



NATIONAL PENSION COMMISSION

Plot 174, Adetokunbo Ademola Crescent Wuse II, Abuja. Nigeria
Email: info@pencom.gov.ng Website: www.pencom.gov.ng
Tel: +234(9)460 39 54 - 55, +234 (9) 460 39 30

Appendix A

CIRCULAR

3 October, 2018

REVISED PROCEDURES ON THE PROCESSING OF DEATH BENEFITS

The Commission has received series of complaints from retirees, who alleged that their PFAs have wrongfully paid their death benefits to their Next-of-Kin or legal beneficiaries while they are still alive and in active service without their consent. Following these complaints and reports by PFAs, it has become imperative to issue additional measures to curb these complaints and strengthen the processes and practices in processing and payment of death benefits.

The proposed measures shall include the following:

1. The Pension Fund Administrators (PFAs) are required to enhance the internal controls and carry out further investigations on the documentation submitted by the Next of Kin (NOK)/legal beneficiary of the deceased before submission to the Commission for approval.
2. PFAs shall ensure due diligence and conduct search at the Probate Registry of the issuing Authority to confirm the genuineness of the documents as well as the verification of the information of the named administrator and sureties.
3. All PFAs shall henceforth be required to contact the employer of the deceased in verification and/or, confirmation of death of the employee.
4. PFAs shall ensure that the affixed current passport photograph of the NOK /legal beneficiary, shall be certified by the deceased employer.
5. NOKs /legal beneficiaries shall be required to submit a valid means of identification or a letter from a Notary Public where a means of identification is not readily ascertainable.

6. PFAs shall confirm the Death Certificate of the deceased issued by the hospital and Police Report (where death is by accident).
7. The Officer of the PFA that undertakes the due diligence in the Probate Registry, Hospital or Police Authority shall write and sign a report on the findings of the exercise.
8. The Commission shall ensure that the appropriate beneficiary is indemnified by the PFA in the event of payment to a wrong beneficiary.

All PFAs are to note that the above measures are for immediate implementation and sanctions for infractions shall be in line with the extant Regulation on the Administration of Retirement and Terminal Benefits.

Thank you.



M. Y Datti
Head, Surveillance Department