

"FAB"



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# Theron & Vennote

## Partners

PROKUREURS – AKTEBESORGERE – BOEDELBEREDDERAARS – AFSLAERS  
ATTORNEYS – CONVEYANCERS – ADMINISTRATORS OF ESTATES – AUCTIONEERS

Posbus / P.O. Box 669  
STELLENBOSCH, 7599

E-pos adres / E-mail address: [info@theronlaw.co.za](mailto:info@theronlaw.co.za)  
Doceks: 33, STELLENBOSCH

Telefoon / Telephone: (021) 887 7877  
Telefaks / Telefax: (021) 887 3333

Alexander III Gebou, Alexanderstraat 18 STELLENBOSCH 7600  
Alexander III Building, 18 Alexander Street STELLENBOSCH 7600

Our Ref.: JB THERON/bk/H080327

Your Ref.: AJ BARNARD

2 December 2015

MR MICHAEL GEORGIU  
BLOEMFONTEIN

AND

THE TRUSTEES: MICHAEL FAMILY TRUST  
BLOEMFONTEIN

AND

MESSRS EG COOPER MAJIEDT  
BLOEMFONTEIN

BY EMAIL: [charlene@egc.co.za](mailto:charlene@egc.co.za)

Dear Sirs

RE: HIGHVELD SYNDICATION ACTION GROUP // MICHAEL GEORGIU //  
THE MICHAEL FAMILY TRUST

1. We act on behalf of approximately 12 000 prospective claimants ("the Highveld investors") *inter alia* in an application that is pending in the Pretoria High Court under case number 80811/14 ("the Pretoria application") for leave to institute a class action against various entities involved in the Highveld 19 to 22 companies and their subsequent demise, as well as an

Petrus Jacobus Theron (Consultant) – Jacques Brink Theron  
Assisted by Marina Cecilia Verdoes & Johan Furstenberg  
B.T.W. Registrasienuommer / V.A.T. Registration Number 4260168630

application for the setting aside, alternatively leave to appeal the sanctioning of a scheme of arrangement relating to Orthotouch Limited ("**Orthotouch**") in terms of s155 of the Companies Act of 2008 ("**the Johannesburg application**"). We also hold instructions to bring a further class action in relation to the Highveld 15 to 18 companies.

2. Our clients were until recently unaware of the pre-listing statement of Accelerate Property Fund Limited ("**Accelerate**") that discloses how certain assets that had been transferred in terms of a Business Rescue Plan to Orthotouch (a company controlled by Mr Nicolas Georgiou) were stripped and transferred to Accelerate (a listed company of which Mr Michael Georgiou is the CEO) and renounced to the Michael Family Trust (a trust of which Mr Michael Georgiou is a trustee).
3. We have been instructed to preserve the Accelerate shares that were renounced to the Michael Family Trust.
4. The pre-listing statement read with the *ex parte* application for the sanctioning of the Orthotouch scheme of arrangement reveals that Mr Nicolas Georgiou and his son, Mr Michael Georgiou, have through various entities concealed and dissipated the very assets that were supposed to be used to repay the Highveld investors to nullify any judgment that our clients might obtain against them and their entities which are being pursued in the Pretoria application, and the Johannesburg application.
5. The pre-listing statement also reveals that between 219 175 452 and 238 561 226 of the Accelerate shares currently held by the Michael Family Trust are subject to a two year lock-in period that expires on 12 December 2015. Included herein are shares that were renounced to the Michael Family Trust.
6. Given that the Accelerate shares are subject to a two-year lock-in period that expires on 12 December 2015, our clients require an irrevocable undertaking by the trustees of the Michael Family Trust that they shall for a period of four (4) months from date hereof not to alienate, transfer or encumber any of the



Accelerate shares that were renounce to the Michael Family Trust pursuant to the Ortotouch Sale Agreements the Eshowe Mall transaction, or any Conditional Deferred Payment in respect of those transactions (as those terms are defined in the pre-listing statement).

7. We require such an undertaking, in writing, by no later than Thursday, 3 December 2015 at 17:00, failing which we shall bring an urgent application against yourselves for the appropriate relief.
8. All our clients' rights remain reserved.

**Yours faithfully**  
**THERON & PARTNERS**

PER:

  
**JETHRON**



"FA4"



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PROKUREURS - AKTEBESORGERE - BOEDELBEREDDERAARS - AFSLAERS  
ATTORNEYS - CONVEYANCERS - ADMINISTRATORS OF ESTATES - AUCTIONEERS

Posbus / P.O. Box 669  
STELLENBOSCH, 7599

E-pos adres / E-mail address: [info@theronlaw.co.za](mailto:info@theronlaw.co.za)  
Doceks: 33, STELLENBOSCH

Telefoon / Telephone: (021) 887 7877  
Telefaks / Telefax: (021) 887 3333

Alexander III Gebou, Alexanderstraat 18 STELLENBOSCH 7600  
Alexander III Building, 18 Alexander Street STELLENBOSCH 7600

**Our Ref.: JB THERON/bk/H080327**

**Your Ref.: AJ BARNARD**

**3 December 2015**

**MR MICHAEL GEORGIU  
BLOEMFONTEIN**

**AND**

**THE TRUSTEES: MICHAEL FAMILY TRUST  
BLOEMFONTEIN**

**AND**

**MESSRS EG COOPER MAJIEDT  
BLOEMFONTEIN**

**BY EMAIL: [charlene@egc.co.za](mailto:charlene@egc.co.za)**

**Dear Sirs**

**RE: HIGHVELD SYNDICATION ACTION GROUP // MICHAEL GEORGIU //  
THE MICHAEL FAMILY TRUST**

1. We refer to the pre-listing statement of Accelerate Property Fund Limited issued on 27 November 2013. On page 52 at paragraph 8.5.1 of the pre-listing statement it is recorded that:

*"Of the 316 476 779 – 331 366 244 shares, 219 175 452 – 238 561 226 shares (R1 069 958 071 – R1 221 017 840) will be subject to a 2 year lock-in period post-Listing. Approximately R410 000 000 of those locked-in shares will be encumbered by Michael Family Trust.*

*(our underlining)*

2. The pre-listing statement discloses no further details relating the manner in which a portion of the locked-in shares were to be encumbered.
3. We request that you provide us with details of when, to whom, and how certain of the locked-in shares were encumbered, which is information that we require for purposes of preparing the urgent application referred to in our letter of yesterday, 2 December 2015.
4. All our clients' rights remain reserved.

**Yours faithfully**

**THERON & PARTNERS**

PER:

  
**JE THERON**



"FA 5.1"



# EG COOPER MAJIEDT

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PROKUREURS • NOTARISSE • AKTEBESORGENS • BOEDEL BEREDDERAARS • ARBEIDSPROKUREURS

Our Reference | Ons Verwysing: N OOSTHUIZEN/hb/GA0430

Your Reference | U Verwysing: JB THERON/bk/H080327

03/12/2015

**THERON & PARTNERS  
STELLENBOSCH**

BY EMAIL : [admin@theronlaw.co.za](mailto:admin@theronlaw.co.za) / [jbt@theronlaw.co.za](mailto:jbt@theronlaw.co.za) / [info@theronlaw.co.za](mailto:info@theronlaw.co.za)

Dear Sir,

**RE: HIGHVELD SYNDICATION ACTION GROUP // MICHAEL GEORGIU // THE  
MICHAEL FAMILY TRUST**

1. We hold instructions on behalf of Mr Michael Georgiou and the Michael Family Trust.
2. Your letter dated 2 December 2015 has reference.
3. Our failure to deal with each and every allegation contained in your letter does not amount to, nor must it be deemed to be, an admission. We reserve the right, if necessary, to respond thereto at the appropriate time in the appropriate forum.
4. The allegation that you act on behalf of approximately 12000 prospective claimants in either the Pretoria application [case number: 80811/2014] and in the application for setting aside, alternatively leave to appeal is factually and legally flawed and incorrect.
5. We place on record that your letter is aimed solely at creating urgency for the envisaged application. Your firm has been involved in the class action for a considerable period of time and, if you act for 12000 prospective investors as you allege, there is simply no basis that your 'clients' only became aware of the pre-listing statement, the Business Rescue Plan or the *ex parte* application recently.
6. Any alleged urgency is the doing of your clients. We note that no particulars are given regarding when your 'clients' would allegedly have become aware of the pre-listing statement. It is clearly untenable that they only became aware recently as the pre-listing statement that you refer to has been in the public domain for at least 2 years, for instance.

Address | Adres:  
77 Kellner Str, Westdene,  
Bloemfontein, 9301

PO Box 246, Bloemfontein, 9300  
Free State, South Africa  
Posbus 246, Bloemfontein, 9300  
Vrystaat, Suid Afrika

Docex: no.4

Telephone | Telefoon  
051 447 3374/5/6  
International | Internasionaal  
+27 51 447 3374/5/6

Website | Webblad: [www.egc.co](http://www.egc.co)

Directors | Direkteure:  
NC Oosthuizen B.Proc  
DT Majedi B.A LL.B  
LO Koups LL.B  
L Els LL.B  
R Oosthuizen LL.B  
JP Otto LL.B LL.M

Associates | Assosiate:  
K Dauth LL.B LL.M  
AJ Barnard LL.B

Consultants | Konsultante:  
S Tsangaris B.Proc  
E Van Wyk B.Iur LL.B  
T Olivier (Appeals)

Owner | Eienaar:  
EG Cooper Majiedt Inc.  
Reg no. 94/009832/21

NCRPC : 5216

7. The statements contained in paragraph 2 and 4 of your letter are defamatory of and relating to our clients and our clients reserve their rights in this regard.
8. None of the documents you refer to disclose that our clients, and for that matter Mr Nicolas Georgiou, have concealed or dissipated assets, much less to nullify any judgment. Lest there be any misunderstanding, our clients have not concealed or dissipated any assets and the sweeping allegations are without foundation and are, save for the defamatory nature thereof, vexatious.
9. Your 'clients' are attempting to create a foundation which does not exist in fact or law to obtain relief to which your clients are not entitled.
10. The full purchase price of the Orthotouch properties were paid. The shares you refer to have nothing to do with the Orthotouch properties. This is also confirmed by the financial statements of the company. This can also be confirmed by the company's auditors. No shares were renounced by Michael Georgiou to the Michael Family Trust. You have also misunderstood the Conditional Deferred Payment agreement and the lock in period.
11. Save to advise that the shares have been pledged from the outset following long term transactions concluded at arm's length, our clients are not legally obliged to give any undertaking and your clients are not entitled to demand the same. It is clear that your allegations are not based on fact and are merely aimed at creating an impression which is unwarranted by the facts.
12. Any urgent application by your clients will be malicious and in this regard our clients will seek costs on a punitive scale as well as all and any damages suffered by our clients.
13. You are hereby formally requested to give our clients sufficient prior notice of any intended application in order to enable them to oppose the same.
14. Please acknowledge receipt of this letter.

**Yours Faithfully | Die uwe,**  
**EG COOPER MAJIEDT**  
Per: NC Oosthuizen  
E-mail | E-pos: [riana@egc.co.za](mailto:riana@egc.co.za) / [commercial@egc.co.za](mailto:commercial@egc.co.za)  
Direct Fax | Direkte Faks: 086 518 9904



"FA5.2"



# EG COOPER MAJIEDT

ATTORNEYS · NOTARIES · CONVEYANCERS · ADMINISTRATORS OF ESTATES · LABOUR LAWYERS  
PROKUREURS · NOTARISSE · AKTEBESORGERE · BOEDEL BEREDDERAARS · ARBEIDSPROKUREURS

Our Reference | Ons Verwysing: N OOSTHUIZEN/hb/GA0430

Your Reference | U Verwysing: JB THERON/bk/H080327

03/12/2015

**THERON & PARTNERS  
STELLENBOSCH**

BY EMAIL : [admin@theronlaw.co.za](mailto:admin@theronlaw.co.za) / [jbt@theronlaw.co.za](mailto:jbt@theronlaw.co.za) / [info@theronlaw.co.za](mailto:info@theronlaw.co.za)

Dear Sir,

**RE: HIGHVELD SYNDICATION ACTION GROUP // MICHAEL GEORGIU // THE  
MICHAEL FAMILY TRUST**

1. The above matter refers.
2. Your 2<sup>nd</sup> letter regarding this matter which we received on the 3<sup>rd</sup> day of December 2015 will be dealt with in due course.
3. All our client's rights are reserved.

Yours Faithfully | Die uwe,  
EG COOPER MAJIEDT

Per: NC Oosthuizen

E-mail | E-pos: [riana@egc.co.za](mailto:riana@egc.co.za) / [commercial@egc.co.za](mailto:commercial@egc.co.za)

Direct Fax | Direkte Faks: 086 518 9904

Address | Adres:  
77 Kellner Str, Westdene,  
Bloemfontein, 9301

PO Box 246, Bloemfontein, 9300  
Free State, South Africa  
Posbus 246, Bloemfontein, 9300  
Vrystaat, Suid Afrika

Docex: no.4

Telephone | Telefoon:  
051 447 3374/5/6  
International | Internasionaal:  
+27 51 447 3374/5/6

Website | Webblad: [www.egc.co](http://www.egc.co)

Directors | Direkteure:  
NC Oosthuizen B.Proc  
DT Majiedt B.A. LL.B  
LO Koupis LL.B  
L Els LL.B  
R Oosthuizen LL.B  
JP Otto LL.B LL.M

Associates | Assosiate:  
K Dauth LL.B LL.M  
AJ Barnard LL.B

Consultants | Konsultante:  
S Tsanganakis B.Proc  
E Van Wyk B.Iur LL.B  
T Olivier (Appeals)

Owner | Eienaar:  
EG Cooper Majiedt Inc.  
Reg.no. 94/009832/21

NCRPC : 5216