Cost effective?

ULP (with and without premium financing) vs term assurance

	ULP SUM ASSURED: US$5M SINGLE PREMIUM: US$1.33M		ULP SUM ASSURED: US$5M LOAN AMOUNT: US$900,000 @2.5% AVERAGE P.A. CASH UPFRONT: US$430,000 ANNUAL INTEREST: US$22,500		TERM LIFE TILL AGE 100 SUM ASSURED: S$7M (EQUIVALENT OF US$5M) PREMIUM (P.A.): S$53,952	
	GUARANTEED PAYOUT	GUARANTEED RETURN	GUARANTEED PAYOUT	GUARANTEED RETURN	GUARANTEED PAYOUT	GUARANTEED RETURN
Upon death at age 85	US$5m	3.37%	US$4.1m	3.86%	US$5m	5.09%
Upon death at age 95	US$5m	2.68%	US$4.1m	2.75%	US$5m	3.36%

Note: Premiums for 45 year old male non-smoker

Source: Compiled by Providend