

**PROGRAMMED WITHDRAWAL AGREEMENT**

This Programmed Withdrawal Agreement is made this ..... day of .....20..... BETWEEN Mr./Mrs. .... of ..... (hereinafter referred to as "the Retiree", which expression shall where the context so admits include his/her successors) of the First Part AND NORRENBERGER PENSIONS LIMITED a company incorporated under the Laws of the Federal Republic of Nigeria and duly licensed by the National Pension Commission (hereinafter referred to as "the Commission") to carry on the business of a Pension Fund Administrator, having its registered office at 22, OTUKPO STREET, OFF GIMBIYA STREET, AREA 11, GARKI, ABUJA (hereinafter referred to as "the Administrator" which expression shall where the contexts so admits include its successor in title and assigns) of the Second Part.

**WHEREAS:**

- a) By virtue of the provisions of the Pension Reform Act 2014 (PRA 2014), a holder of a Retirement Savings Account (RSA) may, upon retirement or attaining the age of 50 years, whichever is later, amongst other things utilize the balance standing to the credit of his/her RSA for the benefit of a programmed monthly or quarterly withdrawal.
- b) The provision of the PRA 2014 also allows for the utilization of the balance standing to the credit of the RSA of an employee below 50 years who retires, disengages or is disengaged from employment on medical grounds based on the advice of a suitably qualified physician or properly constituted medical board certifying that the employee is no longer mentally or physically capable of carrying out his/her functions or based on the terms and condition of his/her employment.

- c) The retiree is a holder of an RSA with PIN No.  
..... maintained with NORRENERGER PENSIONS LIMITED, was under the employment of  
.....  
of.....and in line with the provisions of the Pension Reform Act 2014, is desirous of utilizing the full or part of the balance standing to the credit of his/her RSA by way of a Programmed Withdrawal in accordance with the terms of this agreement.
  
- d) The consolidated RSA balance of the above-named Retiree stood at =N=..... as at..... based on the employment records/information provided by the Retiree. A lump sum withdrawable amount of =N=..... and a monthly or quarterly pension of =N=.....; was determined using the Standard Programmed Withdrawal Template and was consented to by the Retiree.
  
- e) There may be a periodic enhancement of the monthly/quarterly pension based on increased earnings in the investment as may be approved by the National Pension Commission from time to time.
  
- f) The administrator is desirous of rendering to the retiree, the said Programmed Withdrawal Services in accordance with the terms and conditions of this agreement.
  
- g) The parties hereby agree to be governed by the provisions of the Pension Reform Act 2014, Guidelines, Rules, and Regulations issued by the Commission from time to time.
  
- h) This agreement sets out here under the duties, rights, and obligations of the parties.

IT IS HEREBY AGREED as follows:

**ARTICLE I**  
**APPOINTMENT**

- 1.1 The retiree hereby appoints the Pension Fund Administrator as his administrator for the provision of Programmed Withdrawal Services during his retirement, for life.
- 1.2 For the purposes of giving effect to Article 1.1 above, the Administrator shall continue to manage the fund in the Retiree's RSA and shall credit the Retiree's commercial bank account until the termination of this Agreement.

**ARTICLE II**  
**RIGHTS AND RESPONSIBILITIES OF THE RETIREE**

- 2.1 The Retiree shall furnish to the Administrator, his/her pay slip at retirement or evidence of last salary, to ascertain his/her final salary at retirement.
- 2.2 The Retiree shall furnish to the Administrator, his/her birth certificate, or declaration of age, to determine the Retiree's age at Retirement.
- 2.3 The Retiree has a right to negotiate and choose to collect either the maximum lump sum due to him/her or take a minimum lump sum, to boost his monthly or quarterly pension.
- 2.4 The retiree shall state in writing his/her intention or otherwise to make a lump-sum withdrawal from the total amount credited to his RSA, provided that the amount left after the lump sum withdrawal shall be sufficient to procure programmed fund withdrawals as stipulated in Section 7 of the PRA 2014 prior to

the commencement of a monthly or quarterly Programmed Withdrawal.

- 2.5 The Retiree shall endorse the Consent Form, after the execution of this Agreement.
- 2.6 The Retiree shall furnish the Administrator with his commercial bank account number, Bank Verification Number (BVN) and other relevant details to facilitate prompt remittance of his monthly or quarterly pension payment.
- 2.7 The Retiree shall inform the Administrator of any change in the particulars of his Next-of-Kin, residential address, and other personal details.
- 2.8 The Retiree shall regularly monitor the activities of the Administrator to ensure strict compliance with the provisions of this agreement.
- 2.9 The Retiree shall keep evidence of all receipts and records of the transactions between the parties to this Agreement for monitoring and related purposes.

### ARTICLE III

#### DUTIES AND RESPONSIBILITIES OF THE ADMINISTRATOR

- 3.1 The Administrator shall consolidate the (3) three major components of the Retirees RSA, which are accrued rights, accumulated pension contributions and interest earned from investment and the fixed portion of Voluntary Contributions (if any), for the purpose of computing retirement benefits.
- 3.2 The Administrator shall utilize the standard Programmed Withdrawal Template to compute the Retiree's benefits using parameters such as consolidated RSA balance, age at

retirement, final salary, gender and A55 adjusted Mortality Table.

- 3.3 The Administrator shall inform the Retiree of the minimum and maximum lump sum allowable as well as the resulting monthly or quarterly pensions due to him, using the Programmed Withdrawal Template as referred to in Clause 3.2 above.
- 3.4 The Administrator shall inform the Retiree of the option to either collect the maximum lump sum to boost his monthly or quarterly pension. Provided that the choice made by the retiree shall become binding and the retiree cannot request for a piecemeal withdrawal of the lump sum.
- 3.5 The Administrator shall inform the Retiree that additional lump sum is not permissible after programming, except in the event of additional significant inflow of funds into Retirement Savings Account which would be utilized to enhance monthly or quarterly pension and the residue(if any)paid as additional lump sum, subject to the regulation issued by the Commission from time to time.
- 3.6 The Administrator shall provide the Retiree with Consent Form, which shall contain the complete details of the Retiree as well the consolidated RSA balance as at date of programming and the agreed lump sum and monthly or quarterly pension that would be taken by the Retiree.
- 3.7 The Administrator shall inform the Retiree and that the terms of the Agreement shall be become binding upon execution of both the Agreement and the Consent Form.
- 3.8 The Administrator shall enlighten the Retiree to the effect that his monthly or quarterly pension may be reviewed upwards in the event of growth in the RSA balance with sufficient

investment income that would occasion periodic pension enhancement to be approved by the Commission from time to time.

- 3.9 The Administrator shall, upon receipt of approval from Commission, issue necessary instruction to its Pension Fund Custodian (Custodian) for effecting the payments of the agreed lump sum and the monthly or quarterly pensions into the Retiree's commercial bank account.
- 3.10 The Administrator shall ensure that the Retiree's Commercial Bank Account is credited with the monthly/quarterly pension benefit on or before the 24th day of every calendar month or the networking day, whichever is earlier.
- 3.11 The Administrator shall continue to update the Retiree's records, following any a change of information thereof, from time to time, when it becomes necessary.
- 3.12 The Administrator shall continue to invest the balance standing to the credit of the retiree's RSA in instruments approved by the Commission and credit the RSA with any accrued income from such investments.
- 3.13 The Administrator shall issue the Retiree with quarterly statements of account, showing balances, and other transactions thereof.
- 3.14 The Administrator shall provide a help desk to attend to enquiries and/or queries from the Retiree.

**ARTICLE IV**  
**GOOD FAITH**

- 4.1 The Administrator shall in all matters act in good faith, exercise due diligence and highest professional conduct and judgment in the discharge of its responsibilities under this Agreement, in compliance with the Pension Reform Act 2014 and Guidelines, Rules, and Regulations of the Commission.
- 4.2 The Administrator undertakes to use its best endeavour to promote the success of the Contributory Pension Scheme and not to do or refuse to do anything, the result of which may delay or otherwise frustrate the remittance of the periodic amount payable under this agreement as and when due.
- 4.3 The Administrator shall act diligently while handling the Retirees request to transfer the balance of his Retirement Savings Account to purchase Retiree Life Annuity.

**ARTICLE V**  
**ASSIGNMENT**

- 5.1 The Parties shall not assign any of their respective obligations in this Agreement without the consent of the other party and a subsequent approval of the Commission.

**ARTICLE VI**  
**SERVICE FEES**

- 6.1 The Administrator shall charge reasonable fees for services rendered in line with the Regulations on Fees Structure approved by the Commission.

## ARTICLE VII

### ACTS OF BREACH

- 7.1 Nothing contained herein shall require the Administrator to take any action or refrain from taking any action which will cause it to violate any Law of the Federal Republic of Nigeria.
- 7.1.1 Delay or failure to facilitate the crediting of the Retirees Commercial Bank Account in line with Article III 3.3 of this agreement.
- 7.1.2 Any misrepresentation or failure to submit any vital information by one party to the other party.
- 7.1.3 Assignment of the rights, interests, and benefits by either party without due consents or approvals in line with Article 5.1 of this agreement.
- 7.1.4 Any surcharge or other charges not in line with the Regulations on Fees Structure issued by the Commission.
- 7.1.5 Failure to meet any of the obligations and responsibilities under this agreement.
- 7.1.6 Commit any other acts of omission capable of undermining the efficient and effective operation of the scheme.
- 7.2 Nothing contained herein shall require the Administrator to take any action or refrain from taking any action which will cause it to violate any Laws of the Federal Republic of Nigeria.



## ARTICLE VIII

### PENALTIES

- 8.1 In the event of non-payment, any shortfall or delay in making periodic payment into the bank account of the Retiree, the Administrator shall refund the amount that has fallen short and/or pay interest at the prevailing NIBOR rate for every day that the delay in payment persists.
- 8.2 The penalty in Article 8.1 shall be without prejudice to any other penalty that may be imposed by the Commission for any or all acts of breach under this agreement.

## ARTICLE IX

### DISPUTE RESOLUTION

- 9.1 In the event of any dispute arising directly or indirectly from this agreement, such dispute shall in the first instance be referred to the Commission for informal mediation and conciliation.
- 9.2 Where either party is dissatisfied with the decision of the Commission Article 9.1 above such party may refer the matter to arbitration in accordance with the Arbitration and Conciliation Act or to the Investment and Securities Tribunal in accordance with the Pension Reform Act 2014.
- 9.3 Nothing contained in this agreement shall denigrate a cause of action by the retiree against the administrator to enforce the rights arising from this agreement.

ARTICLE X  
COMMENCEMENT

- 10.1 This Agreement shall take effect on the date of execution or any such time as the Retiree may on his own volition elect for the commencement of the Programmed Withdrawal.

ARTICLE XI  
AMENDMENTS

- 11.1 This agreement duly executed may be modified or amended only with the written agreement of all the parties and subject to the approval of the Commission.

ARTICLE XII  
INDEMNITY

- 12.1 The Administrator shall indemnify the Commission against all liabilities, cost, (including legal cost for actions) losses, claims, damage(s), awards etc. that may result from the Administrators performance of any obligations under this Agreement. The indemnity shall be effective until the termination of this Agreement provided that the act which resulted in a loss, cost etc had occurred before such termination.

ARTICLE XIII  
TERMINATION

- 12.1 The Retiree may, by written notice, terminate this agreement or suspend performance of all or any of the obligations under it immediately and without liability for compensation or damages if.
- a) Any transfer of RSA balance to purchase Retiree Life Annuity. The Administrator shall ensure that the Retiree

receives his /her monthly or quarterly pension for the month or quarter if the transfer of premium is made after the 20th day of the month.

- b) Any case of demise or missing person, the Administrator shall pay the legal beneficiary of the Retiree in line with Section 8(2) of the PRA 2014 and the Regulation for the Administration of Retirement and Terminal Benefits.
- c) Any remittance by the Administrator under this agreement is not affected on the due date provided that such failure or delay is not due to any event of force majeure.
- d) The Administrator breaches its obligation under this agreement or any agreement supplemental to it, and the breach if capable of being remedied, remains un-remedied for seven (7) days after being to its attention by written notice.
- e) The Retiree's Retirement Savings Account balance is transferred to another Administrator in line with Section 13 of the PRA 2014.
- f) The Administrator fails or ceases to perform the duties under this agreement.
- g) The Administrator ceases to hold a license issued by the Commission to operate as a PFA.

ARTICLE XIV  
FORCE MAJEURE

13.1 If either party is prevented from or delayed in performing any of its obligations under this agreement by reason of force majeure, such as but not limited to acts of God, war, revolution or other physical disaster, or other causes which are beyond the reasonable control of the party affected and which, by exercise of reasonable care and diligence it was unable to prevent and such party without delay notifies in writing the other party, the delay or failure of performance will not give rise to any claim for damages against the other party.

ARTICLE XV  
NOTICES

14.1 Any notice given under this agreement shall be in writing and may be served personally or by registered post or recorded delivery mail or by other means which either party specifies by notice to the other.

14.2 The address for service of the notice shall be the address as appearing in this agreement.

IN WITNESS WHEREOF the parties have set their hands and Common Seal to be hereunto affixed the day and year first above written.

SIGNED SEALED AND DELIVERED

BY THE WITHIN NAMED RETIREE

.....  
(Signature of Retiree)

In the presence of

Name: .....

Address: .....

Occupation: .....

Signature: .....

THE COMMON SEAL OF THE WITHIN NAMED ADMINISTRATOR

WAS HERETO AFFIXED in the presence of

.....

DIRECTOR

.....

SECRETARY