HENNIE NORTJE

CHIEF EXECUTIVE: CLAIMS, SALES AND SERVICE - OLD MUTUAL INSURE

6 April 2020

Dear service provider

COVID-19 response: Business partner sustainability and support

Old Mutual Insure fully understands that the impact of COVID-19 will not be limited to the current 21-day lockdown. We want to assure you that we will remain committed to the sustainability of our customers and partners during this period and beyond.

Therefore, as part of the Old Mutual Limited Group, we committed up to R50 million towards a comprehensive response to COVID-19, primarily aimed at educational initiatives, in partnership with Government, business, labour, and civil society. Old Mutual Insure also designed a range of support initiatives, aimed to ease the burden on Emerging Micro Enterprises (EMEs) and Qualifying Small Enterprises (QSEs), which I want to share with you.

- **Payment of invoices:** As previously communicated, our claim payments team is working off-site, and the payments process is being accelerated to make sure that all outstanding payments are made within three working days after invoices are submitted. All previously scheduled payments will be released earlier than the scheduled date.

- **Direct partners:** We have fostered and incubated a range of micro-enterprises whose income is vested in the operations of Old Mutual Insure, for example, our canteens, cleaning services, and car wash team. We commit to give provisional funding to support the sustainability of these micro-enterprises and to assist to protect their jobs. We will provide assistance for two months, based on a needs analysis, and review this periodically.

- **Claims partner funding:** We will consider soft loans for qualifying EMEs and QSEs to make sure that these businesses remain sustainable. We will apply the following criteria to determine the level of support:
  - Applications from EMEs and QSEs that are in good standing with Old Mutual Insure will be considered, on individual merit, and at the sole discretion of Old Mutual Insure
  - Applications will be considered, from May 2020 onwards, for a period of three months

- After the lockdown, for a period of three months, the volume of work from Old Mutual Insure to the enterprise must decrease by 50% or more, and this must be attributable to the COVID-19 pandemic
  - Only one application per EME and QSE will be considered
  - Benefits from Government and other institutions will be considered
  - Assistance will be in the form of interest-free loans, which must be used for creditors' payments only, thereby, improving cash flow for the EME or QSE
  - We will recover the payment of the loan by allocating work and by using the invoiced value as the repayment of the loan in a predetermined formula.

- **Parts payment programme:** We negotiated strategic deals in the motor parts supply chain and are rolling out a parts payment programme to enable our partners to use our buying power to order parts from selected service providers. We have accounts with original equipment manufacturers as well as with aftermarket suppliers. Please note:
  - This programme is only applicable to Old Mutual Insure claims
  - Old Mutual Insure will settle the parts invoices directly with the parts supplier, to eliminate the financial burden on the auto body repairer and to aid the cash flow of the business
  - Parts can be ordered as soon as the motor claim has been authorised
  - An additional mark-up will be provided to the auto body repairer, over and above the standard Old Mutual Insure mark-up
  - Auto body repairers must manage the ordering process via our online platform
  - The final repair costing process via Audatex remains unchanged
  - Several participating suppliers have already been contracted to Old Mutual Insure. If your preferred supplier wants to participate, we will gladly engage. Participation is voluntary.

If you have any queries, please send an email to **askprocure@ominsure.co.za** or contact one of our regional procurement consultant below:

Regional procurement consultants	Regions serviced	E-mail address
Yolanda Prinsloo (Motor)	Gauteng/ Mpumalanga/ Limpopo/ Rustenburg/ Brits/ Free State/ North West/ Northern Cape	**Yolanda.prinsloo@ominsure.co.za**
Gert van Wyk (Motor)	Western Cape/ Eastern Cape/ Kwa-Zulu Natal	**Gert.VanWyk@ominsure.co.za**
Fanie Khumalo (Non-motor)	Gauteng/ Mpumalanga/ Limpopo/ KZN/ North West	**Fanie.Khumalo@ominsure.co.za**
Ernest Ledwaba (Non-motor)	Geyser/ Plumbing/ Flooring/ Salvage/ Bicycle Building – Eastern and Central regions	**Ernest.Ledwaba@ominsure.co.za**
Sheldon Litchfield (National Payments Manager)	All	**Sheldon.litchfield@ominsure.co.za**

We regard the sustainability of our supply chain and our partners as a strategic imperative and will continue to do our best to do great things for you, every day.

Stay safe. Stay focused. Stay insured.

Regards
Hennie