

PRICING CONSIDERATIONS WITHIN INCOME PROTECTION

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HEALTHIER, LONGER,
BETTER LIVES

Secure peace of mind and create financial certainty for your clients with AIA Australia's (AIAA) 5-year premium rate guarantee on all new Income Protection CORE policies with a 2-year or 5-year benefit period.

In the current economic environment, we're seeing more consideration for shorter benefit periods, moving away from the traditional structure of to Age 65 income protection (IP) cover.

While an IP policy structured to Age 65 may remain a suitable choice, an AIA IP CORE policy with a shorter benefit period could be a viable alternative, offering the following features:

- Enduring "Own Occupation" definition on both 2-year and 5-year benefit periods. This may provide added peace of mind for clients that may be exposed due to the "Any/Suited occupation" definition that applies on 'To Age 65' on-sale contracts after two years on claim
- A 5-year premium rate guarantee, providing certainty and set expectations within the client's family budget
- Annual savings of greater than 50% (across a range of age bands, male and female, white- and blue-collar cohorts) by selecting a 5-year benefit period instead of to Age 65. This may provide cash flow buffers, enabling clients to counter rising mortgage repayments or redirect surplus disposable income into super as concessional contributions
- A flat 70% replacement ratio for the entire benefit period (up to \$240,000 p.a. income) without any reduction or restriction in monthly benefit should the client claim after 60 years of age (unlike other offers in market)

At a time when many clients are becoming increasingly price conscious due to rising interest rates and sustained cost of living pressures, it is reassuring to know that there are affordable and meaningful alternatives when structuring IP cover with AIAA.

Did you know?



There is a 3.6% probability of an AIA Australia retail income protection claimant still being on income protection claim after five years AND ineligible for a Total & Permanent Disability (own) payout?

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AIAA has adopted the [Life Insurance Code of Practice](#), which contains minimum standards of service that customers can expect from insurers.