



# Frequently Asked Questions

## Agreed Value Income Protection insurance changes – 1 April 2020

In December 2019, APRA announced a range of measures to improve the sustainability of individual disability income insurance. As part of these measures, APRA has directed life insurers to cease selling Agreed Value Income Protection.

Question	Answer
When will MLC Life Insurance implement the change to individual disability income insurance?	From <b>1 April 2020</b> , new customers will only be able to access Indemnity Income Protection insurance. This includes existing customers who don't already have Agreed Value Income Protection insurance.
What products will be impacted by this change?	MLC Insurance & MLC Insurance Super Personal Protection Portfolio and Life Cover Super Protection <i>first</i> .
What is the last date I can quote and apply for Agreed Value Income Protection?	<u>For Illustrator quotes:</u> <b>19 March 2020</b> . <u>For Digital applications:</u> <b>19 March 2020</b> . <u>For paper applications:</u> if the application was signed and dated on or before 31 March 2020, the last day paper applications can be submitted (and received in our office) is <b>30 April 2020</b> .
Why is MLC Life Insurance making the digital quote and application changes earlier than APRA's mandate?	We're implementing the digital changes for quotes and online applications earlier to minimise disruption to your business while we transition to our new MLC Life Insurance adviser and customer portals in April.
When will the PDS document updates be available?	On <b>1 April 2020</b> , a new Supplementary Product Disclosure Statement (SPDS) will be available, which must be provided to customers from that date.  A digital copy of the PDS kit (including the SPDS) will be available at: <a href="http://mlcinsurance.com.au/using-your-insurance/documents-and-forms/product-disclosure-statements">mlcinsurance.com.au/using-your-insurance/documents-and-forms/product-disclosure-statements</a>  If you have existing hard copies of the current MLC Insurance PDS kit, please ensure you add the SPDS (dated 1 April 2020) to this kit.  If you have existing hard copies of the current MLC PPP/LCS or Protectionfirst PDS kits, please ensure you remove the old SPDS (dated 1 Nov 2019) and replace it with the new SPDS (dated 1 April 2020).
What happens to in-flight applications submitted before the cut-off date?	APRA will allow us to finalise the assessment of in-flight applications and issue Agreed Value insurance until <b>30 June 2020</b> if the application is received by 31 March 2020.

Question	Answer
Will this change impact existing customers who already have Agreed Value Income Protection?	No. APRA's guidance on these changes allows existing Agreed Value Income Protection customers to retain and transact on that cover, including increases, alterations, lapse reinstatements and replacements (ie, for ownership purposes).  We'll continue to assess Agreed Value Income Protection claims under the terms and definitions that apply to the customer's insurance.
I have an existing customer with Agreed Value Income Protection, how do I quote to alter their policy?	Please contact our quote team on <a href="mailto:insurancesupport@mlcinsurance.com.au">insurancesupport@mlcinsurance.com.au</a> or 13 65 22 (option 3), 8.30am – 6.00pm (Melbourne/Sydney time) to request a alteration quote.
I have an existing customer who doesn't hold Agreed Value Income Protection. Can they apply for it on or after 1 April 2020?	No. Existing customers who don't hold Agreed Value Income Protection Insurance (including customers who currently hold Indemnity Income Protection) will only be able to take out new Indemnity Income Protection Insurance from <b>1 April 2020</b> .
Where can I find out more information about APRA's changes?	More information on the sustainability measures APRA are implementing are available at: <a href="https://www.apra.gov.au/sustainability-measures-for-individual-disability-income-insurance">https://www.apra.gov.au/sustainability-measures-for-individual-disability-income-insurance</a>

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**For more information**

Contact your local Distribution Team or contact us on **13 65 22** or visit [mlcinsurance.com.a](http://mlcinsurance.com.a)

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