

IMPORTANT HSAG NEWS FLASH

20 JUNE 2018

This HSAG News Flash is addressed to members of the HSAG, affected by the recent letters from Cohen and others.

The www.hsaction.co.za website is the primary place where you will find HSAG information although emails are also sent out from time to time.

Herewith the official response from the Steering Committee of the Highveld Syndication Action Group (“HSAG”) to the Letter from Derek Cohen, Receiver of the S155 Scheme of Arrangement (“SoA”), dated 29 May 2018, and the Letter from Helgard Hancke, dated 15 June 2018, to Investors in the Highveld Syndication 15-22.

In the letters Cohen and Hancke, a rogue erstwhile HSAG Steering Committee member (currently operating the HSIF on behalf of Nic Georgiou), unlawfully insist that Highveld Syndication (“HS”) investors must fill in a form declaring whether or not they support any litigation against Mr Nic Georgiou or Orthotouch, including the class action litigation. This request is illegal and the HSAG advises as follows:

1. The HSAG keeps its members’ personal particulars confidential. Therefore, refrain from communicating with Messrs Cohen, Hancke or Orthotouch, as it may prejudice your legal and financial position. Former HSAG members’ information is currently also kept confidential.
2. The HSAG strongly advises HSAG members to ignore the above requests. HSAG members are advised not to make such a declaration or fill in any forms as requested by Mr Cohen and Mr Hancke. This advice is based on the following:
 - a) HSAG members cannot be forced to make such a declaration. The legal advice to the HSAG is that such a demand is wholly unenforceable and illegal. The whole purpose of the request is to swindle HS Investors to contract with Orthotouch, a bankrupt entity engineered by Georgiou and its misleading S155 Scheme operated by Cohen.
 - b) Secondly, this is just another attempt by Mr Nic Georgiou and his puppets to sabotage the class action litigation against him (Georgiou) and other respondents. It is common knowledge that Messrs Cohen and Hancke are speaking on behalf of Nic Georgiou. Messrs Cohen, Hancke and Georgiou are attempting to establish the identity of Highveld Syndication investors who support the HSAG. There are good reasons why the HSAG is keeping such identities confidential, amongst others to prevent the victimisation of individual investors. For instance, this request by Georgiou is purely intended to threaten

those investors who support the litigation, once identified, with non-payment of monthly interest under the Scheme of Arrangement.

3. Even if Mr Georgiou manages to identify the investors who support the litigation, Orthotouch (an empty shell controlled by Georgiou) cannot withhold monthly payments to them. This is because Orthotouch is bound by its own Scheme of Arrangement which was sanctioned by the High Court to make such payments, and neither Orthotouch nor Cohen can change its terms one-sided. The mere declaration of support by an investor for the class action does not deprive them of their rights or change the terms of the Scheme of Arrangement. Support by an HS investor of the litigation is in any event not at variance with the terms of the Scheme of Arrangement. Orthotouch and Cohen is in contempt.
4. If you haven't received your monthly interest, you must blow the whistle on Cohen and others who are breaching their own Court Order. Please send an email to hsagwhistle@gmail.com. You must also write a letter to Mr Cohen insisting that he supply you with a receipt from the attorneys in whose Trust Account he paid your interest. If he fails on request to furnish you with a receipt, it may amount to theft of your money.
5. It is important that each and every affected HSAG member notify us with their full particulars if he/she did not receive their monthly interest.
6. As soon as we establish the extent of the non-payments, the HSAG legal team will determine the next step that needs to be taken and continue with such steps on behalf of those who replied to this notice.
7. The HSAG will email its monthly statements during the course of the week of 25 – 29 June 2018. In the Newsletter we will deal with Hancke, Cohen and Orthotouch's letters in more detail and the replies that we received.
8. Lastly, we still pledge our loyal support to our HSAG members, as we likewise count on your loyal support!

HSAG STEERING COMMITTEE

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