

# What insurance do you need for your life stage?

Life insurance is designed to help protect you financially if something unexpectedly happens to your health. The level of financial commitments you have may change as you get older, so it's important to consider regularly reviewing and adjusting your level of cover if you need to.

Here are some of the considerations at each life stage when it comes to taking out life insurance:

## Early 20s

At this age, depending on the nature of the work you do, you may want to consider taking out some types of life insurance (such as income protection) for the first time. You likely won't have any dependents to look after at this age, but you will start to have financial responsibilities of your own such as rent and bills. If your super balance is more than \$6,000, you should have a default level of insurance in your fund that you may want to consider as part of any review of your finances.<sup>1</sup>

## Late 20s and early 30s

At this age, you may start to think about buying a home for the first time or starting a family. This is where you may want to review your financial commitments and think about taking out life insurance, or adjusting your level of cover if you already have insurance. Your financial commitments, such as mortgages, become more serious, and you may need to consider including dependents in your financial planning. You could consider a number of different cover types such as income protection, total permanent disablement (**TPD**), death cover or child cover. You can find more information on the different cover types ClearView offers in our **PDS**.

## Late 30s to late 40s

It's likely that you will already have some level of insurance cover in place by this age, but you might want to consider regularly reviewing your cover levels over time as your financial circumstances change. For instance, if you take on a bigger mortgage, start to pay school fees for your children, start a business, go through a separation, or take on caring responsibilities for an older relative, these are all stages where it is worth potentially taking another look at your insurance arrangements.

## 50s and older

At this age, you may want to review your cover and potentially downsize any life insurance arrangements. Your financial commitments may be less substantial than in your 30s and 40s, unless you are still paying off your home or other debts. Your focus may shift to looking after your spouse or partner financially if you were to pass away suddenly. Trauma insurance might also be beneficial to consider, as your risk of serious illness increases when you get older and are not able to be as physically active.<sup>2</sup>

If you want to know more about what types of life cover may be beneficial for your lifestyle, we recommend you reach out to a financial adviser.

<sup>1</sup> Putting Members' Interests First – frequently asked questions. APRA 2023

<sup>2</sup> Older Australians – health risk factors. Australian Government Institute of Health and Welfare, 28 June 2023

