FCMB Pensions

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 over expected life span	Annuity is a product offered by the Insurance Company. Annuity is a series of payment made to person for life
2	A retiree may move to retiree life annuity at anytime	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 (belongs to all members of annuity)
4	The profit on Investment is credited into the Retiree's Individual 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 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 interest shall be paid in full to the legal beneficiaries	If retiree dies within 10 years of retirement, monthly annuities will be paid up to 10 years to the beneficiaries because the annuity is guaranteed for a maximum of 10 years but if he dies after 10 years of retirement beneficiaries are not entitled to the deceased balance in annuity pool