








DO YOU KNOW...

HOW THE 3-TIER PENSION SCHEME WORKS?

	TIER 1	TIER 2	TIER 3
 ADMINISTERED BY	<ul style="list-style-type: none"> • SSNIT 	<ul style="list-style-type: none"> • Employee/Corporate Trustee 	<ul style="list-style-type: none"> • Employer/Corporate Trustee
 FUND MANAGEMENT	<ul style="list-style-type: none"> • SSNIT 	<ul style="list-style-type: none"> • NPRA registered private fund manager such as Databank 	<ul style="list-style-type: none"> • NPRA registered private fund manager such as Databank
 % PERCENTAGE CONTRIBUTION	<ul style="list-style-type: none"> • 13.5% <ul style="list-style-type: none"> • 11% to SSNIT • 2.5% to National Health Insurance Authority (NHIA) 	<ul style="list-style-type: none"> • 5% of member's basic salary 	<ul style="list-style-type: none"> • Up to 16.5% of member's basic salary for workers in the formal sector. • Up to 35% of member's income for workers in the informal sector
 PAYOUT OPTIONS	<ul style="list-style-type: none"> • Benefits are paid as monthly pensions 	<ul style="list-style-type: none"> • Benefits are paid in a lump sum upon retirement 	<ul style="list-style-type: none"> • Benefits are paid depending on vesting rules
 WHAT YOU RECEIVE	<ul style="list-style-type: none"> • Best 3 years average salary x pension right* *2.5% for each year of contribution for 1st 15 years + 1.125% for every additional year to a max. of 60% 	<ul style="list-style-type: none"> • Contributions + gains/losses 	<ul style="list-style-type: none"> • Contributions + gains/losses
 VESTING RULE¹	<ul style="list-style-type: none"> • Member will be paid upon voluntary retirement at 55 years or regular retirement at 60 years 	<ul style="list-style-type: none"> • Member will be paid upon voluntary retirement at 55 years or regular retirement at 60 years 	<ul style="list-style-type: none"> • The scheme's specific vesting rules determine when members can access their pension
 TAX RELIEF	<ul style="list-style-type: none"> • Benefits received are tax-free 	<ul style="list-style-type: none"> • Benefits received are tax-free 	<ul style="list-style-type: none"> • After 10 years of contribution, benefits are tax-free

¹This rule determines when you can access your pension benefits

