

Good things come in twos

September 2021

QUESTION	ANSWER
<p>What's the 'Good things come in twos' offer?</p>	<p>New customers will receive two month's free premiums when they apply for a qualifying Cigna policy through an Independent Financial Adviser during the campaign period.</p> <p>Existing customers who increase their level of insurance through their Independent Financial Adviser during the campaign period will receive a credit to the value of two months' of the increased premium.</p>
<p>What are the qualifying Cigna policies?</p>	<p>The campaign applies to Assurance Extra, Business Assurance, Business Extra and Agribusiness Extra policies first issued on or after 1 May 2008.</p>
<p>How will the two months free premium be applied to an existing customer's policy?</p>	<p>The credit will be applied to the policy in one lump sum and will be offset against the next payment.</p> <p>Depending on the value of the premium for the increased benefits, this may be applied to the next payment only. If the credit value exceeds the next premium it will continue to offset until the credit is used up.</p>
<p>What is the campaign period?</p>	<p>The campaign runs until 31 January 2022, policies must be issued before 18 March 2022 to have the offer applied. If you submitted business between the original campaign end date (17 December 2021) and the announcement of the extension (21 December 2021), this offer can be applied.</p>
<p>How are the two months free premiums applied to new policies?</p>	<p>Premium credits are calculated using 31 days as a definition for "month". 62 days' worth of premiums will be credited on to the policy. If the policy has premium payments in months less than 31 days this means that the policy will receive a small credit towards the premium next due.</p>
<p>How will the two free months premium work if the premium frequency is fortnightly, half annual or annual?</p>	<p>To make it clear and transparent to customers and to make it fair for all types of payment frequencies, 62 days of premiums will be credited to the policy, regardless of the premium frequency. The calculator you have been given to use will calculate a daily rate and then provide you with an amount to be credited for 62 days.</p>
<p>Will I still get full commission on the full annual premium despite the two free months?</p>	<p>Yes.</p>
<p>If a customer cancels the cover under the free look period, what happens to the 'free' premium?</p>	<p>If the customer has not paid a premium there is no refund due to them for cancellations within the free look period. The credit will be returned to Cigna.</p>

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What about increases in premium which are not due to a benefit being increased (eg convert to Level premium, or a reduction in Income Cover wait period) – Does the customer get two free months?

No, only increases in cover levels are eligible. This means alterations to a policy that may increase a premium, but are not increasing the cover level are not included in the campaign.

What about changes from accelerated to standalone? Or Indemnity value to Agreed Value?

Only increases to cover levels or new benefit types are included in the campaign.

What about an addition of Specific Injury cover or some other optional benefit – will my customer get two free months on the whole premium, or just the added on bit?

For existing customers the two months free will only apply to the portion of premium which is new. Eg if your customer increases their cover amount, or adds a new benefit, the premium that applies to that new portion of cover will receive the two months free.

If my customer has a premium loaded during underwriting, will the loaded premium also be waived for two months?

Yes.

What are the cut off dates for the campaign?

Business needs to be submitted on or before 31 January 2022 and completed by 18 March 2022 to be eligible for the campaign offer. For policies that were submitted up to 17 December that haven't yet been issued, they now have up until 18 March to be completed.

Does the addition of cover for existing customers mean the full policy premium is waived or just the increased portion of premium?

Just the increased portion, for 62 days' worth of the premium. For an example of how the offer is applied to existing customers please see Appendix 1 and 2.

What happens if my customer's policy is submitted during the campaign period but not issued before the campaign close off?

We have allowed a significant amount of time to make sure we allow adequate time to process all applications. Policies must be issued before 18 March 2022 to receive the offer.

How do we treat annual premium payers?

Most customers pay via direct debit or credit card so a premium credit will be applied to the policy before the payment is requested. This means 303 days' worth of premium will be deducted instead of the full 365 days for the first year.

What changes to existing business qualify for the two months of free premiums?

The existing customer offer applies to policy increases or additional benefits sold only. For example, life event increases qualify as they are an increase in business. A reduction in wait period or changing from Yearly Renewable Term to Level Term cover types do not qualify.

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How do you produce a quote for an existing customer who wants to take out additional benefits or increase their level of cover?

Please contact 0800 505 022 and press option 1, or email the quote team directly at goodadvicematters@cigna.com.

Will I still receive service commission from month two?

Yes, this will continue as normal.

Will I receive the double service commission on a monthly basis for the two months?

The additional renewal remuneration payable under this offer will be paid or credited in a single payment:

- a. in the week beginning 20 December 2021, for policies or increases issued between 13 September 2021 and 17 December 2021;
- b. in the week beginning 21 February 2022, for policies or increases issued between 18 December 2021 and 17 February 2022; and
- c. in the week beginning 21 March 2022, for policies or increases issued between 18 February and 18 March 2022.

Is this campaign on top of Cigna's Multi-benefit discount offering?

Yes.

Will Cigna clawback the double service commission?

No.

Why are we only accepting increases to existing business from 2008?

Policies issued prior to 1/5/2008 are on closed treaties. Many of these treaties include restrictions on increases to sums assured, outside of optional non underwritten increases like the Special Events Benefit and all do not allow a new life to be added to a policy.

To prevent customers being set an expectation that cannot be met on their policy we've decided to only include policies under the current reinsurance arrangement.

How does the double service commission look on Adviser commission statements, what can they expect to see?

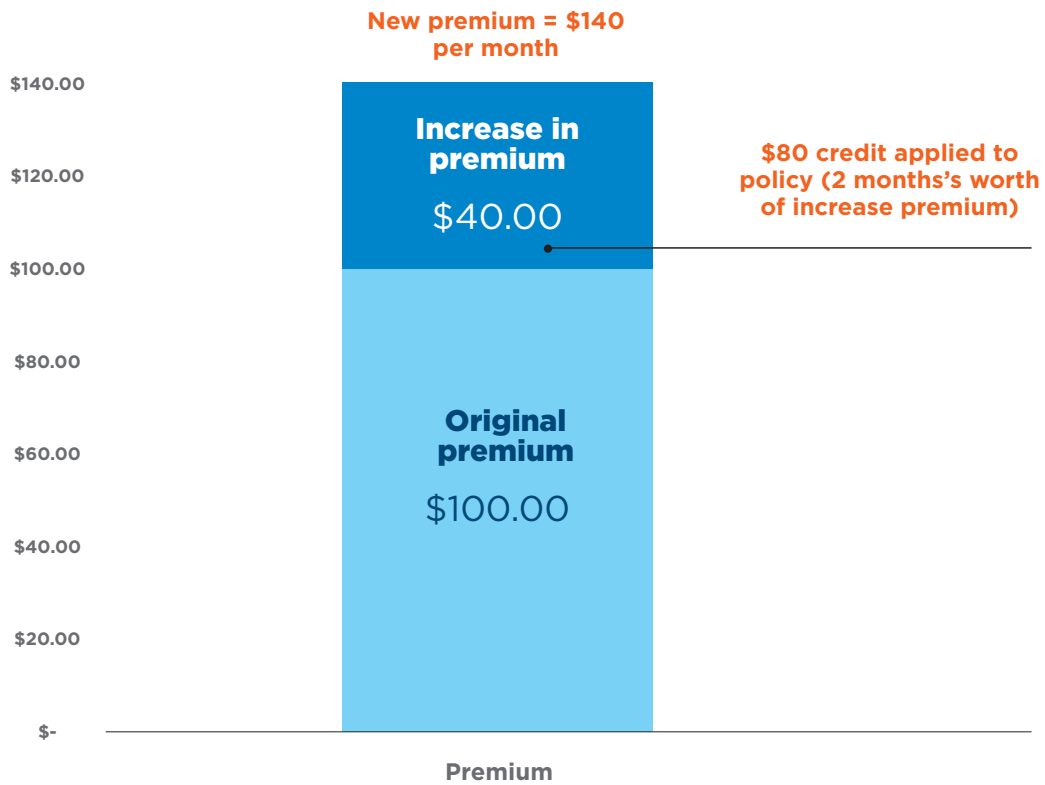
The service commission payments will appear as a lump sum amount on your next commission statement following Cigna calculating the payment.

Who do should I talk to if I have questions about the commission calculation?

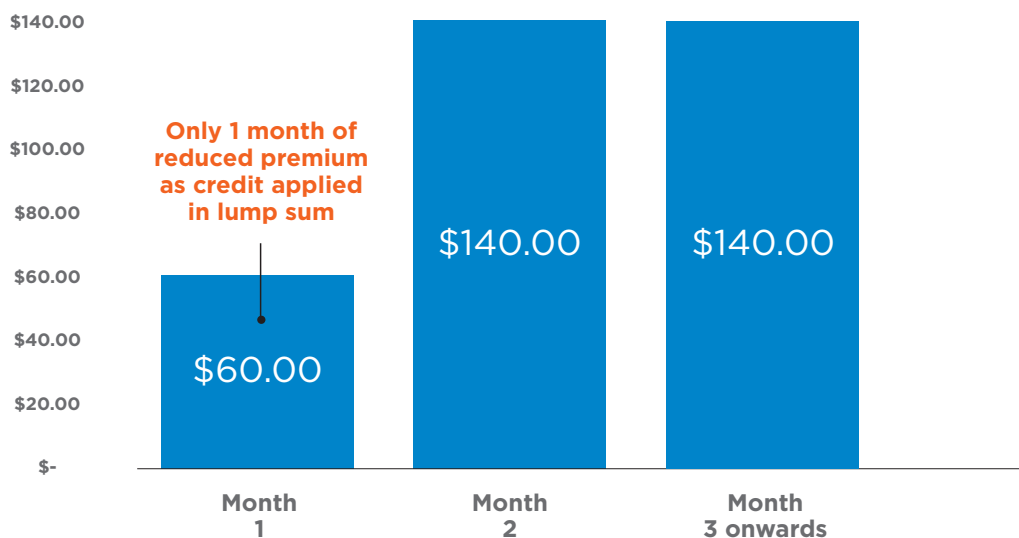
Please speak with the Commissions Team. They can be contacted by email on Commission2@Cigna.com

Appendix 1

Increase premium is less than original premium



What the customer will pay



Appendix 2



Increase premium is more than original premium



What the customer will pay

