



## NATIONAL PENSION COMMISSION

### FEATURES OF PROGRAMMED WITHDRAWAL AND RETIREE LIFE ANNUITY

PROGRAMMED WITHDRAWAL		RETIREE LIFE ANNUITY
A product offered and administered by Pension Fund Administrators (PFAs)		A product offered and administered by Life Insurance Companies
Regulated by the National Pension Commission (PenCom)		Regulated by the National Insurance Commission (NAICOM)
Pays monthly/quarterly pension over an expected life span as determined using the A(55) Tables of Annuitants Ultimate rates published by the Institute of Actuaries of United Kingdom (amended)		Pays monthly/quarterly Annuity over an expected life span as determined using the A(55) Tables of Annuitants Ultimate rates published by the Institute of Actuaries of United Kingdom (amended)
Pension is at least 50% of final salary at retirement		Annuity is at least 50% of final salary at retirement
The balance in the Retirement Savings Account (RSA) is reinvested by the PFA to generate income/funds for the retiree. The profit/loss on investment is credited into the retirees RSA		The Premium transferred is invested in a central Retiree Life Annuity Pool and income/loss earned belongs to the Life Insurance Company
Retirees may benefit from periodic pension enhancement resulting from returns on investment of the pension funds in their RSAs		Periodic pension enhancement is not applicable to Annuitants
Balances of retirement benefits remain in the retiree's RSA and RSA statement of account is issued to retiree quarterly or on request		Balances of retirement benefits are in a pool of Annuity fund (belongs to all members on Annuity). Retirees do not receive any RSA statement of account or Annuity statement of account
A retiree may move to Retiree Life Annuity		Once on Retiree Life Annuity, retiree cannot move back to Programmed Withdrawal
In case of death of a retiree, the legal beneficiary(ies) will be paid the total RSA balance		Annuity is guaranteed for ten years. If the retiree dies within ten years of retirement, the monthly Annuity will be paid to his beneficiary(ies) for the remaining years up to ten years at a discounted value. However, if the retiree dies after ten years of retirement, no payment will be made to his beneficiary(ies). This is because the Insurance Company bears the risk/reward of investment