

## FREQUENTLY ASKED QUESTIONS- FAQ ON ANNUITY

1. What is Stanbic IBTC Insurance Limited (SILL) Retiree Annuity?

**Ans:** SILL Retiree Life Annuity is a policy purchased under the Pension Reform Act, (Amended) 2014. It is a series of regular monthly or quarterly payments made to a retiree (called an Annuitant) for the rest of his life upon payment of the purchase amount.

2. When will the Annuity payment commence?

**Ans:** Annuity payment will commence upon receipt of the purchase money/premium from the Pension Fund Administrator subject to the date the fund is received in the month. Where Premium is received before the 15th day of the month, the first Annuity payment to the Annuitant shall commence from the 20th of the month Premium is received by the Insurance Company. Where Premium is received on or after the 15th day of any month, the first Annuity payment to the Annuitant shall commence from the 20th of the following month.

3. What is level Annuity payment?

**Ans:** The regular annuity payment is the same amount all through your lifetime

4. What is increasing annuity payment?

**Ans:** The regular annuity payment will increase annually by 5% or 10% depending on what you choose

5. How long will I be paid my Annuity?

**Ans:** Your Annuity payment is for your lifetime

6. What is Guaranteed Period?

**Ans:** This is a period of 10 years, from the commencement of annuity contract, during which commuted value of remainder annuity will be paid to the named beneficiary (ies) if death of the annuitant occurs. If annuitant/retiree outlives this period, the annuity payment continues for the lifetime of the annuitant/retiree, but beneficiaries are not entitled to residual payment upon demise of the annuitant.

7. Will Death benefit be paid to beneficiaries if annuitant dies during the guaranteed period?

**Ans:** Yes

8. What is the benefit payable if death occurs within the guaranteed period?

**Ans:** The amount payable is the commuted value of the remainder annuity payable within the period of 10 years.

9. How regular is the annuity payment?

**Ans:** Regular annuity payment are payable either monthly or quarterly. It is payable at the end of every month or every quarter depending on your choice.

10. What do I need to do to join annuity programme?

**Ans:** You will need to signify your interest by completing the required details to generate annuity agreement.

11. What is Annuity agreement?

**Ans:** It is the agreement drafted between the insurance company and the retiree. The agreement will be signed by both parties and submitted to the Pension Fund Administrator by the retiree.

12. Which documents do I need to generate annuity agreement?

**Ans:**

- i. Template/Statement of Account from the Pension Fund Administrator (not be more than one month old).
- ii. Bank Verification Number.
- iii. Valid means of identification (National ID or Driver's License or International Passport or Voter Card).
- iv. Passport Photograph of retiree and one passport photograph for each of the beneficiaries.
- v. Retirement Letter (from Employer) or
- vi. Bond for Lagos State/ Federal Government retirees (not applicable to private companies' retiree).
- vii. Utility Bill (within the last six months) (Utility Bill may be Telephone bill or Bank account statement or Electricity bill or Tenancy Agreement)