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How to ensure your insurance keeps up with your life stages

As you move through your life, hit milestones and amass assets, you must always ensure that your insurance keep up with your life stages. As your life changes, so do your risks and your policies should keep up.

"The first big insurance milestone is your 25th birthday, " says Wynand van Vuuren, client experience partner at King Price Insurance.

"When you turn 25, the best gift you can give yourself is a call to your insurer to ask them to review the premium you pay for your car. Most insurers consider under-25 drivers a risk and may review their premiums when they 'come of age' provided that their claims history is healthy."

Between the ages of 30 and 35, you will probably start to acquire more expensive furniture and appliances that should be insured in case of loss or damage.

"Insurers love clients who put everything on one policy and will often offer lower premiums for these clients," Van Vuuren says.

It is also important to remember to update your insurance whenever you invest in home contents. The total value that your home contents are covered for should always be enough to replace every item at its retail price as at the time of the claim – not when you bought them, he warns.

"Your next milestone may be getting married or buying a home. While you do not have to invite your insurer to your wedding or housewarming bash, you do need to keep them in the loop regarding these achievements."

He says it is a strange but true fact that your marital status affects your insurance premium.

There are also opportunities for married couples to save on their insurance by combining their home contents policies and taking advantage of discounts offered by some insurers for having more than one car on a policy.

When you buy a home, the institution (normally a bank) that provides the financing (bond) will insist that you have comprehensive insurance for the buildings because the property basically belongs to them until you paid the very last bond instalment and it is your responsibility to protect their asset.

Van Vuuren says the bank will probably give you an insurance quote as part of the bond paperwork, but you are not obliged to accept its quote and have the right to shop around for the best premium.

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