

MEDIA RELEASE FROM INSURANCE CLAIMS AFRICA

ICA: Ma-Afrika Hotels wins final Business Interruption insurance battle against Santam

Johannesburg, 7 October 2021 -- Today the Supreme Court of Appeal dismissed Santam's appeal and upheld the Western Cape High Court's finding in favour of Ma-Afrika Hotels (MAH) and Stellenbosch Kitchen (SBK) in the final stretch of the battle to hold Santam liable for Covid-19 Business Interruption claims in the tourism and hospitality industry.

The decision means that Santam is obligated to pay Ma-Afrika Hotels (MAH) and Stellenbosch Kitchen for the full 18-month period of its policies.

André Pieterse, Chairman / CEO of MAH, says: "We are most grateful to the honourable judges of the SCA since originally Santam had argued that they had no obligation in terms of the policy. However, following the judgment in the Cape High Court in November 2020, Santam acknowledged their liability, but argued that it was only liable for 3-months despite the full bench of the Western Cape High Court having rejected their argument."

Ryan Woolley, CEO of ICA says: "We are extremely happy with this decision as it provides much needed certainty for the finalisation of outstanding claims for businesses in the tourism and hospitality sector, who have had to wait more than 18-months for valid claims to be settled.

"The Court's decision in this matter is crucial for thousands of Santam's Hospitality & Leisure division's Business Interruption policyholders, and once the claims are settled by insurers funds will flow to assist a desperate sector of the economy.

"We all know that the endless litigation and slow progress on payment of claims by certain insurers has had a devastating impact on businesses in a sector that remains severely challenged by the pandemic, affecting the lives of thousands of employees and their dependents.

"The behaviour of insurers throughout this debacle has been a travesty. In essence, they chose to abandon their customers in their darkest time of need. This has impacted not only the reputations of short term insurance companies, but also on insurance as an overall category. Their Stalingrad strategy of deny, delay and defend has eroded the public's trust in insurance and we anticipate that it will take significant effort, commitment and time to restore customers' faith in the sector," says Woolley.



Woolley extended his gratitude and congratulations to the entire legal team and to André Pieterse and his colleagues at Ma-Afrika. ICA and Ma-Afrika Hotel's legal team is led by advocates Jeremy Gauntlett QC SC, Mike van der Nest SC, Sean Rosenberg SC, Guy Elliott SC, and Porchia Long and Jason Mitchell. They are instructed by attorneys Anel Bestbier of Thomson Wilks, and David Bayliss.

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About ICA:

ICA is the specialist loss adjustment representing over 850 claimants in the tourism and hospitality sector in their battle to get large insurers to pay out on business interruption claims. ICA is a specialist claims preparing company that has between three to four billion rands worth of claims under management at any one time. The company has dealt with most of the large complex claims in sub-equatorial Africa and the Indian Ocean island and have a long history of championing vulnerable claimants in critical circumstances. ICA defended home and business owners against insurers from the Cyclone Domoina floods in 1984 to the Knysna fires in 2017, the most severe wildfire in the country's history. It also acted for claimants in the Mozambique floods caused by Cyclone Idai in 2019.

About Ma-Afrika Hotels (MAH):

In Stellenbosch, MAH operates Coopmanhuijs Boutique Hotel & Spa, rated number 1 on *TripAdvisor* for the past 7 years, Helena's Restaurant, currently rated number 3 on *TripAdvisor*, The Stellenbosch Hotel, currently rated number 4 on *TripAdvisor* and Rivierbos Guest House.

In Cape Town, it operates the Best Western Cape Suites Hotel.

About Stellenbosch Kitchen:

Stellenbosch Kitchen (SBK), operating in a historic building, listed as a National Monument, seats 150 patrons in the heart of Stellenbosch. Currently rated number 6 by *TripAdvisor* out of 241 Restaurants in the Stellenbosch region.

MAH & SBK offers permanent employment to more than 160 employees.