

50+

A guide to life insurance for over 50s

This guide is for customers who are covered by a policy issued by Resolution Life



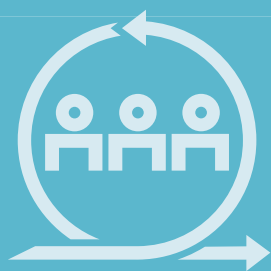


How life insurance can help you in your 50s

As you move through your 50s, your lifestyle, responsibilities and financial priorities are evolving. Your mortgage may be smaller, and you're working hard to build your career and lifestyle. The kids might be finishing their education, and you're starting to think about your next chapter – whether it's advancing your career, planning for retirement, travelling, or giving your kids a head start.

You might be wondering how best to safeguard your wealth, health and lifestyle to make the most of what you've worked so hard to achieve.

Learn more about the benefits of life insurance for those in their 50s.



In 2024, Resolution Life paid out

\$257m to over **1,356 customers**

for life insurance claims which equals

\$714,818 paid every day¹

1. 2024 Resolution Life claims paid Australia.
resolutionlife.com.au/resolution-life-claims-paid-2024

Do I really need life insurance in my 50s?

At Resolution Life, 92% of death claims are made by customers aged 50 and over², highlighting the importance of maintaining your cover as you age. If you have dependants, debt or a lifestyle to maintain, life insurance still matters.

Here are a few reasons for maintaining life insurance as you move through your 50s.

Protect your family's financial future

The right insurance provides vital financial support if the worst happens – helping cover mortgages, debts, and living costs for your family. It can also protect against unexpected medical bills or the cost of aged care if you're unable to care for yourself due to serious illness or injury.



In 2024, the top reasons for life insurance claims with Resolution Life Australia were cancer (29%) and heart attack, stroke and other circulatory disease (14%)⁴

Protect your income

If something happened to you, could your family keep going without your income? What about your home, your savings, your plans for the future? Income protection insurance can help you and your family maintain your quality of life if your income is impacted.



The average life expectancy in Australia is

81 for males

and

85 for females³

The average age of customers lodging income protection claims with Resolution Life Australia is approximately

56 years⁵

2. 2024 Resolution Life Australasia claims statistics.

3. Australian Institute of Health and Welfare, Deaths in Australia, 2023. aihw.gov.au/reports/life-expectancy-deaths/deaths-in-australia/contents/leading-causes-of-death

4. 2024 Resolution Life claims paid Australia. resolutionlife.com.au/resolution-life-claims-paid-2024

5. 2024 Resolution Life Australasia claims statistics.

Protecting what matters most in your 50s

Protect your retirement

If you're working hard to pay off the mortgage or build up your retirement savings as you grow your career and income, an accident or illness could derail your plans. Life insurance can help protect your financial goals and assist you to achieve the type of retirement you are planning for.

The average age at retirement in Australia has risen from

55 in 2002

to

64 in 2022⁶

Protect against illness and accidents

Health issues can become more top of mind as we get older. Trauma and total and permanent disability (TPD) insurance can help you pay for things such as out-of-pocket medical expenses, treatment costs, home modifications and rehabilitation expenses.



In 2024, the top reason for trauma insurance claims with Resolution Life Australia was cancer (63%). For TPD claims, the leading reason was mental health disorders.⁷

An estimated

\$3.5 trillion in assets

will be transferred between generations in Australia by 2050⁸

Leave something behind

Life insurance gives your loved ones financial support when you pass away – covering debts, final expenses, and helping care for children, grandchildren, or elderly parents. It ensures you continue to support those who matter most.

Cover final expenses

Funerals can be costly. Life insurance may offer an advance of up to \$20,000 to help cover funeral and final expenses, easing the financial burden on your family (not available within superannuation arrangements).



The average burial cost in Australia is estimated to be \$11,039⁹

6. Australian Bureau of Statistics. (2022-23). Retirement and Retirement Intentions, Australia, Graph 3. ABS. abs.gov.au/statistics/labour/employment-and-unemployment/retirement-and-retirement-intentions-australia/latest-release

7. 2024 Resolution Life claims paid Australia. resolutionlife.com.au/resolution-life-claims-paid-2024

8. Australian Government Productivity Commission, Economic mobility – faring well, but not for all, 2024. pc.gov.au/media-speeches/articles/economic-mobility

9. Australian Seniors: The Cost of Death 2.0 Report, November 2023. seniors.com.au/documents/australian-seniors-series-cost-of-death-report-2023-whitepaper.pdf

The different types of life insurance

Income protection insurance

Your ability to earn an income is likely to be one of your most valuable assets in life. How long would you be able to sustain your lifestyle and meet your financial commitments without it?

Income protection insurance pays a monthly benefit of up to 70% of your regular income if you're unable to work due to injury or sickness.

You may also be provided additional support services to help you return to work or find a new job, as part of your cover.

Trauma insurance

Trauma insurance (sometimes referred to as critical illness insurance) provides a lump sum payment if you suffer a specific medical condition, as defined in your policy. Some of the more common defined events include cancer (of specific severity), heart attack (of specific severity) and stroke (diagnosed).

Trauma insurance is not available through superannuation.

It provides a lump sum payment that can assist with financial support to help cover:

- the costs of care, and
- recovery associated with specific medical conditions.



The most common causes for Resolution Life Trauma claims in 2024 were

heart attack, stroke and other circulatory diseases (32%)

for males and

breast cancer (45%)

for females¹⁰

10. 2024 Resolution Life claims paid Australia.

resolutionlife.com.au/resolution-life-claims-paid-2024

Consider before cancelling

It's easy to forget why you took out insurance, and rising premiums might tempt you to cancel.

But doing so could mean losing valuable protection – and it may be hard to get it back. A new policy might require medical checks, and changes in your health or lifestyle could affect your eligibility, condition, cost, or exclusions.



*Before cancelling, speak with a financial adviser or **contact us** to explore your options*

How can Resolution Life help?

If you are entering a new life stage, such as children moving out or have paid off the majority of your mortgage, your insurance needs may have changed. Resolution Life offers flexible products and features to help keep your cover relevant and affordable.

Over the next few pages, we'll outline your options.

For personalised advice or a quote, speak with your financial adviser or **contact us** directly. You may be eligible to use our cover adjustment tool in **My Resolution Life** to find out how much your insurance cover will cost if you make any changes.

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Right-sizing your cover for over 50s

It's important to remember why you protected yourself and your family with insurance in the first place. It may have been to provide peace of mind for one or several of the below reasons, if something were to happen to you:

- Help pay off the mortgage.
- Pay outstanding bills.
- Fund your children's or grandchildren's education.
- Financial help if you can't earn an income for a period due to sickness or injury.
- Help with out-of-pocket medical costs.
- Provide a lump sum to supplement any reduction in your income due to sickness or injury.

Maintaining your life insurance cover becomes increasingly important as you move through different stages of life. As responsibilities grow and health risks change, having the right protection in place ensures your loved ones are supported when it matters most.

Resolution Life offers flexible products and features to help keep your cover aligned with your needs and budget. Below, we outline your options. **Contact us** or your financial adviser to make changes.

1 Change your cover

Reducing your cover is one way to stay protected while keeping your policy affordable:

- **Reduce how much cover you have** – as life changes, your insurance needs may too. For example, if your mortgage is smaller or your children have finished their education, you might not need as much cover.
- **Increase the waiting period (income protection)** – a waiting period is the time between when you're unable to work due to illness or injury and when income protection benefits begin. If you have leave entitlements like sick or annual leave, they can help bridge this gap. Choosing a longer waiting period – like 60 or 90 days – can reduce your premium.
- **Removing additional options** – your policy may include optional extras – like premium waiver or Life Cover buy back – that add to your cost. Removing options you no longer need can lower your premium, but you'll lose those benefits, will not be able to claim under them and may not be able to add them back later.



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Right-sizing your cover for over 50s

- **Reduce the benefit payment period (income protection)**
 - a benefit period is the maximum length of time your income protection payments are paid while you're disabled. As your financial needs change, you may not need the same length of cover. Reducing your benefit period can lower your premium. For example:
 - Moving from a Lifetime benefit to an aged 65 benefit period
 - Reducing your benefit period from an aged 70 benefit to a 2- or 5-year benefit period*

*2- and 5-year benefit payment periods only pay up to age 65. For example, if you have a 5-year benefit payment period and claim at age 63, the maximum period you'll be paid is 2 years.
- **Restructure your insurance from standalone to linked** – if you have life, TPD, or trauma insurance, you can choose standalone or linked cover. Standalone plans usually cost more, as linked cover reduces the sum insured on other benefits when a claim is made.
- **Opt out of inflation adjustments** – to keep your cover in line with the cost of living, we offer automatic yearly increases – called inflation adjustments – without needing medical details. Your sum insured rises by either a fixed percentage or the increase to the consumer price index (CPI), whichever is higher. As your cover grows, so does your premium.



You can learn more about inflation adjustments at resolutionlife.com.au/inflation. You can opt out for any particular year or permanently, with changes taking effect from the next policy anniversary. Just use our [online form](#) or log in to [My Resolution Life](#) and search for 'inflation adjustment'.

2 Change how you pay

The premium structure or premium frequency you choose on your plan may affect the premium you pay. Reviewing these may help reduce your premium.

- **Change your payment frequency** – most insurance products charge extra if you pay your insurance premiums more frequently than annually. You can request a change of payment frequency within the [My Resolution Life](#) portal.
- **Paying for your insurance premiums through your super** - life, TPD, and income protection insurance can be held inside super, meaning premiums are paid from your super contributions. However, this reduces your retirement savings. A condition of release must be met to access the benefits, which can make payouts harder and affect your tax treatment.

Review your life insurance checklist

Use this checklist to record your current insurance details, reflect on your needs, and track any changes. Bring it with you if you speak to a financial adviser.

1 What are you covered for?

What type/s of life insurance cover do you have? How much would you or your family receive at claim time?

My current cover includes:

2 Does this meet your current needs?

Would this meet your financial obligations and lifestyle expectation? Consider how much remaining debt you have and how much cover you might need. Is the cover you currently have too much, or not enough? Consider whether you want to reduce or increase how much you're covered for.

My family would receive:

3 Can you continue to afford the same level of cover?

How much are you paying and can you afford this? If not, what changes can you make to your insurance policy to make it more affordable? Refer back to the previous pages in this guide to understand your options.

Changes I want to make:

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resolutionlife.com.au

What you need to know

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