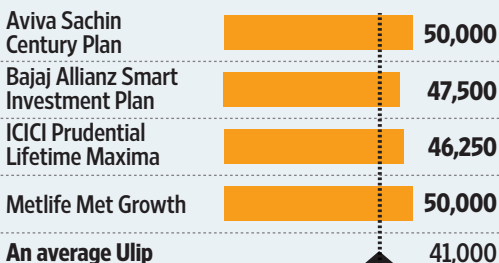


# LOOK BEHIND THE HOARDING

Do not get fooled by Ulip advertisements claiming 100% allocation of your premium into funds. Before buying, ask for a listing of all charges. Also, don't forget to ask for a post-cost return illustration. If it is less than 8%, do not buy the policy

## Sign says: 100% allocation

Out of Rs 50,000, amount invested (Rs)



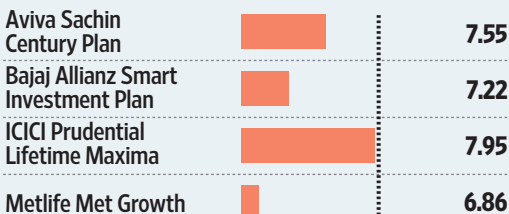
## But the charges are hidden away

Policy administration charge (in %)

Aviva Sachin Century Plan	0.13% of sum assured
Bajaj Allianz Smart Investment Plan	0.25% of premium
ICICI Prudential Lifetime Maxima	0.09% of premium
Metlife Met Growth	0.038% of sum assured
<b>An average Ulip</b>	<b>Flat Rs 50 a month</b>

You will find out the hard way, when returns are not as high as you would have expected with such low upfront charges. One way to see the impact of cost is to look at post-cost return.

Post-cost return on an assumed 10% a year return (in %)



An average Ulip

Invest if return is over 8%

### Assumptions:

- The policy is bought for a 30-year-old, paying a premium of Rs50,000 for a term of 20 years.
- The sum assured is Rs10 lakh, except in the case of the ICICI Prudential policy that offers a maximum sum assured of Rs5 lakh.
- The policy administration charge is levied every month through cancellation of units. For ICICI Prudential, this charge is levied only in the first five years. For Aviva, it reduces to 0.03% from the third year.
- Aviva pays both the sum assured and fund value on death of the policy holder, while others pay the higher of the two components in case of death