Correction policy

March 2025

Certified B Corporation

BE FRANK

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1. Introduction

As an online pension administrator, we strive every day to implement our pension schemes properly. We recognise that high-quality administration is of great importance, and we do our work as carefully as possible. Even so, we are only human, and when humans are working hard, they sometimes make mistakes. This is the case at BeFrank as well.

In the administration agreement and the pension regulations, we have clearly laid out what our processes are and what we do in the event of an error. However, these agreements do not clarify for all cases when and how we correct these errors. That is why we have drawn up this correction policy, which sets out how BeFrank takes care of correcting errors. You will find this document on our website, so it is available to everyone. We are transparent, even about matters that are less fun.

2. Correction

Participants accrue pension capital by making pension contributions every month until they reach retirement age. We refer to this stage as the 'pension accrual'. On their retirement date, participants with pension capital purchase a monthly benefit. Pensioners receive this pension benefit for the rest of their lives. We refer to this stage as the 'pension benefit'.

Errors
Changes may occur during the lifetime of a participant, pensioner or partner. Some changes may affect the amount of pension accrual or pension benefit. For example, participants can get married, get divorced, have children or find a new job. Alternatively, a participant may actively change their pension, for example by opting for a different investment risk. Moreover, employers can also pass on changes on behalf of participants. If we do not process these changes on time or do so incorrectly, or if the changes passed on are incorrect, we refer to this as an 'error'. As a result of such errors, the pension accrual or pension benefit may prove to be too high or too low. We must then correct it as best we can, insofar as this is possible.

Incorrect or late communication
Communication about the pension scheme may also be incorrect or too late. If this does not result in a pension accrual or a pension benefit that is either too high or too low, there is no need to correct anything. However, we will still inform the participant, pensioner or partner about the incorrect or late communication.

Pension accrual
During the pension accrual stage, we will correct all errors that result in a loss in accrual amounting to more than €120. We apply this limit for reasons of cost.

If we made the pension accrual too low, we will increase it to the level that it should be at the time when we make the correction (the processing date). If we made the pension accrual too high, we will reduce it to the level that it should be at the time when we make the correction.

Pension benefit
During the pension benefit stage, we will correct all errors that result in an annual difference in gross pension amounting to more than €12.

If we paid too little pension, we will correct the payment in the future. We will pay out the pension that we underpaid in the past in one go. If it turns out that payment in one go could have consequences for matters such as allowances and taxes, we can also make workable arrangements to spread the payment over time at the pensioner's request.

If we paid too much pension, we will correct the payment in the future. We will offset the pension that we overpaid in the past against future payments if the pensioner could have known that there was an error – for example, if the monthly amount was clearly too high or suddenly increased sharply, or if there was intent or gross negligence on the part of the pensioner. We will not offset the amount in one go. Normally, the repayment period will be the same as the period during which the overpayment was received, up to a maximum of two years.

3. Compensation

In addition to a correction, there may be a right to compensation. This means that, on top of correcting an error, we will pay out an additional amount to compensate for the further financial consequences of the error. Whether there is a right to compensation depends on the situation and who caused the error. In a general sense, we apply the 'offender pays' principle.

BeFrank pays
If the fault lies entirely with BeFrank, the participant or pensioner will receive additional compensation from BeFrank. This compensation is calculated for the period between the moment when we make the correction (the processing date) and the date on which we should have made the change at the latest. The compensation is an interest payment: the prevailing statutory interest rate for non-commercial transactions on the processing date. No evidence of damage suffered as a result of the error is required.

The employer pays
If the error is the result of actions by the current or former employer or the employer's advisor, BeFrank will recover the compensation from the employer on behalf of the participant, pensioner or current or former partner. In this case, too, the compensation is the prevailing statutory interest rate for non-commercial transactions on the processing date.

A 'third party' does not pay
If the error is the result of actions by a 'third party', such as the municipality or the Employee Insurance Agency (UWV), there will be no compensation.

Participant | pensioner | partner
If the error is the result of actions by the participant, pensioner or current or former partner, there will likewise be no additional compensation. We would like to point out that we do not charge any additional compensation for recovering overpaid pension.

4. Communication

We will inform the participant, pensioner or partner in advance of an increase or decrease in the pension accrual or pension benefit. In the event of a subsequent payment or recovery of the pension benefit, we will explain how we will correct the error and what follow-up actions we will take, if any. If further action is required from the participant or pensioner, we will communicate this clearly, indicating where they can turn to with questions or complaints about the correction.

5. Objection

If a participant or pensioner is not satisfied with a correction, or if they have questions about our correction policy, they can contact us at klantenservice@befrank.nl. If they are still dissatisfied with the way in which we handled a correction or a complaint arising from it, they can submit their complaint to the Financial Services Complaints Tribunal (www.kifid.nl). The address is *Financial Services Complaints Tribunal, PO Box 93257, 2509 AG The Hague.*

6. Hardship clause

In exceptional cases, we may deviate from the above policy. For example, we may do this if special circumstances arise in which a standardised approach does not do justice to the situation of a participant or pensioner, or when compensation becomes disproportionately too high or too low. We refer to this as a request based on hardship. BeFrank assesses such cases – in accordance with civil law – on the principle of 'reasonableness and fairness'.

7. Entry into force

The BeFrank correction policy was adopted at the executive board meeting of 4 December 2024. This policy is reviewed at least once every three years or as much earlier as is necessary. BeFrank also evaluates its internal processes in response to corrections made and implements improvements where necessary and possible.

8. Contact

If you have any questions, please contact our customer service department. We will be happy to help!

E-mail:
klantenservice@befrank.nl

Telephone number for participants:
020 562 1100

WhatsApp:
06 8311 8659

Telephone number for employers and advisors:
020 562 1150

Website:
www.befrank.nl/en