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Sub Office File: 7/1/1

2 May 2023

CIRCULAR 16 OF 2023

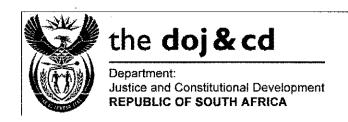
(HEAD OFFICE FILE 12/7/P)

CHIEF MASTER DIRECTIVE 2 OF 2023-BANKRUPTCY MATTERS: STANDARDIZE THE SUBMISSION OF REQUISITIONS

- 1. Your attention is drawn to the contents of the attached Directive with regards to standardizing the submission of requisitions in bankruptcy matters
- 2. This Directive This directive repeals prior Directives, Circulars or instructions regarding this subject is effective from **24 April 2023** and should be implemented as such.
- 3. Any enquiries should be addressed in writing to the Office of the Chief Master.

Ms P Roberts

ACTING CHIEF MASTER



CHIEF MASTER'S DIRECTIVE 2 OF 2023

BANKRUPTCY MATTERS: STANDARDIZE THE SUBMISSION OF REQUISITIONS.

1. PURPOSE OF THIS DIRECTIVE

The purpose of this Directive is to direct all Masters in the performance of their functions regarding dealing with submitted requisitions in bankruptcy matters.

This Directive is issued in terms of:

- **1.1.** Section 3 of the Judicial Matters Amendment Act, 2005 which requires the Chief Master to "exercise control, direction and supervision over all the Masters".
- 1.2. Section 2(1) of the Administration of Estates Act 66 of 1965.

2. BACKGROUND

- 2.1) SARIPA raised the issue that since the advent of Covid 19 many financial institutions and non-financial institutions have moved over to electronic signature verification platforms.
 - They argue that this platform is secure and uses highly sophisticated electronic software which negates the need for an ink signature on an original. Many of the responsible officials at these institutions are now working from home, making the collection of original documents impractical, difficult and very costly.
 - i. The Branch, however, has not yet moved to the digital signature platform as it is also dependent on the Department of Justice to obtain and implement same.
 - ii. The requirement of the original requisitions was adopted in one of the Insolvency workshops in 2018 as resolution 4/2018 which was subsequently ratified by the Branch Management meeting (formerly HOO meeting).

iii. While SARIPA noted the resolution, they however, made the point that this resolution was taken without the stakeholder's inputs and they requested that this requirement be reconsidered and that directive dealing with this subject matter is required to standardize the submission of requisitions.

iv. As an interim proposal, they requested that the validity of original requisitions be extended to a period of 45-days.

2.2) As part of the Chief Master's statutory obligations, a decision has been made to implement the following amendment to validity timeframe of original requisitions to ensure uniformity in all Master's Offices:

3. THE FOLLOWING HAVE BEEN DECIDED:

3.1) That the current validity period of the original requisition is extended by 15 days, to a period of 45 days, as there is no any risk involved.

3.2) Original requisitions still needs to be lodged, as adopted in terms of resolution 4/2018, because of the risk associated with lodgement of copies and the fact that the Branch has not yet moved to digital signatures in the area of Insolvency.

i) Regard must be had to the fact that this resolution was published as far back as 2018 for all stakeholders to be informed as an indicative of the fact that they were communicated

4 EFFECTIVE DATE

This directive repeals prior Directives, Circulars or instructions regarding this subject, with effect from date of signature of this Directive.

Ms P Roberts

ACTING CHIEF MASTER

Date