

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:
claimsliq@saxuminsurance.com

Creditors:
creditorsliq@saxuminsuranc.com

17 October 2019

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

CIRCULAR NUMBER 28

UPDATE ON LIQUIDATION PROCEEDINGS

1. SaXum was placed into liquidation on 20 October 2016 by way of an order granted in the High Court, Johannesburg. SaXum to date remains in liquidation.
2. Policyholders are referred to the contents of all the previous circulars.
3. Policyholders are advised that the Liquidators received a Query Sheet from Master of the High Court in Johannesburg with regards to the First Liquidation and Distribution Account that was lodged. The liquidators are in the process of answering this Query Sheet and trust that they will receive permission to advertise the Account from the Master once same has been answered.
4. We confirm again that the First Liquidation and Distribution Account will be uploaded on the SaXum Insurance website as soon as the Account has been advertised.
5. With reference to **paragraph 5.2 of Circular 27**, we confirm that the Liquidators' legal team has proceeded with the recovery of the funds from the various parties and various summonses will be instituted in due course.
6. Policyholders are further referred to **Circular 8A**, which was uploaded on the SaXum Insurance website, specifically paragraph 2.4 and 2.5. We quote **paragraph 2.4 and 2.5** here for your ease of reference:

"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

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

Liquidators:

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

**NAG Omar (Khammissa
Attorneys)**
98 Doreen Street
Pretoria

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

(T) (021) 804 0393

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

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

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. 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.”

7. Taking the above into account, the Policyholders are advised to obtain legal advice with regard to the Panelbeaters and any possible negotiations with them for the reduction of storage costs or any other costs.
8. Policyholders are also required to ensure that where they secure salvage they are to maintain such salvage in safe keeping alternatively where they dispose of such salvage the proceeds will be deducted from the lodged liquidation claim. In terms of the insurance policy, SaXum would have been entitled to the salvage in the event that there is payment under the insurance policy. The same principles will be applied to any distribution made out of the insolvent estate. Policyholders will be required to lodge affidavits relating to salvage in the event that a distribution is declared out of the insolvent estate.
7. We confirm that as soon as we have more information with regards to the various litigation matters, a further circular will be issued.

Yours faithfully,

PER: H. KAPLAN N.O.

N.A.G. OMAR N.O.

W.N. JACOBS N.O.

(sent electronically without signature)