



AIA Living Mortgage, Income or Rent Cover

Product Release – Updated 31 July 2025

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OVERVIEW

On 31 July 2025 AIA are launching our new product offering: AIA Living Mortgage, Income or Rent Cover.

As New Zealand's largest life and income protection insurer*, AIA have a responsibility to ensure our products remain relevant, sustainable and aligned with the needs of the people we serve. In today's economic environment, where housing costs are often a household's biggest financial priority, that responsibility has never been more important. That's why we're evolving our product offering for our mortgage and income protection customers.

- 31 July 2025, the current AIA Living Mortgage and Income Protection (MIP) product will be closed to new business, and we will launch a more contemporary solution: AIA Living Mortgage, Income or Rent Cover (MIRC).
- 30 July 2025 will be the last day you will be able to quote the current AIA Living Mortgage and Income Protection (MIP) product, prior to its closure to new business.

MIRC's key changes

- a maximum monthly sum insured amount of \$20,000; and
- a no ACC/WINZ offset provision on the first \$7,500 of combined monthly sum assured (calculated across all AIA mortgage protection type benefits).

These changes mean that AIA can meet the needs of more New Zealanders seeking higher coverage amounts to protect their income, mortgage or rent payments, under a single product offering.

*AIA largest life and income protection insurer in NZ by market share. Source: Financial Services Council (March 2025)



FREQUENTLY ASKED QUESTIONS

Why is AIA launching a new product offering with a higher maximum limit?

Since AIA first launched its MIP product, New Zealand has been in an environment of increasing household costs (mortgage and/or rent) and increasing incomes, driving a need for higher protection amounts.

We have received clear feedback from the market that MIP's limits no longer provide sufficient coverage for all customers seeking options to manage and protect their biggest assets and expenses.

Launching MIRC with a higher maximum sum assured amount will provide an improved product offering for new and existing customers:

- with higher incomes, mortgages or rental obligations. Customers seeking cover amounts between \$6,000 and \$20,000 per month will no longer have to hold cover under multiple products offerings e.g., MIP + Agreed Value Income Protection (IP)
- seeking lower initial cover amounts that can index or increase beyond \$6,000 per month as their circumstances change.

Please note, MIRC also provides an alternate product option for existing MIP customers, particularly those who have already reached or are near to reaching the MIP's maximum monthly sum assured of \$6,000.

UNDERWRITING

Are there any changes to the cover options?

No, customers will still be able to insure up to 45% of their gross income and up to 115% of their monthly mortgage repayment or rental obligation.

What evidence requirements will apply to MIRC applications?

The following evidence requirements will apply to new MIRC applications:

- For customers applying via the 'Income' cover option
 - Evidence of income (EOI) will be required for monthly cover amounts over \$4,000*
- For customer applying via the 'Mortgage or Rent' cover options
 - Evidence of Mortgage (EOM) or Evidence of Rent (EOR) will be required for monthly cover amounts between \$4,000 and \$6,000.
 - EOI will be required in addition to EOM or EOR for monthly cover amounts over \$6,000

For further information please refer to the AIA Underwriting Guidelines.



QUOTEUILDER

What happens if my quote created before the 31st of July, contains AIA Living MIP?

Any quotes created prior to the 31st of July are valid for 30 days and therefore will retain the MIP product. However any quotes completed after 31 July and any subsequently edited, will revert to the new MIRC product.

What if a customer has an application in progress?

Any applications currently in progress or submitted in relation to a quote created prior to 31 July, with AIA Living MIP will be issued on that product.

Why does the label in QuoteBuilder only allow me to select Income or Mortgage as “Protection Type” instead of Income or Mortgage/Rent

The “Mortgage” field can be used for Rent as is currently the case. In time we will update the label to reflect “Mortgage/Rent”

Why does QuoteBuilder only mention “Monthly Mortgage Amount” and not “Monthly Mortgage/Rent Amount”

The “Monthly Mortgage Amount” field can be used for Rent as is currently the case. In time we will update this to reflect “Monthly Mortgage/Rent Amount”

Will QuoteBuilder allow me quote a top-up for existing customers

Yes, QuoteBuilder will allow you to quote MIRC for an existing MIP customer, and going forward, additional (top-up) MIRC cover for an existing MIRC customer.

But there may be instances where existing cover may not be recognised for example where a customer has previous cover with a previous adviser. Please contact us for a quote if this scenario meets your customer’s situation as so that we can assist.



Why am I getting an error when I try to submit a quote on with Mortgage and Income Protection (MIP) on or after 31 July 2025?

On the 31 July MIP will be closed for new business.

- Any quotes with MIP that have already been published can be submitted and MIP can be issued.
- Draft quotes with MIP will not be able to be submitted and the following error will occur.

⚠ The Mortgage Income Protection Benefit is no longer available. To continue with this quote, please follow these steps: 1) remove the Mortgage Income Protection Benefit 2) click the "SAVE ALL" button 3) refresh your browser 4) add the Mortgage, Income or Rent Cover Benefit and enter the details.

Policy fees	\$0.00
Premium Monthly	\$0.00

CALCULATE

"The Mortgage and Income Protection benefit is no longer available. To continue with this quote, please follow these steps:

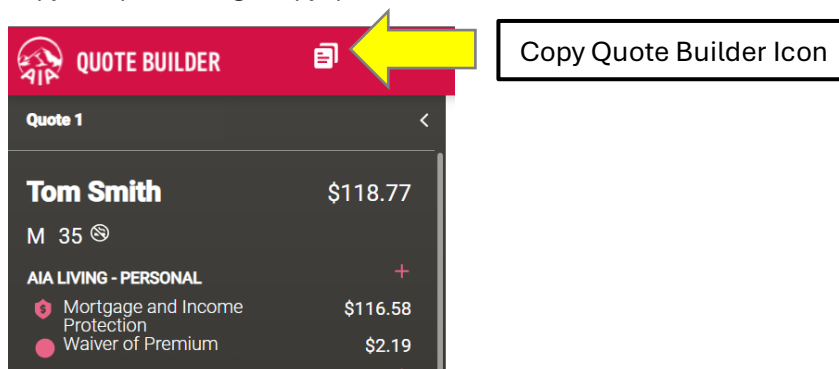
1. remove the **"Mortgage and Income Protection"** benefit
2. click the **"Save All"** button
3. refresh your browser
4. add **"Mortgage, Income or Rent Cover"** and enter the details.

Can I make changes to my published MIP Quote:

No, the quote is locked. If you make any changes you will lose the MIP benefit and rates due to the product being closed.

If you still wish to make changes either start a new quote, or to keep all the customer information already entered:

1. Copy the quote using "Copy quote builder"



2. Reselect benefits and continue changes to your quote



PRODUCT REPLACEMENTS

What replacement rules will apply if my customer wishes to replace their existing AIA Income Protection cover product with the new MIRC product?

Current replacement rules (summarised below) are not changing and will continue to apply.

AIA policies issued after June 2001:

- > No underwriting on transferred sum assured subject to below rules
- > Full underwriting on any risk increase
- > Full underwriting on reduction in waiting period
- > Full underwriting on increasing benefit payment period
- > Replacement Policy Advice form
- > Signed Quote Builder quote

Please refer to the [Working with AIA](#) for further details.

Will underwriting be required if my customer wishes to replace their existing MIP cover with the new MIRC product?

Replacing a MIP product to the equivalent MIRC product (in all aspects) will not require any additional underwriting but will be issued with the same terms as applicable to the MIP policy the customer already holds.

If the customer however wishes to replace their existing MIP with MIRC, with an increase in risk (increased sum assured, change to benefit period or waiting period), only the increase will be subject to standard underwriting and new terms as applicable.

My customer currently has MIP. Do they have to replace it to MIRC to obtain an increase in cover or can my customer take out additional new MIRC cover?

Customers will not be able to apply for additional (top-up) cover on MIP. However, their MIP cover amount may still increase with indexation, or through the Property Special Events facility until the maximum monthly sum insured amount of \$6,000 is reached at which point their cover will level and not increase further.

Customers can retain their MIP product and take out additional cover with MIRC. However, it is important to note the cover amounts on the two products will index separately up to their respective maximums. Therefore, if they want indexation amounts calculated on their full amount cover, they will need to replace their MIP cover to MIRC – this will enable their full cover amount to index up to \$20,000 per month. Current standard replacement rules will apply.



ACCREDITATION

Do I need accreditation for this change?

The L&D modules and Accreditation materials have been updated in line with this launch and should be completed as part of your annual Compliance process.

AIA VITALITY AND MULTI BENEFIT DISCOUNT (MBD)

AIA Vitality?

MIRC customers are eligible to add AIA Vitality memberships. AIA Vitality members can enjoy discounted insurance premiums. The initial annual discount starts at 10% and can increase up to 20% or decreases down to 0% depending on the member's engagement in the program. AIA Vitality has a membership fee of \$11.50 per month to cover the cost of offering the program, but well engaged members can enjoy benefits well in excess of this fee.

AIA Vitality customers also earn points by improving their health in areas such as nutrition, exercise, and mental wellbeing. The more points members earn, the higher their AIA Vitality status and the bigger the rewards.

Please refer to AIA Vitality Terms and Conditions: [AIA Vitality Terms and Conditions](#)

Is MIRC eligible for Multi Benefit Discount?

Yes, MIRC cover will count towards a customer's eligibility for MBD. If a customer has multiple AIA Living MIP or MIRC policies, their combined sum assured will be considered will determining whether they meet the qualifying cover requirements

Please refer to Adviser Resources for more information.

CLAIMS

How will the ACC and/or WINZ offsets at claim time work?

Customers can receive up to \$7,500 of their monthly sum assured without any ACC/WINZ offsets. Any ACC/WINZ offsets will be applied to combined sums assured from \$7,501 to \$20,000 (calculated across all AIA mortgage protection type benefits).

What are 'AIA mortgage protection type products'?

- AIA Living Mortgage, Income or Rent Cover
- AIA Living Mortgage and Income Protection Benefit
- Sovereign TotalCareMax Mortgage and Income Protection Benefit
- ASB Lifestyle Security Plan Mortgage and Income Protection Benefit



COMMUNICATIONS

Will AIA be advising customers directly of this new product?

AIA will not be communicating this to customers directly as part of the launch. Details relating to this launch can be found on [aia.co.nz https://www.aia.co.nz/en/help-support/enhancements-and-policy-information.html](https://www.aia.co.nz/en/help-support/enhancements-and-policy-information.html) and we believe this is best discussed directly with clients as part of the usual policy reviews and affordability conversation.

AIA will however, update all relevant marketing materials and the AIA website to reflect the Product Launch. AIA will also hold an Adviser webinar on 30 July 2025 and provide detailed FAQs.

Where can I find more information about the product?

- AIA Advisor Resources
- [aia.co.nz](https://www.aia.co.nz)
- AIA Living Mortgage, Income or Rent Cover policy wordings
- AIA Living customer brochures
- AIA L&D Training Modules