

SAXUM
INSURANCE
(IN LIQUIDATION)

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1 MARCH 2023

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

CIRCULAR NUMBER 39

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 the claims investigation process as undertaken by the Liquidators, and which process is near completion.
- 4 **Claims proved against SaXum**
- 4.1 We confirm that we received the Master's consent to convene a Special Meeting of Creditors to prove the last claims received by the Liquidators. The said Special Meeting has been convened to take place on 9 March 2023.
- 4.2 We confirm that the claims investigation process is in the final stages of completion. The Liquidators undertook a mammoth task in order to ensure that there are no duplicated claims lodged against the Estate and that the dividends will be paid to the correct person or entity.
- 4.3 Many duplicated claims were lodged due to the fact that, as an example, brokers and financial institutions lodged claims on behalf of all the clients on their client portfolio, and many of these clients lodged claims personally as well. We therefore had to work through a list of almost 5000 claims as proved by or on behalf of claimants in order to identify any duplicated claims. These duplicated claims will be expunged in terms of Section 45(3) of the Insolvency Act, Act 24 of 1936 ("Insolvency Act") in due course.
- 4.4 The Liquidators further had to compare the amounts claimed by the claimants to the final assessed amounts of the insurance claims as assessed by EOH (now XTND) so as to ensure that the claims

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saXum Insurance Limited (In Liquidation)
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are accepted at an amount equal to the assessed amounts. All claims proved at different amounts, will be compromised in terms of Section 78(3) of the Insolvency Act to the said assessed amounts in due course.

- 4.5 The South African Insurance Association (“SAIA”), as referred to in previous circulars, created a fund in order to assist certain claimants whom they identified as “hardship claimants”. These claimants’ finance agreements with banks were, as an example, settled by SAIA. However, prior to the settling of these claims the claimants were contacted by representatives of SAIA, and the claimants signed cession agreements in favour of SAIA and in terms whereof they ceded their claims against the estate of SaXum to SAIA. Therefore, any dividend payable in terms of their claims are in fact now payable to SAIA in terms of these cession agreements. The Liquidators therefore had to ensure that all the claims ceded to SAIA are indicated as such, so that an incorrect payment is not made by the Liquidators.

5 Liquidation And Distribution Account

- 5.1 The abovementioned processes are, as mentioned above, in the final stages and the Liquidators will finalise a Third Liquidation and Distribution Account after the abovementioned Special Meeting has taken place, and once, after the necessary expungements and compromises of claims, a final Distribution Account has been exported.
- 5.2 The Master granted extension for the lodgement of this Account until 24 July 2023 to enable the Liquidators to finalise the abovementioned aspects, however the Liquidators will finalise and lodge this Account as soon as possible.
- 6 Any funds collected after the drafting of the Third Account will be reflected in a further Account.
- 7 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 these aspects.
- 8 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.
- 9 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)