

12 October 2026

To All SAFCA Members

Greetings to you all.

1. Sappi Loss of Production Cost Cover

Following a meeting with Sappi senior management regarding their requirement that contractors take out insurance cover for production cost losses caused by fire damage to infield and depot stock, and as per my previous communication to SAFCA members in this regard, further clarity from Sappi is as follows:

1. In the event of losses being incurred that were not caused by the contractor affected, Sappi will entertain discussion regarding compensation thereof.
2. If losses are incurred by a contractor because of their own operations causing a fire, then the contractor is expected to have insurance in place to cover the relevant production cost losses.
3. It is rather suggested than enforced by Sappi that that risk be taken into account and if deemed necessary, insurance cover be taken out at the contractor's cost.

I am still awaiting quotes from insurers in this regard which hopefully will be sent soonest.

2. AGM

A reminder to please diarise to attend this year's **AGM** which will be held at the **Ngodwana Dam Venue** in Mpumalanga on the **18th November** at **09h00**. Please make a special effort to attend.

Also, please forward your carefully considered Board nominations timeously, so that ideally, we achieve board representation in all regions.

Kindest regards

Roger Johnston | CEO

Contact Number: 082 434 3905 | E-mail: roger@safca.co.za