Priority Protection 2026

Frequently Asked Questions

What is included in PP26?

PP26 is an update to the Priority Protection product.
It introduces a new benefit, changes to existing benefits, limits, definitions, operational processes, system behaviour, and client communications.

The PDS will be updated effective August 2026, Version 33.

Which products are impacted?

- Priority Protection (Retail)
- Priority Protection for Platform Investors (PPPI) (shared PDS)
- BANCA (i.e. PP policies sold via the CBA website) and PP Digital policies (i.e. PP policies sold via the AIA website) (where noted)

There are no impacts to Legacy AIA, ex CMLA, Tailored Protection, and DPM products.

Discontinuation of benefits (New business only)

Which benefits are discontinued under PP26?

The following benefits are discontinued for new business:

- Accidental TPD
- Personal Forward Underwriting Benefit

Are these benefits removed from existing policies? How do they apply for Cancel and Replace scenarios?

No. Existing policies will retain their benefits.

For Cancel & Replace (C&R), these benefits:

- Remain available if the client already had them
- Are referenced in the Incorporated by Reference (IBR) document

Can these discontinued benefits still be selected in systems?

- New business: Benefits will be hidden/removed from eApp and quoting tools
- Cancel & Replace: Will still be accessible for eligible existing clients

New Business Pricing

For New Business, the policy fee will be $0. What if the client holds existing policies?

If there are no other inforce PP policies, the new policy fee will be $0.
If the client holds other existing policies, PP25b or earlier, then the inforce policy fee will still apply.

Can the customer Cancel & Replace a policy to remove the policy fee?

No, this action can't be performed just to access a policy with no policy fee.

Benefit Indexation – Client options

What options are available to clients?

Clients now have three options:

1. Add Indexation – turn it on
2. Remove Indexation – turn it off indefinitely until the client requests reactivation
3. Remove Indexation for one year only

This change is passed back to in force policies.

Please note that indexation is not available for TPD CORE policies. Therefore, this option cannot be added or requested by clients.

Does reactivating indexation require underwriting?

No. Reactivating benefit indexation does not require underwriting (this is an existing process).

How has benefit indexation (CPI) changed for Lump Sum benefits?

For lump sum benefits, indexation changes from:

- Current: Higher of CPI or 5%

  to

- Future: Lesser of CPI or 3%

This is intended to reduce sums insured from increasing faster than necessary, while ensuring cover remains aligned with clients' needs.

Which benefits does the indexation change affect?

- Life Cover
- TPD
- Crisis Recovery
- Applicable lump sum riders

How will indexation affect Cancel & Replace scenarios?

Indexation will apply automatically when selecting CPI/indexation – the new policy will apply the 3% if less than CPI.

TPD Sum Insured Limits

What is the new TPD "Any Occupation" maximum Sum Insured?

For New Business, the maximum Sum Insured will be reduced from $5 million to $3 million. We will consider applications above this level for business related insurance on a case-by-case basis.

Existing policies will keep their original limits.

How will the maximum Sum Insured affect Cancel & Replace?

- If current Sum Insured is above $3m, it may be retained
- Increases cannot exceed $3m
- If already above $3m, no further increases are allowed

Can clients hold both TPD definitions?

Yes, however the maximum across all definitions combined is $3 million including cover held with other providers. For example, TPD Any $1.5 million, and TPD Own $1.5 million

TPD Own Occupation definition

What has changed for the Own Occupation definition?

- To claim "Own Occupation" at time of disablement, the life insured must have worked in an income generating role for a continuous period of at least 6 months immediately prior to the date of disablement

Does the change to the TPD Own Occupation definition affect existing claims?

No. It applies based on the relevant policy terms applicable to the client at the date of disablement.

Although this is not a systems change, the PDS will be updated.

Guaranteed Future Insurability (GFI)

What is changing in GFI?

- Events will be simplified
- Terms and conditions will be updated, with updated terminology (e.g. Marriage or De Facto relationship)
- More time and flexibility to exercise the option from the date of the event, in addition to being able to be updated within 60 days after the event, this can now be exercised in a window 30 days before or after the policy anniversary following the event.

What new GFI events are included?

Personal events will be added to the PDS:

- Dependant child starts secondary school
- Salary increase of 15% or more (one off)
- Completion of an undergraduate or postgraduate degree

Are there limits on exercising GFI?

Yes, the limits are:

- Maximum of 5 increases
- Maximum $1 million or double the original sum insured
- One increase per 12 month period
- Available until policy anniversary before age 55

Business Forward Underwriting (BFU)

What changes apply to Business Forward Underwriting?

Changes apply to new business and Cancel & Replace.

- Can only be used to increase existing cover, not to take out a new benefit type
- Events simplified
- Expiry age reduced from 65 to 60
- Links clarified with GFI to prevent duplicate use of the same event

Family & Domestic Violence (FDV)

Why are FDV changes being introduced?

Changes are being made to comply with the CALI Family and Domestic Violence Guidelines (July 2025).
What is changing?

- Updated Life Insured consent wording
- Life insured must consent to:
  - Reinstatements
  - Cover held over their life
- Life insured may be notified of:
  - Lapses
  - Cancellations (where safe and appropriate)

IP CORE – Waiting period reduction

What is the new IP CORE flexibility?

- It allows reduction of a 2 year waiting period to 90 days without UW if the employer provided group salary continuance cover ends

Who is eligible?

All of the following must apply for a client to be eligible:

- Hold an existing PP IP policy with 2 year wait
- Ceased group salary continuance cover
- Under age 55
- Not on claim / not eligible to claim
- Not self employed
- Request made within 30 days of leaving employment

Recording Advice type

What is new regarding Advice type?

Applications must record whether the policy was sold under:

- Personal Advice (PA)
- General Advice (GA)
- No Advice (NA)

This is mandatory.

Where is this recorded?

- eApp
- Paper applications
- Cancel & Replace forms
- Used for Design and Distribution Obligations (DDO) and ASIC reporting

Does the Advice type recorded affect commissions?

This field is not related to commissions. It is to be used for future regulatory reporting purposes.

Quotes and inflight applications

What are the grace period rules?

A 60 day grace period applies:

- Quotes/applications in draft before the grace period end date (+60 days after go live) will have the PP25b series applied
- Quotes previously in draft (eApp), and then submitted after the grace period date will need to be resubmitted by the Adviser
- Applications in draft (eApp) and then submitted after the grace period date will be recalculated under PP26 rules.

Can an application be backdated?

- The only time where a quote may be back dated is when an SAT is provided by UW due to changes that need to be made.