

Dear Mr / Mrs / Ms

**NB: THE OFFICIAL HIGHVELD SYNDICATION ACTION GROUP (“HSAG”) NOTICES ARE THE ONLY OFFICIAL SOURCE OF INFORMATION WHERE YOU AS INVESTOR CAN FIND INFORMATION AND WE INVITE YOU TO VISIT THE WEBSITE AT [www.hsaction.co.za](http://www.hsaction.co.za). EMAILS ARE SENT OUT FROM TIME TO TIME AND YOU ARE REQUESTED TO ENSURE THAT YOUR APPLICATION FORM FOR THE HSAG HAS BEEN COMPLETED CORRECTLY AND THAT YOU KEEP US UP TO DATE WITH ANY AMENDMENTS.**

### **ADMINISTRATIVE CUT-OFF DATE FOR REGISTRATION AT THE HSAG**

**PLEASE TAKE NOTE that 31 March 2017 at 24:00 will be the next administrative cut-off date for any late-registrations with the HSAG.**

**PLEASE make sure that all your contributions towards Registration and Legal costs have been settled up to date to ensure that you have legal representation for the HSAG matters and cases and/or possible future settlement(s). Any special requests and enquiries must be in writing addressed to [hsagenquiries@gmail.com](mailto:hsagenquiries@gmail.com).**

#### **1. THE HSAG CLASS ACTION**

As investors are aware, during November 2016 there was an attempted hijacking of the intended Class Action of the Highveld Syndication Action Group (“HSAG”) by Mr Nic Georgiou/Orthotouch amongst others, by buying off the individual nominal Applicants, who were acting on behalf of the HSAG to certify the HS Class Action, as well as the individual Applicants in the Application for setting aside of the Scheme of Arrangement of Orthotouch.

Our senior counsels’ advice is that these attempts are irregular and must be set aside by the High Court. Two urgent Applications to that effect were brought in both the High Courts of Pretoria and Johannesburg. The first Application was heard in the High Court in Pretoria on the 3<sup>rd</sup> of February 2017 and we are currently waiting for the outcome of the said judgement of the Pretoria High Court. The next Application will be heard on the 28<sup>th</sup> of February 2017 in the High Court of Johannesburg. We shall keep you posted with the outcome of the hearings of the High Courts on the HSAG website or per email.

#### **2. UNDERMINING OF THE HSAG CLASS ACTION AND SETTLEMENT**

Certain other persons, who do not form part of the HSAG, are still communicating with members of the HSAG (mostly by means of Facebook/WhatsApp messages) in order to discourage them to take part in the HSAG or to negotiate possible settlements outside the HSAG with Mr Georgiou/Orthotouch. Complaints are being received that these persons are posing as representatives or that they are acting in the interest of the members of the HSAG, however it is very important that you take note that they are not at all authorised to communicate with or even contact members of the HSAG. The following persons are disloyal erstwhile members and/or were fiery supporters of the HSAG but have deserted the group and do not support the objectives of the HSAG or the Class Action anymore:

- Mrs **Elna Visagie**, who as a member of the management team held a trustworthy position (and who initiated the proposed class action), is currently in the employment of Mr Georgiou/Orthotouch);
- Mr **Herman Lombard**, previously a fiery supporter of the HSAG, but who is currently in the employment of Mr Georgiou/Orthotouch);
- Mr **Helgard Hancke** who previously held a trustworthy position as member of the Steering Committee of HSAG, but who had settled secretly and in private and who does not have a vested interest in the HSAG anymore. When it became known that Mr Hancke had settled secretly with Mr Georgiou/Orthotouch he was requested to resign from the Steering Committee. He was also requested to provide all confidential information, emails and documentation of the HSAG to us, which he has to this date refused to do.

Kindly inform us on [hsactiongroup@gmail.com](mailto:hsactiongroup@gmail.com) or [hsagwhistle@gmail.com](mailto:hsagwhistle@gmail.com) of any attempts where persons are providing false or malicious information or falsely pretend that they are acting on behalf of the members of the HSAG, as well as the names of such persons if and when it comes to your attention.

Should an investor follow the advice of one of the abovementioned disloyal parties or third parties who are not mandated by the HSAG, then that investor would unfortunately **not** enjoy the benefits or protection of the HSAG and would have to be able to pay their own costs and expenses (which could eventually amount to hundreds of thousands of rands).

### 3. **SETTLEMENT**

The HSAG is in no way opposed to the settlement of claims between members of the HSAG and Mr Georgiou/Orthotouch. Only such persons that accept the settlement offers through the attorneys of the HSAG (Theron & Partners Attorneys, Stellenbosch) and where the attorneys accept and administrate such payments on behalf of and in favour of the specific HSAG members, will enjoy the protection of the HSAG.

Mr Helgard Hancke is currently trying to create the impression on social media that the attorneys have a conflict of interest by simultaneously acting on behalf of the HSAG Class action and by negotiation a possible settlement on their behalf. This is utter rubbish. Mr Hancke is neither an attorney nor a registered financial advisor. Should he purport to provide legal and/or financial advice such action would be unlawful.

All other enquiries by HSAG members and investors must be addressed to [hsactiongroup@gmail.com](mailto:hsactiongroup@gmail.com).

#### **4. COSTS**

We have informed HSAG members from the outset that, depending on the support and co-operation from Prospective HSAG Claimants, it can be expected that annual trust contributions will be requested from HSAG members. At this stage only one request for contribution towards legal costs have been made and we shall keep you up to date about further requests. Registration and legal costs are payable from time to time and are not refundable.

#### **5. SETTLEMENT NEGOTIATIONS**

Applications to settle with Mr Nic Georgiou/Orthotouch closed on his request on 30 September 2016. **However, Mr Georgiou indicated again in January 2017 that he would also consider further applications and further negotiations will be continued by the HSAG steering committee during February 2017. A first meeting with Mr Nic Georgiou was already held in January 2017 and a second meeting is scheduled for February 2017.**

Regarding the meeting in January 2017 we wish to advise as follows:

Mr Nic Georgiou provided us with a second Settlement Agreement, which we forwarded to our advocates for their input. We will consider the pros and cons and will post our comments on this agreement on the website as soon as possible.

At our last meeting Mr Nic Georgiou indicated that he will sign the Settlement Agreement (Form "C") on or before 31 March 2017. He also indicated that he will only be able to make the first payments, in terms of the signed first Settlement Agreements, during (but not later than) 30 April 2017.

We are continuing to communicate with Mr Nic Georgiou in order to reach an agreement, (on behalf of all the investors who indicated that they wish to settle, including those investors who submitted their applications to settle after 30 September 2016). Mr Nic Georgiou indicated that all applications received after 30 September 2017 would be considered and although no cut-off date has been set we request that HSAG members who are interested in the settlement offer, must apply sooner rather than later.

## **6. INDIVIDUAL CLAIMS (HS 21 – 22)**

If there are investors who invested in Highveld Syndications 21 and 22 and who wish to take individual action based on the buyback agreements they must urgently provide our offices with their individual instructions. Such action must be issued forthwith. A draft summons is in the process of being prepared and it is proposed that multiple Plaintiffs (investors) be cited in such summons.

## **7. WHISTLE HERE FOR FALSE INFORMATION**

If investors want to send us any relevant or important information or want to disclose documents and would prefer to remain anonymous, they can send an email to [hsagwhistle@gmail.com](mailto:hsagwhistle@gmail.com).

## **8. STATEMENT FOR PARTICIPATION IN THE HSAG**

Please find attached your Statement for participation in the HSAG.

Kindly take note of the following:

1. Since January 2016 our firm has started with trust requisitions for a contribution towards legal costs towards the Highveld Syndication court cases and related matters, driven by the HSAG. By doing so the HSAG members' individual and HSAG group's interests are protected. This amount will be reflected on your statement. If no trust requisition regarding legal costs appears on your statement, it means that you are in a group which has not yet been processed and/or allocated and will the said amount only reflect on a later statement. The requested amount for 2016 legal costs was R1000,00 per syndication. Please be advised that the personal information on our system was gathered from the application forms. If your application form is faulty or incomplete you may not be receive statements or emails from us.
2. Please click on the link to enter the "Customer Zone" where you will see all your trust requisitions for registrations and legal costs, as well as all payments made.
3. Due to the continuous high volume of information received, enquiries, registrations, the amendment of personal information and allocations as well as the legal process, it is possible that your payment/s and/or registration/s will not yet appear on the attached Statement but on a later Statement.
4. Automated statements will be sent out from time to time (normally monthly), but your link to the Customer Zone will stay active and you may therefore view your future payments and transactions as they are being allocated.

5. If there are any outstanding amounts you are kindly requested to pay any outstanding balances as soon as possible to prevent any unnecessary administration and/or further costs.
6. Registration surcharges are payable on all new and arrear (90 days and older) registrations. Registration cost currently amount to R1 500,00 per syndication and, if further registrations are allowed beyond the deadline, it is probable that there will be a further levy for registration costs per syndication for new registrations, in order to relieve the financial contributions made by our current HSAG members.
7. We thank you for your loyal support without which the HSAG and class action would not have been possible. At the same time you can be sure of our undivided loyal support to the members and associates of the HSAG.
8. All enquiries must be sent to [hsagenquiries@gmail.com](mailto:hsagenquiries@gmail.com).

Regards

Theron & Partners

Tel: (021) 887 7877

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