

Consumer relief measures amid COVID-19 by South African retail banks

South Africa is currently on a 21- day national lockdown in order to help curb the spread of Covid-19. The shutdown will undoubtedly have an impact on financial customers. In response to this, the country's big banks have stepped up to provide a bit of relief to their customers by offering some of them payment holidays. The terms of these payment holidays from the big banks are detailed as follows:

1. Nedbank

Nedbank plans to review its customers loan repayment commitments and consider the most appropriate solution to ease customers cash flow commitments. These solutions could include entering into payment arrangement options that are tailored to suit customers based on their household's cash flow which is currently negatively impacted.

1.1. Possible solutions include:

- a) **Payment arrangements** – temporary arrangement allowing customers to repay a reduced amount over a limited timeframe.
- b) **Payment holidays** – a temporary suspension of customers monthly repayment based on their household's cashflow being negatively impacted in that they cannot make payment to service any of their debts at this time.
- c) **Restructures** – rearrangement of the current monthly repayment schedule, which may result in an increase of the original loan term.
- d) **Waiving the penalty fee** - for clients requiring an early release on their investment funds to supplement any cash flow challenges experienced during this period. Nedbank will waive the penalty fee for up to the value of R200,000 at an overall portfolio level. This offer applies over the next three months between 24 March 2020 and 30 June 2020 unless otherwise communicated

(capped at R200 000). Clients will need to confirm, in writing, that the early release request is due to income shortfall.

1.2. In Nedbank's case, it is important to note:

- a) Each case will be reviewed individually, and the most appropriate solution recommended. It is important to note that there remains an obligation on you to pay your loan agreements.
- b) The above solutions do not result in a reduction in your overall obligation to service your debt.
- c) For Professional, Small Business and Business Banking clients, are required to contact their Relationship Banker or Business Manager to discuss the options available.
- d) Professional and Small Business clients can also contact the RRB helpdesk.
- e) Nedbank's debt relief options are not restricted to certain products and include unique payment arrangement options, irrespective of the client's standing with the bank.

1.3. Nedbank clients may use the following platforms to explore relief options

Division	Contact Number	Email address
Nedbank Contact Centre	0860 555 111	
MFC	0860 879 900	care@mfc.co.za
Home loans	0860 553 573	hlcollections@nedbankco.za
Personal loans Student loans Overdrafts	0860 103 117	PLAdmin@nedbank.co.za
Investments	0860 555 111	
Card collections NEDBANK, APLUS & OLD MUTUAL	010 217 4663	
GO BANKING	010 217 4058	
AMEX	010 217 4660	
SAA VOYAGER	010 217 4358	
HUB	010 217 4129	
Professional Banking	0860 555 222	
Small Business Service	0860 116 400	

2. ABSA

ABSA also has an extensive COVID-19 payment relief programme that is aimed at:

- a) Relief for consumer, business banking and wealth customers
- b) Bespoke solutions for corporate and business banking clients
- c) Additional administration fees being waived
- d) Benefits reaching more customers, with those who are able to pay being encouraged to continue with payments
- e) All ABSA markets, subject to legislation, regulations and conditions applicable in each country.

2.1. In ABSA's case, it is important to note:

- a) Eligible customers in need of short-term liquidity relief will qualify for the relief programme that applies to Absa's credit products. These relief measures apply to ABSA's corporate, wealth, business bank, private bank and retail customers.
- b) Crucially, this programme will not attract additional administration fees for customers. Support to corporate and business banking clients will entail solutions based on their unique requirements and operations. Businesses and corporates are encouraged to contact their relationship managers for further details.
- c) The programme incorporates a three-month payment relief and allows customers in need of short-term financial relief to reduce their monthly instalments. Customers in good standing (with up-to-date accounts), and who have been financially impacted by the pandemic will have the opportunity to opt-in for payment relief, aimed at assisting with cash flow needs.
- d) The programme will give customers the opportunity to either continue paying if they are in a position to, to pay reduced instalments by agreement with the bank or to defer payments for a period of three months.
- e) Relevant agreements will be adjusted, by revising the loan period and capitalising interest during the relief period.

- f) The principles applicable to this relief programme in South Africa are extended to ABSA's other markets in Africa but will be implemented subject to the various conditions, laws and regulations applicable in each country.
- g) Absa will approach qualifying customers directly to discuss their payment relief options and trigger this, should they choose to opt in to this relief scheme. You do not need to contact ABSA to arrange this relief.

3. Standard Bank

3.1. Coronavirus Business Interruption Payment Scheme

Standard Bank has put in place the Coronavirus Business Interruption Payment Scheme, which will provide loan instalment relief to businesses for 90 days. This scheme was launched on 1 April 2020 and strives to support small and medium-sized businesses with a payment holiday.

3.2. You are eligible for the Coronavirus Business Interruption Payment Scheme if:

- a) Your business is South African based, with a turnover of no more than R 20 million per year.
- b) Your Business Current account, Bizlaunch account and Business Lending accounts are paid up to date.
- c) Your business is in good standing. This offer will be automatically applied, however, should you wish to opt-out of the instalment relief, pay your loan instalment or email businessassist@standardbank.co.za

3.3. Personal loan relief for businesses:

The instalment relief will defer payments on credit cards, home loans, personal loans and vehicle loan payments held Standard Bank from 1 April 2020 to 30 June 2020 for qualifying customers. Interest and fees will accrue over this time.

3.4. You are eligible for the instalment relief if:

- a) You have a Standard Bank Business Current account.
- b) You are the owner of a small business with a turnover under R20 million a year.
- c) You have a Standard Bank credit card, home loan, personal loan and/or vehicle loan.
- d) Your accounts are not in arrears as of 31 March 2020.

3.5. You are NOT eligible for the instalment relief if:

- a) Your payments are in arrears as of 31 March 2020.
- b) You have a home loan that is held in a trust.
- c) It is important to note that this offer excludes overdrafts.
- d) This offer will be automatically applied, however, should you wish to opt-out of the instalment relief, pay your loan instalment or email businessassist@standardbank.co.za.

3.6. Instalment relief for those earning under R7,500pm

3.6.1. You are eligible for the instalment relief if:

- a) You earn less than R7,500 per month.
- b) You have a personal loan with Standard Bank (access loan, credit card, home loan, personal loan, revolving credit plan, vehicle asset finance).
- c) Your account is not in arrears as at 31 March 2020.
- d) You have a current account with Standard Bank.

3.6.2. You are NOT eligible for the instalment relief:

- a) If payments are in arrears as of 31 March 2020.
- b) It is important to note that this offer excludes overdrafts.
- c) Should you wish to opt-out of this offer, simply pay your loan instalment or email DebtCareCentre@standardbank.co.za.

3.7. Payment relief for students:

3.7.1. You are eligible for the instalment relief if:

- a) You are still studying full-time.
- b) You have a student loan with Standard Bank.
- c) Your loan account is not in arrears as at 31 March 2020

3.8. In Standard Bank's case, it is important to note:

- a) Standard Bank will be waiving the ATM cash withdrawal Saswitch fee charged to its customers who withdraw cash using ATMs belonging to other banks.
- b) This means that during the COVID-19 lock down, Standard Bank customers can use any ATM near to them and only pay the standard ATM banking fee.
- c) This will come into effect on Saturday 28 March 2020 and will apply to cash withdrawals from Transactional Accounts, Business Transactional Accounts, Savings Accounts and Consumer Credit Card. This change will be in place until mid-night 16 April 2020.
- d) Standard Bank will be giving existing Standard Bank Mobile customers 1GB free data. This offer is valid from the 25th March 2020 until the 31st March 2020. The data will automatically be allocated to your Standard Bank Mobile cell phone number and is valid for 30 days from the time of allocation.

4. FNB

As from 1 April – 30 June 2020, FNB will implement measures to provide relief to individual and business customers whose financial stability has been impacted by COVID-19. This intervention will assist customers who demonstrate sound banking behaviour, such as having honoured their repayments to the bank on a consistent basis prior to the pandemic.

For those customers who qualify, the COVID-19 interventions will be for all products with FNB and be available for a period of three months. These interventions cover the following:

- a) Instalment cashflow relief, during which part or no instalments/repayments will be due for a specific period.
- b) A preferential interest rate will apply to the COVID19 relief interventions given.
- c) No fees will be charged for any relief granted.
- d) Assistance with processing credit insurance claims, where possible.
- e) Individualised bridge facilities for those who need it.

4.1. In the case of FNB, it is important to note:

- a) Interest and fees will continue to accumulate on outstanding balances.
- b) Individuals and business customers can contact FNB via their usual digital and assisted banking channels to enquire about these services.
- c) FNB encourages all customers who can honour their financial obligations to continue servicing their repayments.
- d) FNB will waive speedpoint device rentals and not charge a minimum fee for some merchants who are in good standing but operate in distressed industries.
- e) In April, individual and business customers on FNB Connect will also receive 1GB of free data to help them stay connected during the lockdown.