



Annuity or lump sum?

A guide to help you decide

An annuity, a lump sum, or a mix of the two? Your responses to the ten statements below will help you to decide which option best suits your individual circumstances.

Aspect	Statement	Annuity	Lump sum
Health	I am healthy and expect to live a long life.	Yes	No
Security	Security is important to me. I need a steady income after I retire.	Yes	No
Spouse/partner*	After I die, my spouse/partner will depend on a survivors' pension (60% of my pension).	Yes	No
Simplicity	What I want most of all is a simple solution. I am not interested in investment strategies.	Yes	No
Age difference	I am significantly older than my spouse/partner.	Yes	No
Availability	I expect to be spending a lot of money after I retire (travel, renovations, paying off a mortgage, giving children an advance on their inheritance, etc.).	No	Yes
Investments	I trust myself to invest my own capital intelligently.	No	Yes
Inheritance	I want my children to inherit as much as possible when I die.	No	Yes
Taxes	I would like to optimize my taxes.	No	Yes
Spending behavior	I have no trouble planning my spending and keeping within a budget.	No	Yes
Total points			

*Please note: the law does not guarantee cohabiting partners a survivors' pension. It depends on your pension fund's regulations.

Analysis

Is there a difference of three points or more between your scores in the two columns? If there is, you are already showing a clear preference for either an annuity or a lump sum. If both options appeal to you, you should consider choosing a mix of the two.

Advice

It is always worth seeking professional [pension and financial advice](#) to help you make a sound decision for your future.