

# **Navigating Your Nigerian Pension**

## **A Steward's Guide to Annuity vs Programmed Withdrawal**

Retirement is not the end of provision; it is the harvest season of disciplined stewardship. After years of labor, saving, and contribution, the question before every retiree is not "How much did I earn?" but "How wisely will I manage what I have been entrusted with?"

Under Nigeria's Pension Reform Act, retirees are presented with two lawful paths to receive their pension income. This guide exists to clarify those options and help you make a wisdom-based decision aligned with peace, dignity, and legacy.

## The Two Retirement Paths Explained

Feature	Programmed Withdrawal	Retirement Life Annuity
Who Pays You	Your Pension Fund Administrator (PFA)	A Licensed Life Insurance Company
Income Duration	Until your RSA balance is exhausted	Guaranteed for life
Longevity Risk	Borne by you	Borne by the insurer
Balance at Death	Paid to beneficiaries	Usually none (unless rider applies)
Control	Moderate flexibility	Low, but stable
Core Philosophy	Control & legacy	Certainty & peace

## A Steward's Discernment Framework

**Principle of Longevity:** If you live longer than expected, which path sustains you?

**Principle of Legacy:** Is leaving a balance to beneficiaries essential to your stewardship?

**Principle of Peace:** Would guaranteed income give you rest of mind, even if flexibility is reduced?

**Principle of Supplementary Provision:** Do you have other income streams that reduce pressure on your pension?

A steward does not choose in fear or haste. He evaluates his health, his household, and his future season before committing. There is no universal right answer — only the right answer for the steward you are called to be.