

INFORCE PREMIUM CHANGES



HEALTHIER, LONGER,
BETTER LIVES

Adviser FAQs

September 2024

Q. When will the premium rate change apply?

From 15 October 2024, we will be communicating premium changes to your inforce clients in advance of their policy anniversary.

The rate changes will commence from 17 November 2024, impacting your clients as they go through their annual policy renewal over the following 12 months.

Q. How are AIA proactively supporting clients to manage these changes?

By providing some self-directed policy change options directly to select clients. Your clients will be directed to a webpage which will outline the change options they can consider making. It will also include the links to the relevant forms required to implement a change, without needing their adviser to manage the administration on their behalf.

The self-directed option will be available to clients who only have policies that are:

- owned by the life insured or Equity Trustees Superannuation Limited, or
- Priority Protection for Platform Investors policies.

For all other clients with more complex ownership structures or more than one policy owner, we will request that they speak to their financial adviser in order to make any changes to their policy.

Policy change options

Q. What self-directed options will be available to clients?

1. The removal of automatic benefit indexation.
2. To keep the premiums the same for a year by reducing cover.
3. Update the payment frequency – reviewing options of monthly, half-yearly or yearly premium payments.

4. Smoking declaration - reviewing whether a smoking status has changed.
5. Adding AIA Vitality.

Q. How will clients understand what changes they are considering?

A dedicated web page at aia.com.au/manage will explain each option and considerations that a client could make. Clients will be directed to seek help from their adviser if they have any questions or concerns or require additional support. The web page will go live from mid-October 2024.

Adding AIA Vitality

From 1 November 2024, AIA will start sending email communications to select clients for the option to add AIA Vitality to their policy. They will receive an email two months before their renewal date, outlining the health and reward benefits of AIA Vitality and explaining how to apply for AIA Vitality without needing their adviser to manage their AIA Vitality application.

Q. Who will receive the AIA Vitality email?

This email will only be sent to clients who have;

- policies that are owned by the life insured, AIA Super Scheme or a PPPI platform
- no current or previous AIA Vitality membership
- not opted out for AIA Marketing
- a policy impacted by the rate increase; and
- policies renewing from January 2025

Standard AIA Vitality qualifications will apply, e.g. the minimum premium must be met and the life insured must be over 18.

For customers renewing in, November and December 2024, we will be sending them the offer in December 2024.

Q. What if the client adds AIA Vitality before the policy anniversary?

For clients who apply for AIA Vitality before their anniversary, the initial AIA Vitality discount and AIA Vitality fee will be reflected in their upcoming renewal notice and premium.

Q. Can AIA Vitality be added to an existing policy?

Yes, you can add AIA Vitality to an existing policy for your client by completing the AIA Vitality application form.

As a new AIA Vitality member your client can

- receive an initial **premium discount of**
 - 7.5% for Income Protection policies, and
 - 17.5% or 12.5% for Lump Sum policies[#]

[#] The 17.5% initial lump sum discount is only available for applications on the 7 December 2019 PDS and SPDS and after. Policies issued on the 18 May 2019 PDS and prior will only receive a 12.5% lump sum discount.

- increase the premium discount to up to 20%, as their premium flexes up or down depending on how they maintain their AIA Vitality status
- receive a **\$500 client payment**, if they reach Silver Status within the first 6 months of joining. [T&Cs apply.](#)
- earn up to \$760 in rewards by engaging in the program.

As their advisers you can receive

- a **\$500 adviser payment** if your client reaches Silver Status within the first 6 months of joining. [T&Cs apply.](#)

Q. My clients and I don't see the value in an AIA Vitality membership. Why should they join?

- Your client receives an initial premium discount of
 - 7.5% for Income Protection, and
 - 17.5% or 12.5% for Lump Sum policies[#]

[#] The 17.5% initial lump sum discount is only available for applications on the 7 December 2019 PDS and SPDS and after. Policies issued on the 18 May 2019 PDS and prior will only receive a 12.5% lump sum discount.

- The premium discount flexes up or down depending on how they maintain their AIA Vitality status. This means, when your client uses the program and reaches milestones in their AIA Vitality status, they can impact their discount. If your client has reduced this discount because they haven't engaged in the program, by engaging they can start to build up this discount again.

Status	Bronze	Silver	Gold	Platinum
Initial discount	17.5%	17.5%	17.5%	17.5%
Premium flex*	-2.5%	-1.25%	-0.0%	-1.0%

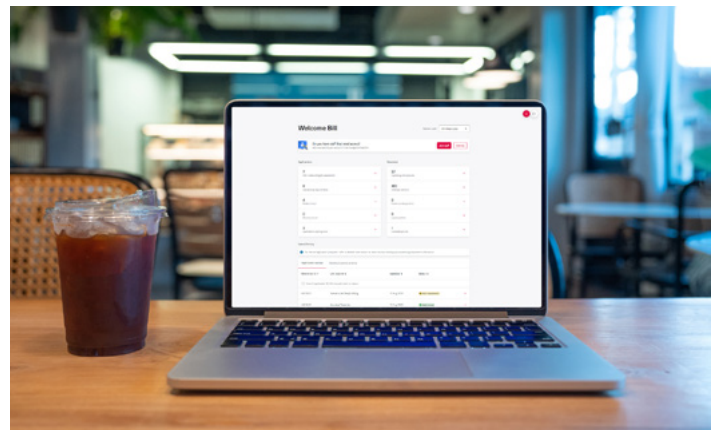
*Maximum 20% discount p.a.

- Clients can earn **up to \$760 in rewards** per membership year by engaging in the program. They receive various milestone vouchers along the way and receive access to discounts through AIA Vitality partners.

Q. The program is too complicated, how can I show the benefits of the AIA Vitality program easily?

You can access a one-page flyer on the [Adviser Support web page](#). You can also use this within your Statement of Advice for new clients.

Q. What support tools are available on the Adviser Portal?



Upcoming Anniversaries Report

- This report shows renewal premium estimates up to 90 days^{**} in advance. It includes a breakdown of the changes to various premium components – such as age-based changes, rate increases and AIA Vitality discount changes.
- The report also includes premium estimates for several alterations such as changing waiting periods, removal of Benefit Indexation or adding AIA Health.

^{**}Rate increase will be reflected in the 90-day premium estimates from Mid-October

AIA Vitality Client Report

This report provides details of all policies with an AIA Vitality membership and current details of the clients' status and discounts. You can also see a client's AIA Vitality status and current discount under their individual policy number, or name search on the Adviser Portal.

Producing a quote for an inforce policy

By using the Inforce Quote Tool, you can produce a quote for an inforce policy for a variety of alterations including increasing and decreasing existing sum insured, removing Maximiser Benefit, changes to a lower risk occupation category, smoking status, increasing, or decreasing IP benefit period or waiting period, and more.

Q. Who should I contact to discuss a specific client situation?

For further information, please contact your AIA Australia Client Development Manager or Client Development Associate who can work with our Customer Retention team on specific client challenges, or the **Support team can be contacted on 1800 298 400.**

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