

SAXUM

INSURANCE
(IN LIQUIDATION)

MUA Building, 2nd Floor, 26 Sturdee Avenue, Rosebank, 2196
P.O. Box 1634, Houghton, 2041
Tel: +27 (0) 11 694 5900 Fax: +27 (0) 86 212 0859

Insurance Claimants:
claimslig@saxuminsurance.com

Creditors:
creditorslig@saxuminsurance.com

26 January 2017

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

CIRCULAR NUMBER 8A

1 Introduction

- 1.1 The joint liquidators of SaXum remind all policyholders to take immediate steps to obtain alternative insurance cover from other insurers as policyholders are at risk of not having their claims paid out in full if they lodge an insurance claim against the insolvent estate of SaXum.
- 1.2 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.

2 Motor vehicle policies

- 2.1 It has come to the attention of the joint liquidators that certain policyholders are suffering prejudice as their vehicles have been detained by panel beaters that have not been paid for their services as a result of the liquidation of SaXum.
- 2.2 The joint liquidators are further aware that as a result of holding on to these vehicles the panel beaters have incurred and continue to incur storage costs in relation to the vehicles.
- 2.3 Such policyholders face the risk of suffering further prejudice the longer their vehicles are detained as they are personally liable for these storage costs to the extent that storage costs are not covered under the policy wording issued by SaXum.

Directors: Dr. J.A.J. Schalch (Chairman)* R.W. Killops* K.I. Vennell* M. Hankins*
*Non-Executive "Swiss"

Liquidators:

H Kaplan (First City Katleho)
Honey Chambers
Kenneth Kaunda Drive
Bloemfontein

NAG Omar (Khammissa Attorneys)
98 Doreen Street
Pretoria

Wn Jacobs (Mayibuye Trust)
157 Waggel Street
La-Montagne
Pretoria

BB Mahlatsi (Van Rooyen-Fischer Trustees)
Forum Building, Ground Floor,
337 Veale Street, Brooklyn, Pretoria

(T) (051) 403 6685

(T) (012) 342 9944

(T) (021) 804 0393

(T) (012) 346 7430

Company Registration No. 2004/011845/06
VAT No. 4310217338

saXum Insurance Limited (In Liquidation) is an authorised Financial Services Provider - FSP No: 32460
www.saxuminsurance.com

- 2.4 In terms of insolvency law the joint liquidators are not permitted to pay the panel beaters for their services until the liquidation process is completed and the claims of all creditors are accepted, and dealt with, according to the ranking fixed by insolvency law. With the insolvency of SaXum the hand of the law is laid onto the insolvent estate so that the interests of the creditors of the company as a group are protected over the interests of individual creditors. In this way the general body of creditors are treated according to the statutory ranking fixed by law and no one creditor can be preferred above others. This means that during this time all valid insurance claims against SaXum will form part of the general body of creditors in the insolvent estate of SaXum, and no single creditor (or claim) may be paid out before other creditors.
- 2.4 Policyholders whose vehicles have been detained by panel beaters are therefore advised to pay the repair and storage costs owing to the panel beaters as soon as possible to secure the release of their vehicles and to prevent their costs in relation to their vehicles from increasing.
- 2.5 Policyholders may then lodge their claims against the SaXum estate only in relation to those repair and storage costs which SaXum would have been liable to pay the panel beater under the issued policy wording. Policyholders are again reminded that they may not receive full payment in relation to such claims. Policyholders may not submit claims against the SaXum estate for any storage or other related costs in excess of or not covered under the issued policy wording.
- 2.6 Policyholders are referred to Circular 3 and Circular 8 for information relating to the process for the submission and payment of claims.

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)