

PENSION DEATH BENEFIT CLAIMS GUIDE

*“SHEDDING LIGHT IN
TIMES OF DARKNESS”*

A GUIDE FOR DEPENDENTS/
FAMILIES OF A DECEASED DPF MEMBER



DPF
DEBSWANA - PENSION - FUND

ABOUT THE DEBSWANA PENSION FUND

The Debswana Pension Fund (DPF) is a defined contribution Fund established in 1984 as a trust through a joint initiative between, De Beers Botswana Mining Company (now Debswana), Anglo American Corporation Botswana (Pty) Ltd. and De Beers Prospecting Botswana (Pty) Ltd. The primary purpose of the Debswana Pension Fund is to meet future benefit obligations to members as defined by the rules of the Fund, earn positive investment returns on member funds and remain financially sound at all times. The DPF invests member funds across various asset classes namely Property, Equities, Bonds, Cash and alternatives.

DPF Vision:

To be the preferred retirement services provider

DPF Values:

- Customer focused
- Trust and Integrity
- Innovation Agility
- Self-Driven and Motivated

DPF Mission:

We will provide members with competitive and sustainable retirement benefits through:

- Prudent management of member funds
- Efficient benefits administration
- Provision of focused communication
- Effective socially responsible investments



01 WHAT IS A PENSION DEATH BENEFIT?

Members of the Debswana Pension Fund make monthly contributions to the Fund through their employers (Debswana/De Beers Holding Botswana/DTCB, DBGSS/Morupule Coal Mine & others) as savings for when they are in retirement. DPF in turn manages and invests these savings until the employees are ready to retire and start earning the savings as a pension.

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 dependents. The Debswana Pension Fund has policies and processes in place for distributing deceased member benefits to their surviving dependents.

For DPF Pensioners who were already retired and receiving a pension at the time of death, whether or not there is a death benefit entitlement to their dependents will depend on the retirement option they chose at the time of enrolling with the DPF as pensioners. There is no lumpsum benefit entitlement for dependents of pensioners who choose join life options as it allows nominated dependents to continue receiving the pension. Dependents of pensioners who chose the 5 and 10 year guarantee options will receive benefits only if the chosen guarantee period has not lapsed.



02 WHO QUALIFIES FOR A PENSION DEATH BENEFIT?

The rules of the Debswana Pension Fund, guided by the Pensions & Provident Funds Act of Botswana, describe a dependent in two parts: A legal or factual dependent, and a financial dependent

A legal dependent is considered to be any person whom the member is legally liable for maintenance at the time of death, e.g. biological children, married spouse etc. whereas a financial dependent, determined after careful review by the DPF Board of Trustees, is deemed to be a person whom even though the member is not legally liable for maintenance, is considered upon the death of the member in fact dependent on the member for maintenance, e.g. long-term partner; traditionally married spouse, a child born after the member's death, an adopted child, a child born out of wedlock, a step child, or a person in respect of whom, given factual evidence, the member would have become legally liable for maintenance, had the member not died. Because the Trustees have to determine financial dependency of non-factual dependents, a detailed and thorough claims investigation process has to be carried out prior to each claim settlements.

For the purpose of initiating the claim process, any family member of the deceased may be delegated by the rest of the family to report the death to the DPF.



Step 1: Submit Death Notification to DPF

For Active Employees

If the member died in active employment of the Debswana Group of Companies, the notification of death is received from the employer's Human Resources department through a death notification Form. The employer will then advise the family to liaise directly with the DPF afterwards for settlement of the pension benefits.

For Deferred Members and Pensioners

If the deceased was no longer working or was working elsewhere outside the DPF participating employers, family members are required to report the death directly with the Debswana Pension Fund and initiate the process. This includes both deferred members and pensioners.

Step 2: Apply Funeral Advance application (Optional)

At the time of death, and only prior to the burial of the deceased, the family may request an advance payment against the available death benefits to cover the funeral cost of the deceased member where there is a need for such. A maximum of 20% of the pension benefit but not exceeding BWP20,000 is allowed.

Step 3: Complete Death Questionnaire Form(s)

When notifying the DPF of a member's death, the family is issued with a Family Death Questionnaire Form to complete collectively. On this form, the family is expected to give a true and detailed account of the deceased life as it were in their response to the questionnaire.

Step 4: Attach supportive documents and sworn affidavits

When submitting the family questionnaire form to DPF, the family must attach the following supportive documents;

- *Certified Copy of Death certificate and ID*
- *Certified Copy of identity card of each adult dependent listed on the questionnaire/copy of Birth Certificate for minors*
- *Proof of financial dependency (for all non-legal dependents refer to definition of dependent)*
- *Funeral Program of the deceased*
- *Copies of Insurance certificates (Medical Aid, Group life etc.)*
- *Certified Copy of Marriage certificate (where a legal spouse is existent)*



- *Statement of assets and liabilities of live-in partners (Assets accumulated between the deceased and partner if a long-term partner is listed as existent in the life of the deceased)*
- *Proof of guardianship for under age dependents (where such exists)*
- *Proof of Status of employment (For every adult (18 or over) dependent listed)*
- *Medical certificate/report confirming permanent disability (If any adult depended listed on the questionnaire has a permanent disability)*

Step 5: Obtain Sworn Affidavits and submit with step 3 and 4 documents

All of the questionnaire respondents are required to make full and honest disclosures about the deceased's life on their forms in order to ensure that all eligible dependents of the deceased are considered. The DPF may take legal action against any questionnaire respondent who is found at a later stage to have responded untruthfully or withheld information that could be detrimental to the livelihood of any other dependent. To ensure that the respondents are accountable for the disclosures made on the forms, a sworn affidavit is required along with the form and its attachment.

Step 6: Attend DPF organised family Consultation Meeting

After the claimants have met the requirements in step 3, 4 and 5 above, the DPF administrators will schedule a preliminary meeting with the family and close associates of the deceased, during which an oral interview will be conducted to corroborate the information submitted in the forms as well as confirm the following important factors in the claim process;

- * *to further elaborate on the claim guidelines and ensure that the family has understood the claim requirements*
- * *to further explain the death benefits questionnaires if any clarification is required.*
- * *to determine and confirm factual dependents*
- * *to determine and confirm financial dependents*
- * *to determine and confirm the status and/or existence of nominated and non-nominated dependents not disclosed by family*
- * *to determine and confirm the deceased's living arrangements and nature of relationship with each dependent listed*

Step 7: DPF issues Public Notice - Call for Possible Dependents

In order to ensure fairness and full inclusion of the deceased's eligible dependents, the DPF will at this stage, prior to processing the family's claim, publish in the media all names of the deceased members for which claims have been made against their pension benefits. Thus giving the opportunity to any existing dependents that may possibly be unknown or

undisclosed to come forward (All claimants must come with sufficient proof of their dependency, legal or financial) to the Fund before benefits are distributed. A response period of 14 days will be allowed before the DPF proceeds to review the claims.

Step 8: Attend Second and final family Consultation Meeting

Prior to presenting their recommendation to the Board, The DPF Administrator shall convene a second meeting with all dependents, guardians and other nominated beneficiaries for the following purpose;

- To declare the names of all the individuals consulted during the claim investigations
- To share the disclosures/declarations made by the respondents and
- To explain the assessment criteria followed and the supportive rules and policies

At this point all involved will be afforded the opportunity to register any objections on the findings however the final distribution of benefits will be determined by the Board

Step 9: DPF conducts Administrator Review & prepares board Recommendation

With all the necessary information gathered, the DPF administrators will review the claim through set criteria and prepare a recommendation for consideration by a sub-committee of the Board of Trustees named Benefits Review & Communication Committee.

Step 10: DPF Administrators forwards final recommendation to Board

The board will adjudicate the claim and determine whether to approve the recommendation as is or exercise their discretion to make changes on the recommended dependents and allocation.

Following the above, the DPF management will convene another family meeting to announce the Board of Trustee's decision



04 WHAT ARE THE PAYMENT METHODS?

- Payment is made directly to adult dependents*
- If dependent is a minor, payment may be made to an approved and verified Trust, nominated by either the deceased member or a living guardian*
- Payment may be also made to a guardian or care giver of the minor, with prior investigation and approval of the suitability of that guardian made by the Fund*
- Payment may be made to a beneficiary fund (e.g Master of the High Court) or a DPF administered beneficiary Fund*
- Based on any unique circumstances of the beneficiary, The Trustees may resolve to purchase an Annuity on behalf of Minors and incapacitated adult beneficiaries*

**05**

WHAT IS THE PAYMENT TURNAROUND TIME?

The overall time frame within which a claim is settled is not easy to determine as it varies from one case to another. The DPF depends on the dependents and family of the deceased to respond timeously in the early stages of death notification, questionnaire completion, submission of supportive documents and affidavits and attendance of consultation meetings. Given the availability of all necessary information and a process free of any unprecedented events, the Board evaluation cycle and decision will be limited to one quarter (three months) of the annual calendar.

**06**

HOW IS THE DECEASED'S NOMINATION FORM FACTORED INTO THE CLAIM PROCESS?

The Board of Trustees is responsible for deciding who amongst the claimants should receive the money. They take into consideration all dependents before they make a decision. The member may also have left a nomination form citing their desired beneficiaries however pension regulations and rules of the Fund obliges the Board to consider all eligible dependents hence they cannot rely entirely on the deceased's nomination form. The nomination form is used as a guide to evaluate against the submissions made by the surviving dependents. Trustees will always take the nominees in the form (if any) into consideration when identifying the dependents but will make a final allocation based on three key principles;

- vi) Compliance with the applicable pension rules, regulations and policy guidelines
- vii) Applying due consideration to the best interest of every dependents
- viii) Ensuring that the benefit distribution amongst dependents is fairly and equitably made

**07**

CAN THE FAMILY APPEAL AGAINST THE BOARD DECISION?

Following the benefit distribution decision by the Board;

- (1) The Administrators will communicate the allocation to the beneficiaries
- (2) If the beneficiaries or other dependents have a complaint, they will write to the Board of Trustees citing their grievance against the Board decision.
- (3) The Trustees will assess the complaint and address it in its own merit and make a decision which the administrator will communicate to the appellants.
- (4) Should the matter not be settled at this stage, the Board shall recommend to the appellants to refer their grievance to the regulator NBIFRA for mediation. (In the absence of a Pensions adjudicator in Botswana, NBFIRA currently carries the responsibility for pension fund disputes

