

AFFIDAVIT FOR EXTENSION FOR THE LODGEMENT OF THE ACCOUNT

I, the undersigned,

WELCOME NORMAN JACOBS

in my capacity as Liquidator in the Liquidation of:

SAXUM INSURANCE LIMITED
MASTER'S REFERENCE: G1076/2016

do hereby make oath and say that:

1. **THAT** the Third Liquidation and Distribution Account is due on the 24th of July 2021.
2. **THAT** the Liquidators herewith apply for an Extension to lodge the Account up until the 24th of January 2022.
3. I hereby confirm that I am unable to lodge the Account due to the following reasons:
 - 3.1. **CLAIMS:**
 - 3.1.1. The joint-liquidators appointed EOH FS Proprietary Limited (**EOH-FS**) to assess SaXum's Insurance Motor Claims. EOH-FS is now known as XTND Proprietary Limited (**XTND**).
 - 3.1.2. In the event that the assessed insurance claim (as assessed by EOH-FS) be less than the liquidation claim submitted, the insurance claim, as well as the liquidation claim will be reduced to the assessed amount, as determined by EOH-FS.
 - 3.1.3. The liquidators are currently in the process of investigating all the liquidation claims submitted, and comparing same to the assessed amounts, in order to ascertain which claims must be reduced to the said assessed amounts. The reduced claims will be reflected in the Distribution Account of the Third Liquidation and Distribution Account, which will be drafted in due course.
 - 3.1.4. The Short Term Insurance Industry in South Africa recognized that the SaXum liquidation led to the prejudice of multiple SaXum Policyholders. The industry accordingly came together and set up a limited fund (the **SAIA Fund**) to alleviate

the prejudice suffered by those policy holders affected most negatively by the liquidation of SaXum.

3.1.5. Hardship claimants that received payment from the SAIA Fund were required to sign a cession agreement in terms of which they agreed to cede to SAIA their claim against the SaXum estate up to the amount that they received from the SAIA Fund.

3.1.6. The liquidators are currently in the process of comparing the list of hardship claimants with the claimants who proved liquidation claims, so as to ensure that all the dividends awarded to hardship claimants are paid to SAIA in terms of the abovementioned cessions and to the claimants.

3.1.7. Further liquidation claims have been received and are still be received by the joint-liquidators, which need to be proved at a special meeting of creditors. Once the joint-liquidators are in receipt of all the original claims that we are aware of, the Master will be approached for permission to convene the special meeting of creditors.

3.2. RECOVERY OF FUNDS FROM VARIOUS THIRD PARTIES:

3.2.1. We confirm that appropriate steps and proceedings have been initiated in order to recover funds that are due and payable to the SaXum insolvent estate from various third parties including reinsurers of SaXum. Settlements have been reached with three of the reinsurers. The funds in terms of the first settlement was reflected in the Second Liquidation and Distribution Account. We are currently finalising documentation and payment in respect of the remaining two settlements. These funds will be reflected in a Third Liquidation and Distribution Account in due course.

3.2.2. There are pending proceedings against two further reinsurers, one in the process of going to mediation, and the liquidators' legal team is working tirelessly in order to expedite the finalization of these proceedings. Should the mediation not result in a resolution of the dispute and payment to SaXum, the parties will proceed to formal arbitration on the matter. Any funds recovered through these proceedings, will also be reflected in a Third or further Liquidation and Distribution Account.

Once the reductions of the claim amounts to the assessed amounts (paragraph 3.1.3 above), the determination of the dividends that are payable to SAIA (paragraph 3.1.6 above), the special meeting (paragraph 3.1.7 above) and the recovery of the funds in terms of the settlements (paragraph 3.2.1 above) are finalized, the joint-liquidators will be in a position to draft a Third Liquidation and Distribution Account.

1. **THAT** I hereby request the Master of the High Court to extend the time for the lodgement of the Third Account with SIX (6) months until the 24th of January 2022.
2. **THAT** we have an amount R25,959,189.79 on hand.
3. **THAT** no creditors will be prejudiced by the Master granting us the necessary extension.
4. **THAT** a copy of this Affidavit has been forwarded to all known creditors by registered post and/or email. A copy of this Affidavit has also been uploaded to the Saxum Insurance Limited (In Liquidation) Website (www.saxuminsurance.com). I attach hereto a copy of the registered post list (Annexure A) and several email receipts (Annexure B).



 W N JACOBS

SWORN TO AND SIGNED BEFORE me at _____ this _____ day of _____ 2021 by the abovementioned Deponent who has acknowledged that he knows and understands the contents of this Affidavit, has no objection to the taking of an oath which reads as follows: I SWEAR that the contents of this Affidavit are true so help me God. And FURTHER that he regards the said Oath as binding on his conscience, which Oath was duly administered by me as required by Law.

I certify that this document is a true copy of the original which was examined by me and that, from my observations, the original has not been altered in any manner.

SIGNATURE

Date: 12/07/2021

COMMISSIONER OF OATHS (RSA)	
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 SABPP™ <small>SA BOARD FOR PEOPLE PRACTICES</small> <small>Setting the standards</small>	