

TEMPLATE 3 – ALIGNED WITH REVIEWING POLICY FEATURES AND OPTIONS

[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 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.

We have explored options for you to help minimise this premium increase; however, before we make any changes, I would like to discuss them with you as any changes we make do have implications on our original recommendations.

Alterations that we could consider for discussion are:

[INCOME PROTECTION – ADVISER TO SELECT IF THEY ARE SUITABLE FOR DISCUSSION]

Income Protection*:

- Reviewing your current waiting period length
- Discussing your benefit period
- Consider the 'Premium Freeze' option within your benefit
- Ensuring your income is still aligned to the coverage amount
- Changing your billing mode
- Reviewing the ownership structure
- Ensure you are maximising your discounts and benefits through AIA Vitality
- Reviewing your Health Insurance policy with AIA Health
- Discussing if 'Indemnity' or 'Extended Indemnity' is a suitable alternative
- Within the review see if the additional benefits on your Income Protection are still required.

**All of these suggestions will result in changes that are not aligned to our initial advice, please consult with us prior to making changes to your policy.*

Once you receive your notification letter from AIA Australia, 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]