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THE 'DANGER YEARS' FOR FINANCIAL EXPOSURE UNCOVERED

[Asteron Life](#) has uncovered the age of 49¹ as the 'danger year' for financial exposure, because it's the average age Aussies are diagnosed with a life-threatening disease.

[Asteron Life](#) statistics² show that the average age of taking up trauma insurance protection³ is 40; the average age of cancellation or lapse of trauma cover is 44, and the average age for a trauma event and subsequent claim is 49.

Putting these three elements together, [Asteron Life](#) Executive Manager, Mark Vilo explains: "49 is the common age to claim for trauma insurance due to mature onset diseases like cancers, cardiovascular diseases and stroke. However, it's startling to think that, just a few years prior to that, allowing protection to lapse means many customers may unwittingly leave themselves and their families financially exposed."

Customer education is key, Mr Vilo said, and Asteron Life is supporting advisers to ensure clients understand the value of their trauma cover, especially leading up to and through the danger years.

Asteron Life is putting the finishing touches on an Adviser Support Package that includes tools that demonstrate the facts around the average ages of trauma and other major medical events in life, and the impact of being left exposed without cover.

While most customers enter into an insurance contract intending to keep it going, there are numerous reasons as to why those contracts lapse, including affordability.

"Policies will lapse for a number of different reasons, such as a change in the client's marital status, a change in their financial position after having children or after a divorce, or after taking on or increasing one's financial commitments. And advisers will regularly review customer needs, goals and aspirations based on these changes.

"However, the challenge is that if affordability is an issue, rather than reduce elements of their overall insurance portfolio, some customers will choose to completely remove essential cover like their Trauma insurance. This exposes them to a risk their adviser previously recommended as requiring cover - and Asteron Life's statistics support this phenomenon."

Addressing the lapse trend

"Unexpected trauma events significantly affects people's quality of life emotionally and financially, and paints an obvious rationale as to why advisers and manufacturers need to keep doing business in this important market segment," Mr Vilo said.

"Advisers need to ask themselves how many of their clients are in danger of lapsing, and if they did lapse, just how exposed this would leave them. As we know, insurance is sold and not bought, so advisers need more tools to help them constantly remind their clients the value of this vital form of financial protection".

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¹ Asteron Life trauma insurance portfolio statistics, February 2013

² Asteron Life trauma insurance portfolio statistics, February 2013

³ Trauma insurance pays a policyholder a one-off lump sum if they have a serious medical condition (like cancer, heart attack, stroke or an accident (source: Asteron Life website)



MEDIA RELEASE

About Asteron Life: [Asteron Life](http://www.Asteronlife.com.au) is a specialist provider of life insurance to financial advisers in Australia and New Zealand and is a part of the Suncorp Group. Asteron Life's broad range of life insurance products has been designed to protect customers, their families and businesses against the financial impacts of death, sickness or injury. For further information, visit: www.Asteronlife.com.au