

SAXUM
INSURANCE
(IN LIQUIDATION)

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14 February 2022

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

CIRCULAR NUMBER 36

UPDATE ON THE LIQUIDATION PROCEEDINGS

- 1 SaXum was placed into liquidation on 20 October 2016 by way of an order granted in the High Court, Johannesburg. SaXum remains in liquidation.
- 2 You are referred to previous circulars and communications issued by the liquidators on various aspects of the liquidation proceedings of SaXum, which can be accessed on www.saxuminsurance.com.
- 3 The purpose of this circular is to provide you with an update in relation to various outstanding recoveries on behalf of the insolvent estate of SaXum. These recoveries are in relation to guarantees issued by SaXum and reinsurance claims against two reinsurers of SaXum. Other reinsurance claims have been successfully recovered and settled by the liquidators.
- 4 **Guarantee related recovery**

SaXum is in the process of recovering approximately R55,000 (fifty-five thousand rand) owed to it arising from a SaXum policyholder for guarantees it issued pursuant to projects that have since been completed.
- 5 **Reinsurance recoveries**
 - 5.1 You will recall that it was previously reported that:
 - (1) reinsurance claims were successfully recovered from four reinsurers and paid to the insolvent estate of SaXum; and
 - (b) there are pending proceedings against two reinsurers in respect of reinsurance claims, one in the process of going to mediation.

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Liquidators:

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- 5.2 The onset of the COVID-19 pandemic and related restrictions, amongst other factors, have however resulted in delays in the progression of these proceedings.
- 5.3 The liquidators' legal team is working towards the resolution of these matters and finalization of the pending proceedings. Preparations for the mediation proceedings with one of the reinsurer's are underway. Should the mediation not result in a resolution of the dispute, the parties will proceed to formal arbitration on the matter. Work to progress the proceedings in respect of the other reinsurance claim is also underway.
- 5.4 The total reinsurance claims are in the amount of approximately R82,857,656 (eighty two million eight hundred and fifty seven thousand six hundred and fifty six rand).
- 6 All stakeholders of the SaXum insolvent estate are requested to take the above into account as the liquidators and their legal team work towards finalizing the outstanding recoveries from the two remaining reinsurers.
- 7 Stakeholders are further requested to kindly visit the SaXum Insurance website periodically, in order to ascertain whether further Circulars or information or documents have been uploaded for the stakeholders' attention.
- 8 We will keep you apprised of any material developments by way of further Circulars uploaded onto the SaXum Insurance website.

Yours faithfully,

PER:

N.A.G. OMAR N.O.

W.N. JACOBS N.O.

(electronically sent without signature)