



What is an Immediate Annuity Plan?

Leadway's Personal Annuity Plan is a pension plan guaranteed to pay you an income from retirement, for the rest of your life. According to the 2004 Pension Reform Act, at retirement, you can only access your Retirement Savings Account opened with a Pension Fund Administrator through the following means:

1. **Lump Sum:** A lump sum of money is paid once at retirement (subject to adequate provision for Annuity or Programmed Withdrawal).
2. **Periodic Payment:** This is the balance remaining and can only be paid monthly through: Programmed Withdrawal or Life Annuity.
 - A. **Programmed Withdrawal** is offered by a Pension Fund Administrator: Income is paid to a retiree for an expected life span **OR**
 - B. **Life Annuity** is offered by a Life Insurance Company: Income is paid to a retiree for as long as he lives.

A **Life Annuity** is a series of payment made to a person (called an Annuitant) for the rest of his life upon payment of his balance with PFA after lump sum has been paid.

Types of Life Annuity:

The Leadway Personal Annuity Plan offers the following enhanced options:

1. **Level Income Annuity:** This is a fixed payment plan. This option pays the highest income at the beginning and remains the same throughout the Annuitant's lifetime.
2. **Spouses Option:** This Annuity option provides a spouse cover of 50% or 75% of your pension. In the event of the Annuitant's death, the spouse is paid this income for the rest of his/her life.
3. **Increasing Annuity:** This option creates an increase in the Annuity Amount at each Policy Anniversary. The standard increase offered is 5% or 7.5% each year, on an increasing basis.

What is in it for me?

- Income is paid to the Annuitant from retirement, throughout his lifetime (no matter how long the retiree lives).
- There is guarantee that income cannot reduce no matter what happens
- Rate on amount payable is relatively higher.
- Your investment risk is borne by Leadway Assurance.