Road Accident Fund

20 July 2015

Dear Road Accident Fund Stakeholder

RAF CASHFLOW STATUS UPDATE

Further to my communication dated 22 June 2015, please note that the by now familiar increased Sheriff activities, as month-end approaches, commenced earlier this month.

A very small minority of firms has once again deemed it appropriate to prioritise their interests over those of the vast majority of the more than 6 600 service providers, representing many thousands of claimants, whom we owe in excess of R8.7bn to, and who also have monthly obligations we are considerate of.

It was further noted that a number of firms that the RAF Finance team have been engaging with on a daily basis over the past 7 months, believing that a mutually beneficial engagement model had been established, nonetheless proceeded to issue writs.

In addition, with the receipt of a portion of the increased Fuel Levy at the end of June, we have been attending to the very oldest outstanding claims requested in November and December. Our plans included effecting all payments requested up until end February by the end of July 2015.

As a consequence of the engagement with the Sheriff on Friday, which is expected to continue today, please note the following:

1) The finalisation and approval of claims payments in Menlyn have been suspended for the time being.
2) Limited critical payments only will take place until the receipt of the July Fuel Levy.
3) If you represent one of the firms with which the RAF has had engagements with and you nevertheless issued writs, the execution of these engagements have been suspended until August.
4) All other commitments agreed to up and until 17 July will be honoured though.
5) The payment of the longest outstanding payment requests is unlikely to be resumed in the next two weeks.

Thank you for those that continue to support the Institution.

Yours sincerely

Ms Y van Biljon
Chief Financial Officer

Centurion 420 Witch-hazel Avenue Eco Glades 2 Centurion
Private Bag X178 Centurion 0046 T +2712 621 1879 F +2712 621 1640
www.raf.co.za

Board Members: Dr NM Bhengu (Chairperson), Mr D Coovadia (Vice Chairperson), Mr LED Hlatshwayo, Dr KLN Linda, Mr TP Masobe, Ms R Mokoena, Mr AM Pandor, Adv DS Qocha, Mr DK Smith, Ms A Steyn, Mr T Tenza (Director-General's Representative), Dr EA Watson (Chief Executive Officer)