

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/Act/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.

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 and events are:

Age	Mortality Charge Rate	Age	Mortality Charge Rate	Age	Mortality Charge Rate
14	1.5847	36	2.1552	58	10.9416
15	1.5847	37	2.2312	59	12.0447
16	1.5847	38	2.32	60	13.3506
17	1.5847	39	2.4215	61	14.8847
18	1.5847	40	2.5483	62	16.6597
19	1.5974	41	2.6877	63	18.6757
20	1.6227	42	2.8019	64	20.9324
21	1.6481	43	2.954	65	22.6694
22	1.6734	44	3.1441	66	24.622
23	1.7114	45	3.385	67	27.5634
24	1.7369	46	3.6513	68	30.8345
25	1.7748	47	3.9556	69	34.4353
26	1.8129	48	4.3106	70	38.4165
27	1.8509	49	4.729	71	42.7906
28	1.8762	50	5.1855	72	47.6212
29	1.889	51	5.6799	73	52.9083
30	1.9017	52	6.2505	74	58.7278
31	1.927	53	6.8844	75	65.1052
32	1.9524	54	7.5691		
33	1.9904	55	8.3425		
34	2.0411	56	9.192		
35	2.0919	57	10.0287		

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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 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.