

# SA women are not serious about short term insurance

A recent study revealed that a shocking 70% of South African women do not have any short-term insurance cover in place, placing themselves at serious financial risk should they need to replace them as a result of damage, theft or loss.

This is according to Christelle Fourie, managing director of MUA Insurance Acceptances, who says when it comes to short-term insurance, every woman - single, married, mother or business owner - has valuable possessions that they simply cannot live without. "It is vital that South African women start taking their financial security into their own hands to ensure they do not suffer great financial losses."

## Replacement cost of wardrobe

Fourie says that regular assessments at MUA have shown that about 90% of women - particularly in the high end market - significantly undervalue the cost of their wardrobes, estimating them to be just half of their actual value. "The main reason behind under-insurance results from the fact that insurance values are calculated on the replacement cost of items, so a designer suit that would have cost a woman R2 000 a few years ago, will probably now cost in the region of R10 000 to replace."

"Even though it is quite rare that an entire wardrobe would need to be replaced, should a break-in or fire occur, it is vital for women to have apportioned the correct replacement value to their wardrobe to ensure everything can be replaced if necessary. Many home insurance policies tend to have a limit on replacement value, therefore if the contents of the wardrobe are higher than normal it is advisable to take out extra cover."

She adds that insurance for a woman's handbag and its contents is also a must, since it is a relatively cheap addition but is always worth the additional cost. "Women must also bear in mind that it is never advisable to carry valuable jewellery they are not wearing at the time in their handbag - a common practice among women when changing a watch or jewellery to suit their new outfit. Most insurance policies will stipulate that jewellery over a certain value must be stored in a safe when not worn."

## Insuring jewellery

"Another tip to bear in mind when it comes to insuring expensive jewellery is to conduct regular valuations of the jewellery at a reputable jeweller to ensure it is insured for the most up-to-date replacement value as fluctuations in precious metal prices can result in jewellery becoming under-insured. For example, if someone purchased a diamond ring in 2007 valued at R65 000, their current replacement cost of the ring could be as much as R120 000 due to fluctuations in the price of gold and other precious metals."

It is also important to always ensure an authentic valuation certificate is received with every purchase of expensive jewellery. This will assist with future valuations, especially if there are drastic changes based on the exchange rate. She says on the other hand, home assistance will provide emergency services and support needed in the household. "For example, calling out a plumber for an emergency job such as a water leak where, in most instances, the first hour of service will be covered by the policy and the owner will only have to pay additional costs for extra hours," concludes Fourie.

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