PSG Asset Management

COVID-19 Lockdown questions and answers

Questions about the lockdown

Q: What is a lockdown?

A lockdown is an emergency protocol that requires South Africans to stay at home except for essential purposes. Grocery stores, pharmacies, banks and other essential services will remain open. A full national lockdown commenced on Thursday 26 March 2020 at 23h59 and will last for 21 days. The lockdown is aimed at containing the spread of the COVID-19 outbreak.

Q: For what reasons may I exit my house?

You may only leave your house for performing an essential service, obtaining an essential good or service for example shopping for food, medicine or fuel or to access banking services. You may also collect a social grant or seek emergency, life-saving, or chronic medical attention. This should however be limited to avoid contact with others. Funerals can also be attended, but not by more than 50 people and night vigils are forbidden.

Q: Will you be able to order take-aways or have food delivered to your house?

Unfortunately, restaurants, pubs and fast food outlets are not deemed to be essential services and will not remain open. Delivery services such as Mr D and Uber Eats will also be closed during the lockdown.

Q: Will I be able to purchase cigarettes and alcohol during the lockdown?

Unfortunately, the sale and transport of alcohol during the lockdown is prohibited. Cigarettes were also not classified as essential goods and shops will therefore not be allowed to sell them.

Q: Can I go outside for a fitness run or walk with my dogs?

No. After initially allowing this, the decision was changed. You are only allowed to exercise or walk on your own premises.

Q. Can I take my pet to the vet?

Yes, essential animal welfare and emergency veterinary services are part of essential services.

Q. Can I host a play date for my child or invite one or two friends over?

No socialising of any kind will be allowed.

Q: Does the lockdown give me a legitimate reason to exit a contract I have in place and which obliges me to, for example, pay rent or deliver a product?

You can only be excused from the terms of a legal contract if this constitutes *force majeure* (an Act of God). There are specific circumstances and criteria that need to be met for *force majeure* to be relied on to suspend obligations under a contract. Be careful not to simply rely on *force majeure* to escape from contractual obligations as this could result in specific performance or damages claims being brought against you.

Q: How will I be able to prove that I am providing essential services?

CEOs must determine the essential services to be performed by their institution and the essential staff who will perform those services. The CEO must issue a letter to these employees in line with the requirements of the regulations. Requirements are extensive beyond the employee's name, ID number and the physical address of the institution. We suggest you seek guidance from the original regulations or your own employee management. All essential staff must always carry identification with them.

Q: What if I am not home now, but away on leave? Should I stay where I am and try get home during lockdown?

The only hotels that will remain open are those dedicated to serve as quarantine centres. Everyone was urged to get home before lockdown. Travel between provinces is prohibited during the lockdown.

Q: Is my money safe and will I still be able to access it?

Banking and financial services have been classified as essential services. Your money will therefore continue to remain safe and accessible. Should you require any funds or have any insurance or medical claims to lodge, do not hesitate to contact your adviser electronically.

Q: Will I be able to have my vehicle repaired when it breaks or after an accident?

Vehicles used in performing essential services can be repaired in order to ensure the continuation of the services. Other vehicles will have to wait until after the lockdown.

Q: If I lose my job, will I be able to access my retirement fund?

Depending on the type of retirement fund, this may be possible. Contact your financial adviser, who will be able to assist you.

Q: Will the banking system still be operational and will I receive my monthly payment from my investment or pension?

Yes. All these services will continue as per usual. If you have any problems, do not hesitate to contact your adviser electronically.

Q: Should I stock up?

The entire food and basic product service chain together with financial services will remain open. There is therefore no need to stockpile items or to access your funds.

Q: What happens if I break the rules?

You will be subject to a fine and/or imprisonment for up to a month.

Q: Will I be able to use public transport to get to my essential work?

Public transport and e-hailing services (Uber and Bolt) will be allowed for obtaining essential services or for rendering financial services, provided the vehicle carries a maximum of 50% of its capacity. Public transport and e-hailing services will however only be allowed to operate between 05h00 and 09h00 and 16h00 and 20h00.

Q: Can an enforcement officer force me to be screened for COVID-19 on my way to the shops, hospital or work?

Yes. Enforcements officers have the right to screen anyone not in their residences.

Q: Can I be forced to undergo a medical examination or to be quarantined?

Yes. No person who has been confirmed to display the symptoms of COVID-19, or who is suspected of having contracted the illness or who has been in contact with a carrier of the illness may refuse consent to a medical examination or admission to a quarantine or isolation site.

Questions about short-term insurance

Q: What about my short-term insurance product at this time? What should I be thinking about?

If you are working from home, check with your employer whether your work laptop or equipment is still covered under their insurance. You may need to update your all risk cover temporarily, to ensure you're covered. Speak to your financial adviser about possible other cover you might require.

Q: My business's revenue has been impacted. What should I do about my short-term insurance?

The revenue of many industries and sectors have been impacted. Some insurers have indicated that they are making specific provision for some clients or products. Please speak to your financial adviser if you have queries about your cover, as these differ per insurer and per product type.

Q: What if I cannot pay my personal insurance premium?

Contact your financial adviser, who will assist in trying to find a solution.

Q: My staff are working from home. What does this mean for the equipment they are using, is it covered?

Talk to your financial adviser as this might require the risk address of the equipment to be changed. Additional cover might also be required for new risks.

Q: I was in an accident and my car is in for repairs – what happens now?

Repairs that have already authorised will be delayed and will take longer than usual to complete. Repairs will most probably only commence after the national lockdown has ended. This delay will also apply to windscreen repair claims.

Q: My car was written off and I am waiting on the settlement. Will this still be paid?

Settlements may not be made without the deregistration papers. The national lockdown may also impact the ability of the licensing authorities to issue deregistration papers. This will unfortunately cause delays in settlement of claims.

Q: Will my car hire be extended if my vehicle was not released from the panel beater by Thursday and/or settlement for write-off is not received?

Most of the product providers confirmed that they will grant an extension of the car hire but it will be treated on a case by case basis.

Q: What will happen to my non-motor claims?

Authorised claims will continue as usual. However, repairs not completed yet will be regarded as repair delays. If the insurance supply chain is considered as non-essential, repairs will be concluded once the national lockdown ends.

Q: What will happen if I have a motor accident during lockdown?

Some of the product providers will do digital assessments and claims categorised into drivable and non-drivable. They might require photos from the claimant in order to process digital assessments. All drivable vehicle repairs will be regarded as delayed repairs until the lockdown ends. This should however be confirmed with the specific product provider. However, not all claims can be dealt with remotely or resolved entirely in this manner.

Q: What about my Assist Service?

All assist services will be operational and emergencies will be attended to. These include roadside assistance, home repairs that affect safety, security and/or pose a clear danger as well as emergency geyser repairs/replacements.

Q: Are product providers operational during lockdown?

We received communication from all product providers that they will be working remotely. The normal numbers/contact details can be used.

Q: Is underwriting still possible?

The normal processes can be followed. All providers have underwriting staff working remotely. There might be a slight delay due to connectivity not being that fast on some of the systems.