



Affordability guide for advisers

General ways to reduce premiums
on Lifeguard and Asteron Life
Complete policies

General ways to reduce your clients' premiums





Term Life Cover

Total and Permanent Disablement (TPD)

Trauma Cover

Income Protection (IP)

Feature	Discussion point	Requirements to reduce premium	Other important information	Potential reductions
 <p>Reduce Sum Insured Benefit Amount</p>	<p>Ask your client if their circumstances have changed to check if their level of cover should be reduced. Examples could include:</p> <ul style="list-style-type: none"> • Change in income or employment circumstances • Children growing up and leaving the nest • Less expenses or less debt • Financial hardship situations or affordability 	<p>Signed letter/email from adviser/policy owner, or telephone call from the policy owner.</p>	<p>Any future applications to subsequently increase benefit amounts may be subject to underwriting and eligibility.</p> <p>If your client reduces their cover amount and later wish to increase their cover amount in the future, the increase will be subject to underwriting and our approval.</p>	<p>As an example, reducing your client's cover amount by 10% could also reduce your client's base premiums by up to 10%*.</p>
 <p>Smoking to Non Smoking</p>	<p>Premiums are generally cheaper if a customer does not smoke. Clients who have stopped smoking or vaping for 12 months or more can apply for non-smoker rates.</p>	<p>Application for alteration to non-smoking premium rates.</p>	<p>Applications to change to non-smoker rates are subject to underwriting review and approval. Clients who may not be eligible to apply are:</p> <ul style="list-style-type: none"> • Clients who have ceased smoking or vaping based on advice received by a medical practitioner on specific medical grounds or have been told that they have a medical condition as a result of their smoking or vaping. • Clients who have stopped smoking or vaping in the last 12 months are classed as smokers until a full 12-month period has elapsed from their cessation of smoking or vaping. An additional 3-month period is taken into account for those who have stopped smoking and vaping but are using/used nicotine replacement products. 	<p>Changing to non-smoking status could reduce your client's premiums by up to 20%*.</p>

*Any reduction in premium will depend on a variety of factors, such as the type of benefit(s) covered, the chosen premium structure, the cover amount, the specific product(s) held, and the date the cover began. A premium reduction may not be applicable to all products held and may not affect any policy fee.

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 <p>Medical loadings and/or exclusions</p>	<p>If your client's health has improved due to lifestyle changes/weight loss/medication, initiate an underwriting review for policies with a medical loadings and/or exclusions.</p>	<p>Medical Loading Review – Personal statement**</p> <p>Full underwriting will apply.</p> <p>Medical Exclusion Review – Application to review a medical exclusion & Applicable questionnaire#</p>		
 <p>Premium and Cover Suspension Benefit</p>	<p>If your client is unemployed, on maternity/paternity/sabbatical/long term leave from work, or their household income has reduced by 30% in the past 3 months (Financial Hardship), explore the Premium and Cover Suspension Benefit for up to 12 months' premium break.</p>	<p>Premium and Cover Suspension Request form, and/or notify us in writing.</p>	<p>Your client is not covered while they are on a premium suspension, nor are they able to make a claim should something happen.</p> <p>Please refer to the PDS to check if the Premium and Cover Suspension benefit is available for your client's policy. Further terms and conditions apply, including eligibility criteria and limitations.</p> <p>Please note cover does not automatically restart. Your client needs to complete the required form before the end of the 12 months to restart their cover. Otherwise, their cover will end at the end of the 12 months.</p>	
 <p>Payment method</p>	<p>A discount of 15% is available for Life, TPD or Income Protection cover structured through superannuation with Brighter Super as the policy owner, and the policy is also being funded by the Pay by Any Superannuation Fund (PBAS) rollover process.</p>	<p>Superannuation Rollover and Payment Authority Form.</p>	<p>Available for Asteron Life Complete policies only.</p>	

*For all Lifeguard and Asteron Life Complete policies with risk commencement date within the last 5 years, use the 'Personal statement – short form'. For all other products use the 'Personal statement – long form'.

**Additional information/evidence may be required.

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 <p>Automatic Increase (CPI)</p>	<p>Unless CPI increases have been declined permanently, your client's sum insured increases in line with CPI every year. CPI increases can be temporarily declined from the review date for the year or they can be requested to never apply again. Remove this to reduce premium increases this year or in future years.</p>	<p>Policy owner, POA or adviser can call to decline for the year or send in an email.</p>	<p>CPI increases will be as outlined in Chapter 1, 'Features of your Policy' – 'CPI Increases' in the Product Disclosure Statement (PDS). The PDS is available in the TAL Adviser Centre (TAC).</p> <p>If CPI increases are removed permanently, restarting in the future may require underwriting and would be subject to eligibility.</p>	<p>As an example, declining a 4% increase would keep your client's amount unchanged and could save them up to 4% on base premiums*.</p>
 <p>Premium frequency</p>	<p>Payment options are Monthly, Quarterly, Half Yearly and Annual.</p>	<p>Direct Debit Request form, or signed letter/email from adviser/policy owner, or telephone call from the policy owner.</p>	<p>Any reduction in premium will depend on a range of factors including the type of benefit(s), premium structure, the cover amount, the product(s), and when cover began. A premium reduction may not be applicable to all products a client holds.</p>	<p>If your client pays their premiums monthly, quarterly or half-yearly they may be eligible for a discount by changing to annual payments.</p> <p>Changing premium frequency to annual could reduce your client's premium by up to 5%*.</p>

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General ways to reduce the Life Cover Premiums





Term Life Cover

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Income Protection (IP)

Feature	Discussion point	Requirements to reduce premium	Other important information	Potential reductions
 <p>Remove optional extras</p>	<p>Your client's policy may have optional benefits. These provide additional protection at claim time but come with a higher cost.</p> <p>Some examples of optional benefits include Business Security Option, Waiver of Premium Option, Double TPD, Trauma Booster Option, Trauma Reinstatement Option, Double Trauma.</p>	<p>Signed letter/email from the adviser/policy owner.</p>	<p>It is important to note that if clients remove optional benefits from their cover and later wish to add them back, this may be subject to underwriting and acceptance. Some benefits may not be able to be added again*.</p>	
 <p>Premium Freeze Option</p>	<p>If client's premiums on a stepped basis, they can notify us to freeze the premium on Life Cover, TPD Cover or Trauma Cover at any time. Future premiums will be fixed at the same amount as at the date of notification and on each anniversary, the sum insured adjusts to match the frozen premium.</p>	<p>Signed letter/email from the adviser/policy owner.</p>	<p>The effect of freezing your client's premium will be a reduction in their insurance cover each year proportionately for each insured benefit and option benefit until the Premium freeze ends.</p> <p>Future changes to the policy will be subject to underwriting and eligibility.</p>	

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General ways to reduce the premiums for Income Protection and Total and Permanent Disablement





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Feature	Discussion point	Requirements to reduce premium	Other important information	Potential reductions
 <p>Occupation class</p>	<p>If your client's occupation has changed to a significantly lower risk role - for example, from a blue collar or manual occupation to a white collar or office role - they may be eligible for lower premiums*.</p>	<p>Occupation Details Form.</p>		
 <p>TPD Definition</p>	<p>TPD Definitions are based on a client's ability to perform their occupation or duties as defined in the PDS. "Own Occupation" TPD definition generally incurs higher premiums than "Any Occupation", "Modified" definitions. However, covers other than Own Occupation are more difficult to satisfy in the event of a claim.</p> <p>Discuss with your client if their current TPD definition is still suitable for them.</p>	<p>Signed letter/email from adviser/policy owner.</p>	<p>It's important to note that if clients change from Own Occupation to Any Occupation, and later decide to change back to Own Occupation, this will be subject to underwriting and our acceptance.</p>	<p>Changing from Own Occupation TPD to Any or Modified Occupation TPD could reduce your client's TPD premiums by up to 31%*</p>

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General ways to reduce Income Protection premiums










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Feature	Discussion point	Requirements to reduce premium	Other important information	Potential reductions
 <p>Remove optional benefits</p>	<p>These provide additional protection at claim time but come with a higher cost.</p> <p>Some examples of optional benefits include: Day 1 Accident option, Booster option, SuperSaver option, Increasing claim option.</p>	<p>Signed letter/email from adviser/policy owner.</p>	<p>It is important to note that if clients remove optional benefits from their cover and later wish to add them back, this may be subject to underwriting and acceptance. Some benefits may not be able to be added again.</p>	
 <p>Decrease the benefit period</p> <div style="display: flex; align-items: center; margin-top: 10px;">  <div style="margin: 0 10px;">2 years</div>  <div style="margin: 0 10px;">5 years</div>  <div style="margin: 0 10px;">To age 65</div>  <div style="margin: 0 10px;">To age 70</div>  </div>	<p>The longer the benefit period, the higher the premium.</p> <p>There are a range of benefit periods available.^</p>	<p>Signed letter/email from adviser/policy owner.</p>	<p>Future changes to increase the benefit period will be subject to underwriting and eligibility.</p> <p>The benefit period is the maximum length of time the benefit will be paid for, in the event of claim.</p> <p>If a client downgrades from a "to age 65" or from a "to age 70" benefit period, they will not be able to change it back.</p>	<p>Changing from a 'to age 65' Benefit Period to a 5 year Benefit Period could reduce your client's premiums by up to 35%**.</p>

^Benefit period options are not available on every product.

*This projection is based only on a 40-year-old male; AA occupation, stepped premiums, 30 days Waiting Period, Benefit Period to age 65.

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 <p>Agreed Value/Endorsed Agreed value to Indemnity</p>	<p>Changing cover from Agreed Value/ Endorsed Agreed Value to Indemnity can reduce the premium but may also reduce the benefit your client receives if they claim.</p>	<p>Signed letter/email from adviser/policy owner.</p>	<p>It's important to note that if your client changes from Agreed Value to Indemnity cover, they will not be able to change back to Agreed Value.</p> <p>Agreed Value Income Protection policies are no longer available for purchase under a new policy nor can it be added as a new benefit under an existing policy. Indemnity policies cannot be altered to Agreed Value policies. It is also no longer available for purchase on the wider market.</p>	<p>Switching from Agreed Value to Indemnity could reduce your client's premiums by up to 15%*.</p>
 <p>Increase waiting period</p>	<p>Generally, the shorter the waiting period, the higher the premium will be. Discuss this with your client to make sure they are able to pay all their bills and meet living requirements during the waiting period time if this were to change.</p>	<p>Signed letter/email from adviser/policy owner.</p>	<p>Future changes to the policy will be subject to underwriting and eligibility.</p>	<p>Increasing the waiting period from 30 to 60 days could reduce your client's premiums by up to 9%**, or up to 32%** if you increase it from 30 to 90 days.</p>

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General ways to reduce Income Protection premiums




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 <p>Downgrade from Income Protection Plus to Income Protection[^]</p>	<p>If a client holds an Asteron Life Complete policy with stepped premiums, evaluate whether the benefits and options available under Income Protection Plus continue to meet their needs. Alternatively, they may want to assess whether the less comprehensive Income Protection product might be a more suitable option.</p>	<p>Income Protection Replacement Request Form and Quote</p>	<p>If you do decide to change cover from Income Protection Cover Plus to Income Protection you or your client cannot change it back again later.</p>	<p>Downgrading from Income Protection Plus to Income Protection could reduce your client's premiums by up to 20%**.</p>

[^]Available for Asteron Life Complete policy with stepped premiums only.

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^{*}Any reduction in premium will depend on a variety of factors, such as the type of benefit(s) covered, the chosen premium structure, the cover amount, the specific product(s) held, and the date the cover began. A premium reduction may not be applicable to all products held and may not affect any policy fee.

For more information

Call Asteron Life Adviser Service Centre on 1800 031 050

Monday to Friday 8am – 6pm AEST



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