

Guide to Risk Benefit Charges

This section aims to make you understand what risk benefit charges in unit-linked products are and how we compute them.

There can be three 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.

2. Extra Life Benefit Charge

This is the cost of Accidental Death benefit (offered to you exclusively as "Extra Life Benefit") 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. This charge will be taken in addition to the Mortality charge only in case you have opted for this 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 = Part of the risk benefit on the day of calculation of charge amount that we are liable to pay on valid claim

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We deduct these charges every month by deallocating 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:

Attained Age	Mortality Charge	Extra Life Benefit Charge
18	1.4954	1.2150
19	1.5064	1.2150
20	1.5284	1.2150
21	1.5505	1.2150
22	1.5725	1.2150
23	1.6056	1.2150
24	1.6277	1.2255
25	1.6607	1.2255
26	1.6938	1.2255
27	1.7269	1.2255
28	1.7489	1.2255
29	1.7600	1.2465
30	1.7710	1.2465
31	1.7930	1.2465
32	1.8151	1.2570
33	1.8482	1.2570
34	1.8923	1.2780
35	1.9364	1.2780
36	1.9915	1.2885
37	2.0576	1.2885
38	2.1348	1.3095
39	2.2230	1.3095
40	2.3333	1.3200
41	2.4545	1.3410
42	2.5538	1.3620
43	2.6861	1.3620
44	2.8514	1.3725
45	3.0609	1.3935

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46	3.2924	1.4040
47	3.5570	1.4250
48	3.8657	1.4355
49	4.2296	1.4565
50	4.6265	1.4880
51	5.0564	1.4985
52	5.5526	1.5195
53	6.1038	1.5405
54	6.6992	1.5720
55	7.3717	1.5825
56	8.1104	1.6140
57	8.8380	1.6350
58	9.6318	1.6665
59	10.5910	1.6980
60	11.7266	1.7190
61	13.0606	1.7505
62	14.6041	1.7820
63	16.3571	1.8135
64	18.3195	1.8450
65	19.8299	1.8765
66	21.5278	1.9080
67	24.0856	1.9605
68	26.9300	1.9920
69	30.0611	2.0235
70	33.5230	2.0760
71	37.3266	
72	41.5271	
73	46.1246	
74	51.1850	
75	56.7306	

Notes

- Mortality and Extra Life Benefit charge rates are guaranteed for the policy term

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- 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 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 Consultants will be happy to explain the plan and the impact of charges in detail.