

Guide to Mortality and Risk Benefit Charges

This section aims to make you understand what Mortality and Risk Benefit Charges in unit-linked products are and how we compute them. There can be two types of risk benefit charges in our unit-linked products. Each type is meant to charge for different types of cover you choose. They are (as defined by IRDA vide Circular No. 032/IRDA/Actl/Dec-2005):

1. **Mortality Charge**

This is the cost of life insurance cover. It is exclusive of any expense loadings levied either by cancellation of units or by debiting the premium but not both. This charge may be levied at the beginning of each policy month from the fund.

2. **Risk Benefit Charge**

This is the cost of morbidity benefit offered to you. It is exclusive of any expense loadings levied either by cancellation of units or by debiting the premium but not both. This charge may be levied at the beginning of each policy month from the fund. This charge will be taken in addition to the Mortality charge only in case you're covered for the benefit.

We compute the monthly charge for any benefit using the following formula:

$$\text{Charge amount} = \text{Charge Rate (attained age)} * \frac{\text{Sum_at_Risk}}{1000} * \frac{1}{12}$$

Here,

- Charge Rate (attained age) = Charge Rate applicable for the month depending on the attained age of the life assured on the day of calculation of charge amount
- Sum at Risk = Value of the part of the risk benefit that the company is liable to pay if claim is reported.

We deduct these charges every month by de-allocating units proportionately from all funds that your money is invested at the time of deduction of charge.

The charge rates (per Rs. 1,000 Sum at Risk) applicable for specific ages are:

1. Charge Rate for Life Option
2. Charge Rate Life and Health Option
3. Charge Rate Extra Life Benefit
4. Charge Rates for Extra Disability Benefit

HDFC SL ProGrowth Super II

Age	1	2	3	4	Age	1	2	3	4
14	1.5847				47	3.9556	8.6356	1.425	0.24
15	1.5847				48	4.3106	9.4106	1.436	0.24
16	1.5847				49	4.7290	10.2700	1.457	0.24
17	1.5847				50	5.1855	11.2515	1.488	0.24
18	1.5847	2.6317	1.2150	0.24	51	5.6799	12.3129	1.499	0.24
19	1.5974	2.6444	1.2150	0.24	52	6.2505	13.5030	1.520	0.24
20	1.6227	2.6697	1.2150	0.24	53	6.8844	14.8089	1.541	0.24
21	1.6481	2.7056	1.2150	0.24	54	7.5691	16.2391	1.572	0.24
22	1.6734	2.7519	1.2150	0.24	55	8.3425	17.8630	1.583	0.24
23	1.7114	2.8109	1.2150	0.24	56	9.1920	19.6260	1.614	0.24
24	1.7369	2.8574	1.2255	0.24	57	10.0287	21.4182	1.635	0.24
25	1.7748	2.9163	1.2255	0.24	58	10.9416	23.3076	1.667	0.24
26	1.8129	2.9754	1.2255	0.24	59	12.0447	25.4187	1.698	0.24
27	1.8509	3.0344	1.2255	0.24	60	13.3506	27.7641	1.719	0.24
28	1.8762	3.0807	1.2255	0.24	61	14.8847	30.3377	1.751	0.24
29	1.8890	3.1355	1.2465	0.24	62	16.6597	33.1522	1.782	0.24
30	1.9017	3.1902	1.2465	0.24	63	18.6757	36.2077	1.814	0.24
31	1.9270	3.2575	1.2465	0.24	64	20.9324	39.4934	1.845	0.24
32	1.9524	3.3564	1.2570	0.24	65	22.6694	42.3230	1.877	0.24
33	1.9904	3.4679	1.2570	0.24	66	24.6220		1.908	
34	2.0411	3.6131	1.2780	0.24	67	27.5634		1.961	
35	2.0919	3.7899	1.2780	0.24	68	30.8345		1.992	
36	2.1552	4.0002	1.2885	0.24	69	34.4353		2.024	
37	2.2312	4.2337	1.2885	0.24	70	38.4165		2.076	
38	2.3200	4.5010	1.3095	0.24	71	42.7906			
39	2.4215	4.8125	1.3095	0.24	72	47.6212			
40	2.5483	5.1493	1.3200	0.24	73	52.9083			
41	2.6877	5.5302	1.3410	0.24	74	58.7278			
42	2.8019	5.8859	1.3620	0.24	75	65.1052			
43	2.9540	6.3005	1.3620	0.24					
44	3.1441	6.7741	1.3725	0.24					
45	3.3850	7.3300	1.3935	0.24					
46	3.6513	7.9533	1.4040	0.24					

Notes

- Mortality charge rates are guaranteed for the policy term.
- Statutory Charges – Service Tax & Education Cess is payable at the applicable rate on the Mortality and the other Risk Benefit Charges.

We will be providing you information about how much we have deducted towards mortality and risk benefit charges for your policy in the annual unit statement send to you after every policy anniversary.

It is important that you **do not** judge a unit linked plan solely on the basis of the risk benefit charges or any other charge taken independently. Charges interact with each other. Thus, the key to understand the charges of your plan and how they impact the maturity value of your policy is to look at the policy benefit illustration.

Our certified Financial Consultant will be happy to explain the plan and the impact of charges in detail.