

## PERSONAL LINES

# Cheaper is usually worse

---

*You get what you pay for*

“CONSUMERS SHOULD BE wary of signing up for what they perceive to be cheaper insurance products without first reading the fine print,” says Peter Atkinson, National Technical Portfolio Manager at the Financial Intermediaries

Association of Southern Africa (FIA), “as they can actually prove far more costly in the long run.”

According to a recent statement by the Ombudsman for Short-term Insurance, consumers should satisfy themselves, prior to inception of any contract, that the policy being offered covers their specific risk needs and not be “fooled” into purchasing an insurance product purely because it offers a lower premium.

In particular, the Ombud referred to a relatively new motor policy, noting that some insurers have introduced