglect and unfortunately most regret when it's already too late.

Where possible, there should be no school fees beyond retirement

It is without any doubt that some of the highest expenses most people struggle with are school fees. It is therefore important to plan your life such that all your children will be independent post your retirement. If you still have schooling children by the time you retire, I would suggest that a few years before retirement you must start building a fund that will take care of their school fees after you retire. A qualified financial planner should be able to assist you set up such a fund.

Make sure you maintain a healthy lifestyle

Some of the retirees' health deteriorates significantly once they have left employment. This could be a result of a number of reasons including the following; lack of physical activity, poor diet, lack of mental exercise etc. It is therefore important that before retirement you have a good plan of how you are going to maintain a healthy lifestyle.

Also find some organizations to offer your advisory services so that you maintain a solid mental and intellectual health. It is without any doubt that failure to maintain a healthy lifestyle may result in your health deteriorating thus resulting in increased medical expenses.

Do a dry run of life post retirement

It is also important to talk to your pension fund administrator and have them do calculations of how much you are likely to earn post retirement. Once you have the calculations, take at least two months living on the reduced income that you are likely to earn post retirement. If you find it hard to adjust to the new income, you probably are not ready for retirement or you need to make major lifestyle changes. If you do this, you will not get a huge shock after retirement when you get your first annuity salary statement.

Talk to a qualified and experienced financial planner

It is not easy planning for retirement and in some instances you need may advise from someone who is not only qualified but also has experience in dealing with retirees. Even after retirement, you will need to make financial decisions and it is important that you make correct decisions, bearing in mind that you don't have much time or finances to correct some of the bad decisions you may make.

We all do not want to be a burden to our children after retirement. It is therefore important that we start planning for retirement as early as possible. The above checklist will definitely be easy to handle for someone who started planning for their retirement in the early years of their career. People who started planning for retirement late will have to put in an extra effort to retire comfortable. As I have always said, the best time to start planning for retirement is NOW!!

By Thato Kubu

Country Head - Operations
Metropolitan

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Info Bits

How will a couple's retirement look when there's a big age gap?

Age gaps between spouses can be a crucial factor when they start planning for retirement. The age gap should be considered when making financial decisions, such as the age to retire as well as planning how to save and invest for the golden years.

If the younger partner is a woman, an age difference can mean you need your money to last longer. Women outlive men on average, which adds additional years to retirement."

What is a Trustee?

Retirement Fund Act defines a trust as an arrangement through which ownership of a person's assets is entrusted to the trustees or beneficiaries, with the trustees being tasked to administer these assets according to the trust instrument for the benefit of the beneficiaries.

Based on this definition, it is clear that the administration and governance of a trust is completely in the hands of the trustees, which means that the position of trustee comes with a substantial amount of responsibility. The Act requires a trustee to act with the care, diligence and skill which can reasonably be expected of a person who manages the affairs of another.

This is called a fiduciary relationship. The standard of care required of a trustee is similar to that of a director of a company. The fiduciary relationship requires the trustee to act honestly and in good faith in relation to the trust, the beneficiaries and the other trustees, and to exercise the powers that he or she may have to manage the trust in the interest of the beneficiaries and for their benefit.

How to manage your pension pots in the age of frequent job moves?

More than a third of professionals are expected to have at least three jobs in their lifetime. Since government introduced mandatory auto-enrolment into workplace pension Funds, many will find themselves building up a substantial collection of pension pots that can easily be forgotten about.

Always keep track of all your Pension credits and if possible consolidate them for easy management after doing a thorough assessment of performance for each of your accumulated funds.

The Board of Trustees, CEO, Management and Staff of DPF wishes you a Safe Festive Season!



See you in 2019!!!