

FEATURES OF PROGRAMMED WITHDRAWAL AND ANNUITY

S/N	PROGRAMMED WITHDRAWAL	ANNUITY
1	Programmed Withdrawal is a product offered to retirees by Pension Fund Administrators (PFAs). In addition to a calculated Lumpsum, it provides retiree a guaranteed income on a monthly or quarterly basis throughout retirement life	Annuity is a product offered by Life Insurance Company. Annuity is a series of payment made to person for life
2	A retiree on Programmed Withdrawal may move to Retiree Life Annuity	A retiree once transferred to Insurance cannot move back to Programmed withdrawal. However, he/she can move to another insurance company only after 2 years
3	Retirement benefit is in Individual RSA and RSA statement is issued on request to monitor RSA balance	Retirement benefit is in a pool of annuity fund
4	The retiree enjoys the profit on Investment as this is credited into the Retiree's RSA	Profit on Investment is for the Insurance Company
5	Retiree monthly pension can be reviewed upward (Pension Enhancement) based on growth recorded in the RSA from time to time	There is no increment on the payment assured for life.
6	Retiree receives quarterly RSA statement	Retiree does not receive any RSA statement
7	There is provision of Special Reserves to forestall any shortfall in Retiree fund (Pension Protection Fund)	There is no provision for special reserve for annuity payment
8	If the retiree passes on at anytime, the entire RSA balance with accrued investment return shall be paid in full to the legal beneficiaries. (i.e The legal beneficiaries are entitled to the entire RSA balance of the deceased at anytime he/she passes on during retirement).	Annuity is guaranteed for a maximum of 10 years, if the retiree passes on after 10 years of annuity payments, legal beneficiaries are not entitled to the deceased balance in annuity pool. There will be no payment to the beneficiary(ies)