

SAXUM

INSURANCE
(IN LIQUIDATION)

MUA Building, 2nd Floor, 26 Sturdee Avenue, Rosebank, 2196
P.O. Box 1634, Houghton, 2041
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Insurance Claimants:
claimsliq@saxuminsurance.com

Creditors:
creditorsliq@saxuminsuranc.com

15 March 2017

**TO ALL KNOWN CREDITORS, EMPLOYEES, POLICYHOLDERS AND STAKEHOLDERS OF
SAXUM INSURANCE LIMITED (in liquidation) (MASTER'S REFERENCE NUMBER G1076/2016)**

CIRCULAR NUMBER 8(2)

1 Policyholder insurance claims

- 1.1 Please note that this Circular retracts and replaces Circular 8 published on 15 December 2016. Your attention is specially drawn to paragraph 2.3 below which has been added in relation to the required submission of original claim documents.
- 1.2 SaXum was placed into liquidation on 20 October 2016 by way of an order granted in the High Court, Johannesburg.
- 1.3 On the granting of the court order the hand of the law is laid over the insolvent estate such that all creditors are treated according to the rights and priorities enjoyed by them in law by virtue of the liquidation. Policyholders with acceptable and valid insurance claims under policies issued by SaXum will form part of the general body of creditors in the insolvent estate of SaXum.
- 1.4 All policyholders are referred to Circular Number 3, attached hereto as **Annexure A** for ease of reference, which sets out the process for the submission and payment of current and new insurance claims against the SaXum estate.
- 1.5 All insurance claims submitted by policyholders will be processed and determined in terms of the relevant issued policy wording provided to the policyholder. Cover will also be dependent on whether premiums had been paid relating to the period that the claim arose. The terms and conditions of the policy will be enforced which may mean that where the policy covered certain costs attributable to the insurance claim, these costs will be limited by what is contained in the relevant policy wording. Any costs not covered by the policy will be borne by the policyholders.

Directors: Dr. J.A.J. Schalch (Chairman)* R.W. Killops* K.I. Vennell* M. Hankins*
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Company Registration No. 2004/011845/06
VAT No. 4310217338

saXum Insurance Limited (In Liquidation)
www.saxuminsurance.com

- 1.6 Policyholders that continued to pay premiums after the date on which the liquidation of SaXum commenced are advised that they no longer continued to receive cover from SaXum following the date of liquidation. Such policyholders are invited to provide details of the payment, including proof of payment, to the liquidators as discussed in paragraph 1.10 below. The liquidators will investigate the payments and, subject to advice from its legal representatives, consider reimbursing policyholders in respect of all premiums paid after the date of commencement of the liquidation of SaXum.
- 1.7 Policyholders are advised to take immediate steps to obtain alternative insurance cover as the joint liquidators cannot provide assurance that insurance claims against the SaXum estate will result in full indemnification. Policyholders may seek alternative cover either directly with another insurer, or they may contact a short-term insurance broker who would be able to advise them on alternative insurance companies that are able to offer suitable cover.
- 1.8 We also bring to your attention that any claims made against the SaXum estate will only be paid upon the completion of the winding up, in other words the confirmation by the Master of the High Court of a liquidation and distribution account in the insolvent estate of SaXum. Any liquidation process is lengthy, and the SaXum liquidation is likely to be no different. Several issues have to be finalized, including the assessment of all claims, before the liquidation can be finalised. While the liquidators will make every effort to advance the administration of the winding-up of SaXum as quickly as possible, policyholders with claims against SaXum are requested to be patient.
- 1.9 Claims made by policyholders will amount to a concurrent claim (in other words, an unsecured claim ranking with all similar claims on a pro rata basis in the liquidation of SaXum) against SaXum's insolvent estate and, at this stage, the policyholder is unlikely to receive the full amount of the claim, but will only receive their proportional share along with all other concurrent (unsecured) creditors in SaXum's insolvent estate.
- 1.10 Should the policyholders wish to claim a pro-rata portion of their unexpired premium (in other words, premiums paid after the commencement of the liquidation of SaXum), such request is to be submitted to creditorsliq@saxuminsurance.com as dealt with in terms of Circular Number 3.
- 1.11 Policyholders are further advised that as a result of the liquidation SaXum is not able to appoint legal representatives to defend any claims brought against policyholders by third parties. Policyholders are advised to seek their own legal representation to settle any claims brought against them as best they can and then submit any resulting settlement amount or court order as a claim against the SaXum estate in terms of the process referred to above.

2 **Third party creditor claims**

- 2.1 On the grounds of the above court order placing SaXum into liquidation, all creditors with valid claims against SaXum (including panel beaters) will form part of the general body of creditors in the insolvent estate of SaXum.
- 2.2 To lodge a claim against the SaXum estate such creditors must sign and have commissioned the relevant affidavit, attached hereto as **Annexure B**, setting out details of their claim. The signed and commissioned affidavit, together with supporting documents, must be sent to us by email to creditorsliq@saxuminsurance.com.

- 2.3 The signed and commissioned affidavit and supporting documents will need to be lodged as proof at a meeting of the creditors as the Master of the High Court will not accept any email copies of claims. Therefore, following the electronic submission of the signed and commissioned affidavit and supporting documents to the email address above, the originals should also be sent to the following address:
- P.O. Box 4078
- Rivonia
- 2018
- 2.4 All claims submitted by creditors will be processed and determined in terms of any relevant agreements between such creditor and with SaXum.
- 2.5 Creditors are advised that the joint liquidators cannot provide any assurance that claims against the SaXum estate will be paid in full.
- 2.6 We also bring to your attention that any claims made against the SaXum estate will only be paid upon the completion of the winding up of SaXum.
- 2.7 Claims made by creditors will amount to a concurrent claim against SaXum's insolvent estate and the creditor is not likely to receive the full amount of the claim, but will only receive their proportional share of the free residue left in SaXum's insolvent estate.

Yours faithfully,

PER: H. KAPLAN N.O.

N.A.G. OMAR N.O.

W.N. JACOBS N.O.

B.B. MAHLATSI N.O.

(sent electronically without signature)