

14 October 2020

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

CIRCULAR NUMBER 32

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. You are referred to the contents of previous Circulars issued by the liquidators on various aspects of the liquidation proceedings of SaXum. Please refer to Circular 18, 21 -23 which deal with payments made by the South African Insurance Association (**SAIA**) Fund to qualifying hardship policyholders.
3. In order to receive payment from the SAIA Fund, the hardship policyholder was required to cede all his or her rights against SaXum including the right to claim payment from the SaXum insolvent estate to SAIA. SAIA therefore only took cession of the right to receive any potential distribution from the SaXum insolvent estate – this cession does not include all and any liabilities attached to SaXum insured vehicle. These liabilities would include any licensing fees, penalties or fines relating to the SaXum insured vehicle, all of which are, and remain, the obligation of the policyholder.
4. The SAIA Fund Committee negotiated various terms with the finance institutions. The result is that the hardship policyholders received a better outcome despite the liquidation of SaXum.
5. The liquidators continue to receive requests to make payment of licensing fees, outstanding fines and penalties from these hardship policyholders.
6. **Please note the following:**
 - a. these affected policyholders are to contact the finance institution that is holding their vehicle registration documents and must take possession of these documents;
 - b. the SaXum insolvent estate will only take possession of the vehicle once a distribution is made to SAIA. Therefore, the SaXum insolvent estate is not the owner of these vehicles and cannot prejudice other claimants by making payments from the SaXum insolvent estate;

- c. **the liquidators will not make payment of any outstanding licensing fees, penalties or fines on any SaXum insured vehicle;** and
 - d. the liquidators have communicated the above to the concerned finance institutions.
7. The hardship policyholders that benefited from the SAIA Fund **remain the owners** of the SaXum insured vehicle – and therefore they **remain liable** for any licensing fees, penalties or outstanding fines relating to the SaXum insured vehicle. They are requested to contact their local licensing department and to settle any outstanding amounts due and payable relating to the insured SaXum vehicle. They are also to attend to the cancellation of ownership of the SaXum insured vehicle if they wish.
8. Please continue to monitor this website for further developments relating to the liquidation.

Yours faithfully,

PER: H. KAPLAN N.O.

N.A.G. OMAR N.O.

W.N. JACOBS N.O.

(sent electronically without signature)