

## TEMPLATE 1 - EXPLAINING WHY PREMIUM ARE ADJUSTED

[CLIENT NAME]  
[ADDRESS LINE 1]  
[ADDRESS LINE 2]  
[SUBURB]  
[STATE] [POST CODE]

Dear [CLIENT NAME],  
I am writing to update you on the premium adjustment to your **Income Protection** benefit[s] through AIA Australia (AIA).

Before your policy anniversary you will receive a letter from the AIA Australia informing you of any adjusted premiums and I wanted to give you some added context about this update.

As you may be aware, Income Protection in Australia continues to face ongoing sustainability challenges, including lower than expected return-to-work outcomes and the current high inflationary environment. Insurers across the country continue to review their prices and adjusted their premiums on some benefits and ages.

### **Your premiums may have increased due to:**

1. You being a year older.
2. An increase in the rates for insurance benefits due to increased claims experience.
3. Application of the CPI increase based on the inflation figure on your insurance benefit amount.
4. An increase in your policy fee with inflation.

As part of their regular review, AIA Australia update their products to ensure that premiums are aligned to the latest policy definitions. This is done to ensure that any claims you may need are paid based on these definitions and you continue to be protected.

If you'd like us to assess your existing cover and check whether or not you need some adjustments, please contact us on [ADVISER PHONE NUMBER].

While the current economic conditions continue to be challenging for Australians, we want to support you in managing your insurance premiums to ensure you remain protected in safeguarding your long-term financial health. We're committed to making sure you have the best possible insurance when you need it.

Sincerely,

[ADVISER SIGNATURE]

[ADVISER TITLE]