

## THE FIVE CORONAVIRUS SHOCKS - OLD MUTUAL MULTI-MANAGER UPDATE TO SESHEGO CLIENTS

Following on from [Seshego's initial communication](#) on the Coronavirus, we now provide [slides](#) from Old Mutual Multi-Managers after yesterday's SARB announcement. Seshego has also arranged a [recording](#) of Monene Watson, their Chief Investment Officer, presenting on this week's [insightful note](#) and the slides regarding how the COVID-19 virus' is impacting on the world economy.

Please remember that most retirement fund investors have a long-term objective and outlook, so "it's time in the market, and not timing the market". [This slide](#) shows the various market corrections and recoveries over the last century, and Monene's slide19 shows how the share markets recovered before economies did after the Global Economic Crisis of 2008. The [FSCA communication](#) urges investors not to panic and provides a call centre number.

**INSURER UPDATES:** Subsequent to Seshego's initial communication, we have also received the following insurer updates.

[Hollard](#)  
[Momentum](#)  
[Old Mutual](#)  
[Sanlam](#)  
[Liberty Life / Capital Alliance](#)

If there are delays accessing these links due to the high network activity currently, we ask that you please try again at another time.

## BUSINESS CHALLENGES – CAN RETIREMENT FUND CONTRIBUTIONS BE SUSPENDED?

If you are reading this, then like us at Seshego, you have managed to implement your business' contingency plans, and your business continues operating to some degree.

It is obvious that the closure of large parts of the local and international economy is going to have a profound

impact on all businesses. To keep the economy moving as best we can under the current circumstances, it is the responsibility of all to try to maintain productivity and to stem economic losses as far as possible. Peoples' livelihoods depend on how we respond as a collective group at this time.

However, certain negative consequences of the national lockdown issued in terms of the Disaster Management Act are inevitable. We have been working with clients facing acute challenges regarding a reduction in or suspension of retirement fund contributions. The Financial Sector Conduct Authority ("FSCA") confirmed our view in Communication 11 of 2020 that this will be possible by way of a rule amendment. You will appreciate registering a rule change takes time, so this may require your urgent attention. Please liaise with your consultant if this is something we need to attend to.

Seshego's services continue uninterrupted during the lockdown period that started today. All staff are working from home and have remote access to our files. To comply with the Disaster Management Act Regulations, operational adjustments have been necessary to ensure that our service delivery continues uninterrupted:

1. Our reception will take calls made to the office's landline. However, we encourage you to contact staff members directly on their mobile phones.
2. We continue to prepare for meetings. We will use Microsoft Teams to send you a video conference link.

We encourage clients not to cancel scheduled meetings, unless unavoidable to ensure that fund business continues, and the developing urgent matters are attended to e.g. the renewal of insurance policies need to be timely.

The FSCA has granted certain extensions in Communication Note 9 of 2020, but first prize is always to ensure the governance of your fund members' monies is not affected. To date all fund service suppliers have confirmed their continued functioning, albeit some may now need to operate outside of the service level time standards. We encourage fund members to make use of the fund online capabilities.