



HS Action Group

ENGLISH TEXT BELOW

MAANDELIKSE NUUSBRIEF: AUGUSTUS 2018

Geagte HSAG-belegger / Mnr. / Mev. / Mej. [Customer Name]

Hierdie nuusbrief word aan u gerig as lid van die Hoëveld Sindikase Aksiegroep (“HSAG”) op grond van u belegging in die Highveld Sindikasiemaatskappye 15-22 en/of u ondersteuning van die HSAG.

Alhoewel e-posse, HSAG Nuusflitse en HSAG Inligtingsbrokkies van tyd tot tyd uitgestuur word, is die www.hsaction.co.za webtuiste die primêre plek waar u HSAG finale inligting kan bekom.

Die verpligting rus op u as belegger om ons op hoogte van enige veranderinge van u persoonlike en/of kontakbesonderhede.

1. INLEIDING

Onlangs in die media was berig dat mnr Nic Georgiou se een seun, in sy persoonlike hoedanigheid (en dit sluit nie eens die res van Georgiou familie, entiteite en sakeryk in nie!) onder die top 30 rykste individue in Suid-Afrika is.

Die HSAG se regstappe teen die Georgiou’s is dus nie teen onvermoënde persone wat uiteindelik nie sal kan betaal nie.

Nieteenstaande die “duisende mense” wat volgens Georgiou se meelopers sy Artikel 155 Reëlinskema sou ondersteun, strook dit nie met die HSAG se syfers nie, tensy hulle lede gewerf het onder die oorblywende 11 000 persone wat nie by die HSAG aangesluit het nie. Orthotouch en Helgard Hancke se HSBF word gedaag om die persone wat by hulle vorms geteken het aan ons te verskaf omdat die HSAG nie sondermeer persone aan boord sal hou wat hul eise teen Georgiou en ander afgeteken het nie.

Tot dusver en sedert 2014 het ongeveer 5% van die HSAG se lede aangedui dat hulle nie meer met die klas-aksie wil voortgaan nie en slegs ongeveer 2% op die

voorgeskrewe wyse onttrek het. Dit beteken dat Mnr. Nic Georgiou en die ander respondente steeds 'n groot taak het om hulself teen hierdie groep te verdedig.

2. ONDERSTEUNING VAN HSAG EN LEDE – BYDRAES

n Spesiale woord van dank aan u vir u lojale ondersteuning die afgelope jare waar ons letterlik van krag tot krag gegaan het ten einde geregtigheid te laat geskied. Sonder u voortgesette ondersteuning sou die HSAG se saak (ten einde die miljarde rande wat namens u geëis word, terug te vorder vanaf diegene wat die verliese en skades wat gely is) veroorsaak het te vorder, nie moontlik gewees het nie!

Die HSAG en die regsman is steeds lojiaal teenoor u saak en onderneem steeds om alles in hul vermoë te doen ten einde u regte te beskerm en om te verseker dat die skuldige partye aan die pen ry.

'n Ernstige besprekingspunt wat tydens die laaste HSAG-bestuursvergadering geopper was, is egter hoe vêr die HSAG lede aan boord moet hou of beskerm wat nie hul kant finansiëel bring of selfs nog geensins enige registrasiekoste ten volle betaal het nie?

Die HSAG-bestuur merk egter dat daar 'n aansienlike hoeveelheid lede is wat nog nie hul registrasiekoste betaal het / ten volle betaal het nie. Dit spruit tot 'n mate daaruit dat daar voormalige ondersteuners van die HSAG was wat hulle onder die valse indruk gebring het dat hulle geen verdere gelde verder hoef te betaal nie. Sedertdien was daar tientalle nuusbriewe en kommunikasie wat vir almal uitgewys het wat die bydrae moet wees maar is daar steeds beleggers wat nie enige verdere bydraes gemaak het nie.

Dit is baie belangrik dat elke lid sy/haar kant moet bring ten einde die HSAG se saak te dryf anders sal hul lidmaatskap ongelukkig noodwendig beëindig word.

Die gevolge daarvan is verreikend en kan ondermeer beteken dat u eis teen Orthotouch/Georgiou kan verjaar weens die beëindiging van u HSAG lidmaatskap

Hierdie lede mag moontlik gedurende die volgende paar weke telefonies, elektronies of andersins gekontak word ten einde hierdie kwessie aan te spreek, maar rus die verantwoordelikheid steeds algeheel op die lid om toe te sien dat sy/haar registrasie op datum is.

3. OU KOEIE UIT DIE SLOOT

Nadat die HSAG die Kennisgewing van Mosie, waarin die HSAG aansoek doen vir die bespoediging vir 'n Sertifikasie van 'n klas-aksie vir HS 21 & 22, op mnr Nic Georgiou en ander Respondente beteken het, het die HSBF, soos te wagte, weer 'n persoonlike aanval geloods op die HSAG en die HSAG se regsman deur spreekwoordelike "ou koeie uit die sloot te grawe".

Die handgeskrewe nota wat tydens die skikkingsonderhandelinge gedurende Maart 2017 deur mnr Johan Stander geskryf was, is weer voor die neus van beleggers gewaai met die valse aantygings dat die HSAG se regspan net daarop uit is om miljoene rande uit die HSAG-beleggers te maak.

Die HSAG het in die April 2017 Nuusbrief volledig daarvoor berig:

- Gedurende die skikkingsonderhandelinge op 30 en 31 Maart 2017 het mnr Nic Georgiou bevestig dat hy van voorneme was om al die HSAG-lede se eise in geheel te skik;
- Na afloop van die skikkingsonderhandelinge, het Mnr Georgiou het 'n versoek aan HSAG-bestuurslid, Johan Stander, gerig dat 'n geskatte bedrag/bedrae aan hom verskaf moet word wat betaalbaar is en/of waarvoor hy addisioneel tot die HSAG-lede se eise moes begroot, ten einde die gehele klas aksie te skik, onder andere die terugbetaling van regs- en ander kostes aan die HSAG- lede;
- Indien die HSAG in totaal geskik sou word, sou die geskatte beraamde HSAG eise nagenoeg R2.5 miljard beloop en die totale eise van 'n klas-aksie vir HS15-22 (insluitend nie-HSAG-lede) R4.8 miljard. Hierdie is die bedrae wat mnr Nic Georgiou moes oorweeg in sy berekening vir skikkingsdoeleindes; plus regskoste wat met hom ooreengekom was om terug te betaal aan HSAG lede.
- Mnr Georgiou was egter verder geadviseer dat, indien die skikking vir die HSAG nie vóór einde April 2017 gefinaliseer en geteken word nie, hy ook verdere regskostes/opvraging vir die meer as 6 688 HSAG-lede wat op R2 000 per persoon beraam was, moet begroot.
- Kragtens paragrawe 5.2.3 en 15 van die skikkingsooreenkoms, was mnr Nic Georgiou verantwoordelik vir die betaling van die HSAG-lede se registrasie- en regskostes asook alle kostes wat verband hou met die skikkingsonderhandelinge; sodat gemelde bedrae aan die HSAG-lede terugbetaal kon word.
- Dus sal 'n skikkingsooreenkoms die HSAG-lede tot daardie stadium niks kos nie, en is dit vals om te suggereer dat die HSAG prokureurs adisionele geld sou versoek het. Theron & Vennote werk verdermeer ook nie op 'n gebeurlikheids- of kommissiebasis nie. Wetgewing maak voorsiening daarvoor dat regsverteenwoordigers tot soveel as dubbeld hul fooie óf 25% van 'n Eiser se eis, welke bedrag ookal die minste is, hef mag word. Omdat mnr Georgiou gesê het hy wou begroot vir die slegte moontlike senario, was die maksimum bedrae en getalle aan hom verskaf. Ons prokureurs hef egter slegs die normale regsfooie en uitgawes vir werk gelewer, welke fooie geverifieer word deur onafhanklike kostekonsultante en deur onafhanklike ouditeure geoudit word. Met betrekking tot die opstel, onderhandelinge en uiteindelijke voltooiing van die ooreenkoms (wat oor langer as 40 maande vanaf datum van ondertekening sou strek) was 'n benaderde bedrag per kontrak deur Mnr Stander aan mnr Georgiou verskaf. 'n Beraming van ongeveer R250 per kontrak per maand op die destydse skikking was aan mnr Georgiou verskaf;

- Indien ál die 6 688 HSAG-lede hul bydrae tot kostes gemaak het (wat ongelukkig glad nie die geval was nie), moes mnr Georgiou tussen R2 000 en R2 500 per sindikasie aan die beleggers terugbetaal;
- DÍe verdere bedrag wat deur Mnr Georgiou betaalbaar sou wees indien die HSAG-lede se eise ten volle geskik word, sluit onder andere in die HSAG-lede se bydraes tot administrasie- en regskostes en die verdere bydrae van R2 000 per persoon (wat vanaf Mei 2017 gehef sou word);
- Behalwe bogenoemde kostes het Mnr Georgiou ook aangebied dat hy 1% kommissie as onderhandelingskommissie uit sy eie sak sou betaal, indien die HSAG lede sy aanbod sou aanvaar. Die oorgrote HSAG-lede het voorheen Mnr Georgiou se 50% aanbod verwerp. Talle beleggers het destyds gesê dat hulle bereid sou wees om 'n persentasie van hul eis af te staan. Deur die bank het geen belegger 'n probleem gehad indien hulle 'n aanbod van Mnr Georgiou aanvaar en hy al hul regskoste plus die 1% onderhandelingskommissie uit sy eie sak sou betaal nie, en is Mnr Hancke se aantyging absurd! Theron & Vennote Prokureurs het nie aan hierdie bespreking deelgeneem nie. Geen onderhandelingskommissie vorm deel van die skikkingsooreenkomste nie en het mnr Georgiou onderneem om dit vanuit sy eie fondse te betaal (watter persentasie die HSAG-lede ookal mag aanvaar). Indien Mnr Georgiou dit ontken is dit 'n blatante leuen.
- Helgard Hancke was nie genooi na die onderhandelinge nie en kan hy hom glad nie uitlaat oor wat daar gebeur het nie.

Nou gebruik die HSBF die handgeskrewe nota totaal en al buite konteks en slegs met een deursigtige doel voor oë: om die aandag van die skuldige partye af te trek wat nagenoeg R4.6 miljard van beleggers geneem het, om die fokus vanaf Orthotouch, wat nie hul renteverpligtinge teenoor HS-beleggers nakom nie af te haal, en om die HSAG se regsplan en die bestuurskomitee te diskrediteer.

Die HSBF kan gerus in plaas daarvan om die HSAG-regspan, wat al sedert 2014 vir beleggers veg, swart te smeer en dit uit te maak of die HSAG-regspan beleggers se geld vermors die Prospektusse (waarin HS-beleggers ooreed was om hul hardverdiende geld te belê vir beloftes wat glad nie gerealiseer het nie) voor die neus van Orthotouch/Georgiou en die direkteure te hou. Of nog beter, stuur 'n afskrif van die Art 155-Reëlinskema (wat bepaal dat HS-beleggers maandeliks rente moet ontvang) aan Orthotouch en vra waarom die rente nie betaal word nie.

Ons kan ons lede verseker dat daar geen waarheid in die HSBF se gerugte is nie en dat die HSAG steeds daarna streef om in die beste belang van sy lede op te tree. Nieteenstaande verskeie beloftes van 50% skikking deur HSBF het nog nie 'n enkele ooreenkoms gematerialiseerm nie.

Besluit dus self wie praat die waarheid!

4. LEË BELOFTES VAN ORTHOTOUCH / NIC GEORGIU

Op 26 November 2014 was daar op 'n ex parte (eensydige) basis sonder kennis 'n Hofbevel deur Georgiou se Orthotouch bekom wat die sanksionering van 'n Art 155 Reëlinskema ("Reëlinskema") deur die Noord-Gauteng Hooggeregshof, Johannesburg magtig.

In terme van die Reëlinskema was eise van die handelskrediteure van Orthotouch en die HS Maatskappye asook die eise van HS Beleggers, wat die HS Beleggers se eise in verband met rente insluit, geherstruktureer.

Die HS Beleggers was in terme van die Reëlinskema die geleentheid gegun om keuses te maak aangaande die terugbetaling van hul historiese beleggings in die HS Maatskappye, gebaseer op sekere Alternatiewe keuses / Opsies.

HS-beleggers kon een van drie alternatiewe keuses / opsies uitoefen:

- **Alternatief 1**

"HS Beleggers wat vir Alternatief 1 stem, is geregtig om pro-rata volle betaling te ontvang van hul historiese beleggings, op die tiende herdenking ("tiende herdenking") van die finale datum ("die Alternatief 1 Kapitaal") en gedurende die tydperk van aanvaarding van Alternatief 1, tot die tiende herdenking, sal HS Beleggers wat Alternatief 1 kies, rente ontvang, bereken en betaalbaar teen 4% per jaar, maandeliks agteruit, op die waargenome waarde, soos vanaf die finale datum, die Alternatief 1 Kapitaal synde betaalbaar op die tiende herdenking, soos beoog in paragraaf 2.2.5.3 van die Reëlinskema."

Volgens Alternatief 1, moet die uitbetaling in terme van bogenoemde opsie in 2024 realiseer. Die HSAG het egter sy bedenkinge oor die feit of die betaling ooit gaan geskied aangesien Orthotouch tans moet raap-en-skraap om die huidige renteverpligtinge (die 2% rente per jaar) teenoor beleggers na te kom.

Dit blyk asof Alternatief 1, net soos die ander opsies, 'n leë belofte mag wees. Die HSAG sal graag wil weet watter stappe Orthotouch gaan neem ten einde te verseker dat die beleggers hul geld binne 6 jaar gaan kry.

- **Alternatief 2**

"HS Beleggers wat vir Alternatief 2 stem, is geregtig om pro-rata volle betaling te ontvang van die werklike totale gemiddelde waardes van die eiendomme, soos op 31 Maart 2017 ("die Alternatief 2 Kapitaal"), wat gewaarborg word teen ten minste R2 miljard, en tot datum van betaling, sal rente betaal word, bereken en betaalbaar teen 6% per jaar, maandeliks agteruit, op die bedrag van R2 miljard, vanaf die finale datum tot datum van betaling van die Alternatief 2 Kapitaal, die Alternatief 2 Kapitaal synde betaalbaar op 31 Maart 2017, soos beoog in paragraaf 2.2.5.4 van die Reëlinskema."

Volgens die terugvoer wat die HSAG vanaf HSAG-beleggers ontvang, het hierdie opsie nog nie ten volle gerealiseer nie en was daar uitstelle met betrekking tot die betaling van bogenoemde opsie. Soos met Alternatief 1, word die onderneming oor rentebetelings ook nie nagekom nie.

- **Alternatief 3**

“HS Beleggers wat vir Alternatief 3 stem, kom ooreen om hul regte, titel en belang in en tot hul eise teen die Maatskappy en die HS Maatskappye, hul (“noteringsregte”), ten opsigte van die waardes van hul eise teen die finale datum, te omskep in aandele in The Capital Growth Fund Limited (“CGF”), ’n nuwe Eiendomsfonds, wat as ’n REIT in die eiendom-sektor op die hoofbeurs van die JSE Beperk (“JSE”) genoteer staan te word.”

“Besonderhede van CGF en ’n opsomming van die besonderhede van die voorgestelde notering blyk uit Aanhangsel “J” tot die Reëlinskema, soos beoog in paragraaf 2.2.5.5 van die Reëlinskema. Die notering van CGF by wyse van bekendstelling op die JSE, sal toelaat dat HS Beleggers die geleentheid kry om hul historiese beleggings in die HS Maatskappye te omskep in gewone aandele of ’n kombinasie van gewone en versekerde aflosbare voorkeuraandele in CGF.”

“Al die gewone aandele en al die voorkeuraandele in CGF sal genoteer word op die JSE (onderhewig aan goedkeuring deur die JSE), wat die eienaars van die gewone en voorkeuraandele die geleentheid sal gee om handel te dryf in hul aandele op die JSE.”

Alternatief 3 het tot op datum glad nie gerealiseer nie, dit was weereens ’n leë belofte wat aan HS-beleggers gemaak was. U sal onthou dat Mev Elna Visagie hierdie opsie bemark en gedryf het – haar en Orthotouch se ewe skielike stilswye spreek egter boekdele. Volgens gerugte is Mev Visagie oorsee en werk sy nie meer vir Orthotouch/Georgiou nie.

Daar het egter absoluut niks van hierdie beloftes en ondernemings gekom nie. Twee jaar gelede het Mnr. Nic Georgiou naartigtelik vir die “swakkes en armes” lys (sy sogenaamde “weak and poor list”) gesoek maar sonder enige sukses by die HSAG. Sedertdien het Mnr. Helgard Hancke die HSAG verlaat en oorgestap en skielik het Georgiou weer met die aanslag begin deur nou betalings te weerhou van mense wat kwansuis by die HSAG is en finansieël nie kan oorleef nie. Dit is baie duidelik daarop bereken om die siek en arm persone se onbenydenswaardige posisie uit te buit en sodoende van hul eise teen Georgiou en ander ontslae te raak. Mnr Hancke het destyds as bestuurslid met die HSAG lede geskakel en kan hy dalk verduidelik waar Mnr Georgiou sy inligting vandaan kry.

Bogenoemde optrede is nie alleen uiters oneties nie, maar ook ’n waarskuwing dat HSAG-beleggers baie versigtig moet wees om met Orthotouch/Georgiou en hul ondersteuners te kontrakteer. Die realiteite van die saak (waarvan die feite voor die hand liggend is) is dat daar nog nie een belofte/onderneming wat deur Orthotouch,

Georgiou, mev Elna Visagie en mnr Helgard Hancke nagekom is nie en, behalwe dat HSAG-lede hul eise teen Georgiou en ander afteken, is die skrif feitlik 'n gegewe en teen die muur dat hulle nie hul beleggings gaan sien nie .

In reaksie op bogenoemde waarskuwings was daar in opvolgskrywes van Orthotouch, mnre. Klopper en Hancke aangevoer dat die versuim deur Georgiou is as gevolg van die "voortgesette litigasie van die HSAG en ander is". Dit is loutere onsin. Orthotouch het van 48 van sy 50 bates ontslae geraak en is daar geen waarde om beleggers te betaal nie. Klopper het 'n lang antwoord op die HSAG se vorige nuusbriëf gegee maar twee eenvoudige kwessies gesystap:

- (a) Wat het geword van die beleggers se miljard wat Georgiou vanaf HS19-22 ontvang het? en
- (b) Wat het van die HS15-18 se geboue en die opbrengs geword?

HS-beleggers het 'n totaal van R4.6 miljard belê in die mislukte HS15-22 maatskappye, daar is eiendomme wat huidig nog verhuur word en ook eiendomme wat sedertdien verkoop is. Wat het van al die HS-beleggers se geld geword?

5. HSAG NUUSBRIÛE DEUR, VANAF EN VIR HSAG LEDE - UIT DIE PEN VAN 'N BELEGGER

Mnr. Helgard Hancke het 'n groot gewag gemaak van wie kwansuis verantwoordelik is vir die inhoud van die nuusbriëwe. Net so verkeerd soos wat Hancke oor Orthotouch en Mnr. Nic Georgiou se ware motiewe en doelstellings is, so verkeerd is hy ook oor die HSAG, sy bestuur, regsverteenwoordigers en selfs die inhoud van ons nuusbriëwe. Ter illustrasie het die HSAG sedert die laaste nuusbriëf 'n afskrif van 'n skrywe vanaf 'n belegger ontvang wat aan Orthotouch en mnr Helgard Hancke gerig was.

Die inhoud van die skrywe, wat vir sigself spreek word woordeliks hieronder aangehaal en verteenwoordig die oorgrote meerderheid van HSAG lede, sy bestuur, regsverteenwoordigers en almal wat betrokke is (selfs diegene wat vir Georgiou en Orthotouch werk!) se siening. Die identiteit van die skrywer word nie bekendgemaak nie maar is toestemming verkry om dit te plaas:

"Vir aandag: Mnr Hancke en Orthotouch

Na aanleiding van die nuusbriëf wat ek ontvang het die volgende:

Ek is 'n belegger van R400,000 in die HS 21 sindikaat. My oorspronklike skriftelike ooreenkoms het bepaal dat ek na 5 jaar my volle belegging sou terug ontvang. Na talle eensydige besluite waarin ek geen sê gehad het nie, sit ek vandag in die posisie waar selfs my rente, wat weereens nie volgens my oorspronklike, skriftelike ooreenkoms nagekom is nie, gewysig is sonder dat dit my goedkeuring weggedra het, nou terug gehou word. Dit is op my afgedwing met mooi beloftes wat nie gerealiseer het nie. Om die saak verder te versleg word my rente vir Julie en

Augustus teruggehou omdat ek nie 'n verklaring wil aflê, wat my verder kan benadeel nie.

Ek het nie ooreengekom om enige verklaring af te lê waarin ek op die ou einde verlof gee dat daar geen eise teen Georgiou en sy trawante in hulle persoonlike hoedanigheid gebring kan word nie. Hoe gek is dit!!

In al die skrywes wat ons van alle kante af ontvang, word die liggelowige, weerbare oumense gedreig, mislei en belieg.

Julle is so besig om mekaar sleg te sê en te beskuldig dat die fokus nie meer oor die beleggers se belange gaan nie, maar eerder om julle eie ego's en agendas te bevorder. Laat staan julle gekibbel en gaan soek die persone in wie se sakke die beleggers se geld verdwyn het en kla hulle aan vir hulle misdade. Ons pensioentrekkers is, om 'n eufemisme te gebruik, keelvol!!

Die skrywe van D P Cohen het ons bloeddruk verder laat styg. Sy smartvolle brief oor sy sogenaamde emosionele mishandeling kan nie eers vergelyk word met die trauma wat die beleggers oor jare moes verduur nie. Erken jou aandeel in hierdie gemors en stel dit reg l p v te bedank. Ongelukkig beskik die beleggers wat al vir jare so getraumatiseer is dat sommige 'n voortydige dood gesterf het, nie oor hierdie luukse nie.

Ek wil u ook net herinner dat geen ongeregtigheid net verdwyn sonder dat jy die prys daarvoor gaan betaal nie. So, besluit maar self of julle eerbaar of boos optree, Weet ook dat julle dalk nou dink dat julle bo die reg verhewe is, maar so seker as dat daar 'n Vader in die hemel is wat belowe het dat daar 'n plek gemaak is vir die bewerkers van ongeregtigheid, so seker sal die persone wat aan die onreg aandadig is, se dade in die ewigheid weerklink. Elke sent wat onregmatig van die beleggers vervreem (lees gesteel of weerhou) is, sal vergeld word. Die Groot Regter slaap nie.

Ek versoek u om onverwyld my rente van Julie en Augustus te betaal.”

Bogenoemde skrywe ontlok onwillekeurig die volgende reaksie:

- Die brief is gerig aan Orthotouch en Mnr. Helgard Hancke, beide ondersteuners/meelopers van Nic Georgiou, die Eerste Respondent, wat sy werk vir hom doen;
- Emosies van ongelooflike woede tot 'n bittere hartseer vir die algehele mishandeling en onmoontlike situasie waarin die HS beleggers reeds vir jare deur Mnr. Nic Georgiou en sy meelopers geplaas was word verwek;
- 'n Versinnebeeld van die uitdagings wie almal wat by die HS Maatskappye betrokke is, ondervind;
- Dit stuur 'n boodskap van ongekenste sterkte, geloof en wysheid;
- Die brief is besielend en som die situasie, onbenydenswaardige posisie en omstandighede waarin almal hulself bevind, getrou op.

Dit is lank reeds bekend dat Mnr. Georgiou, sonder uitsondering mense, wie vroeër weens hul posisie 'n reputasie van vertrouwe teenoor ander opgebou het (beleggingsadviseurs, professionele persone, voormalige HSAG komiteede, ondersteuners ens.), inspan vir sy saak en daarna vir eie finansiële gewin en doeleindes gebruik om sodoende algehele verwarring en onsekerheid (ook onder die meestal goedgeelowige bejaardes) te saai. Niks is dus vreemd wat aanbetref die houding van die BRP (Hans Klopper), Ontvanger (Derek Cohen), HSBF (Helgard Hancke) en ander persone (Elna Visagie) met hul sogenaamde “advies” en “oplossings” nie. Almal is kwansuis slagoffers maar alles is ongetwyfeld daarop gemik om Mnr. Nic Georgiou uiteindelik te bevoordeel.

In hierdie saak word uitgelewerde pensioentrekkers en bejaardes met hul eie aftree pakkette en lewensspaargeld afgedreig én beveg en, as dít nie werk nie, word hulle letterlik krummels en bedel-geld aangebied om nie diegene, wat met hul geld sit, aan te vat nie!

Die HSAG Bestuur en regsman kan almal die versekering gee dat hulle alles in hul vermoë doen en sal doen om met ondersteuners (soos die skrywer hierbo) die pad te loop ten einde toe te sien dat reg en geregtigheid uiteindelik geskied.

6. HUIDIGE STAND VAN SAKE: VERSNELDE SERTIFIKASIE VIR HS21-22

In die lig van die onlangse suksesvolle Hofuitsprake teen Zephan en Georgiou, wat bepaal het dat die Sakereddingsplan en die Art 155-Reëlinskema nie 'n effek op die Terugkoop-klausule van HS 21 en 22 het nie, het die HSAG-regspan 'n Kennisgewing van Mosie in terme waarvan die HSAG die Hof nader vir 'n Versnelde Sertifiseringsbevel vir HS21 en 22, op 27 Julie 2018 op Georgiou en ander Respondente beteken. Dit beteken dat die saak teen daardie Respondente versnel word, maar geensins afbreuk doen aan die Sertifikasie aansoek van die ander Highveld sindikasies en Respondente nie.

In terme van die Kennisgewing van Mosie, het die Respondente 5 Hofdae geleentheid gehad waarin hulle aan die HSAG kennis moes gee indien hulle die Kennisgewing van Mosie wou opponeer.

Die HSAG bevestig dat mnr Georgiou en sy entiteite (soos verwag was) laat kennis gegee het van hul voorneme om die voorgestelde Versnelde Aansoek vir Sertifisering te opponeer.

In terme van die Hofreëls moet Georgiou 'n eedserklaring op die HSAG beteken waarin die redes vir sy opponering uiteengesit word.

Indien die HSAG nie so 'n verklaring binne die tydperk ontvang nie, sal die HSAG voortgaan om die aangeleentheid op die ongeopponeerde rol te plaas vir aanhoor.

Die HSAG versoek alle lede om die Kennisgewing van Mosie, asook die Verklaring ter ondersteuning van die Kennisgewing van Mosie, welke dokumente op die HSAG se webblad by www.hsaction.co.za geplaas is, deur te lees.

Indien die HSAG suksesvol is met die bogenoemde Aansoek, het mnr Nic Georgiou, sy trust en Zephan geen verskoning om nie die Terugkoop-klausule na te kom nie.

HSAG-lede wat in die ander HS-maatskappye belê het se eise is glad nie verlore of in gedrang nie. Omdat die eisorsaak van HS 15 tot 20 op ander feite en omstandighede, nl onder andere ook bedrog en wanvoorstellings berus, is die roete wat met hierdie eise gevolg moet word anders as in die van die HS 21 & 22.

Bogenoemde beleggers se eise is reeds ingestel deur middel van die Sertifikasie-Aansoek en sluit hierdie Aansoek die verjaring van eise in.

7. NIE-BETALING VAN RENTE

Die HSAG verneem dat agterstallige rente intussen vir Junie aan HS beleggers betaal is.

Ons neem egter kennis van die feit dat nie al die rentebetelings ten aansien van Julie 2018 ten volle gedoen is nie.

Die HSAG se posisie is steeds onverbidlik dat Orthotouch nie rentes vanaf HSAG-beleggers kan weerhou weens hul ondersteuning/deelname aan die HSAG nie. Dit is egter duidelik dat Orthotouch nie deur sy direkteur bestuur word nie maar deur die telefoniste en administratiewe personeel wat deur Georgiou voorgeskryf word om HS Beleggers te dreig om vorms teen die HSAG te onderteken. Orthotouch se direksie het deur hul prokureurs skriftelik bevestig dat Orthotouch sy eie reëlinskema sal honoreer maar steur die voetsool personeel hul nie daaraan nie.

Die Art 155-Reëlinskema bepaal duidelik dat rente aan HS-beleggers betaal moet word voor of op die sewende dag van elke maand. Zephan betaal slegs kapitaal en kan rente nie weerhou word deur Orthotouch nie.

Indien die rente nie betaal word nie, kom dit neer op minagting van 'n Hofbevel.

HSAG-beleggers is ook onder geen verpligting om enige vorm te voltooi waarin 'n HSAG-lid sy lidmaatskap aan die HSBF bekendmaak nie.

Indien HSAG-beleggers wél die vorm voltooi het of oorweeg om dit te doen, word dit op die HSAG-lid se eie risiko gedoen wat tot die beëindiging van sy/haar HSAG lidmaatskap kan lei.

8. LAAT- AANSOEKE VIR REGISTRASIE BY DIE HSAG

Laat-aansoeke sal op 'n streng ad hoc basis oorweeg word. Die registrasievorms is op die webtuiste by www.hsaction.co.za, beskikbaar of in die alternatief kan u 'n e-pos na hsagregister@gmail.com stuur om 'n registrasievorm te versoek. Alle versoeke en voltooide registrasievorms moet gestuur word aan hsagregister@gmail.com.

9. GEBRUIK VAN KORREKTE E-POS ADRESSE EN VERWYSINGS

Die korrekte gebruik van e-pos adresse (soos vervat op ons webtuiste en e-posse) asook HSAG lede se voorletters en van, sindikasiennommers en verwysingsnommers (bv. identiteitsnommer ens.) vir alle kommunikasie, is uiters noodsaaklik en verpligtend.

Die amptelike en bestaande e-pos adresse vir die HSAG, is as volg:

- hsactiongroup@gmail.com vir alle Algemene Navrae (Byvoorbeeld – selfoon of adres veranderinge, betalingsbewyse, kennis van lede wie gesterf het, ensovoorts);
- hsagenquiries@gmail.com vir Spesifieke Navrae (Byvoorbeeld – navrae rakende besonderhede van 'n spesifieke belegger, navrae rakende kwytskelding van 'n spesifieke belegger, ensovoorts);
- hsagregister@gmail.com vir die Registrasie en Deregistrasie van HSAG-lede;
- hsagwhistle@gmail.com vir alle Vertroulike Inligting wat anoniem aan ons gestuur moet word;
- hsagdebitorder@gmail.com vir beleggers wat hul bydraes by wyse van debietorder wil betaal.

Indien 'n belegger of enige persoon 'n epos na die verkeerde adres sou stuur sal dit daartoe lei dat daardie e-pos **nie spoedig of enigsins** die nodige aandag geniet nie.

10. HSAG SE AMPTELIKE WHATSAPP-GROEPE

Dit is 'n groot uitdaging om spoedige kennisgewings, nuusbrokkies of belangrike boodskappe aan bykans 7 000 individue oor te dra.

Ons versoek dus HSAG-lede om aan te sluit by die HSAG se amptelike WhatsApp-groepe om kennisgewings, nuusbrokkies of nuusflitse per WhatsApp te kan ontvang.

Deur by een van die HSAG se amptelike Whatsapp-groepe aan te sluit sal u gereeld op hoogte gehou word van die nuutste verwickelinge met betrekking tot u saak.

Stuur bloot u Selfoonnommer; Identiteitsnommer; Volle Naam en Van, na hsactiongroup@gmail.com waarna u op die groepe gelaai sal word.

Direkte kontak kan ook gemaak word met die Administrateurs van die onderskeie WhatsApp-groepe by 079 635 4165 (Afrikaans) en 082 450 8854 (Engels).

Die HSAG het ook 'n amptelike facebook-blad, en kan by www.facebook.com/hsaction besigtig, ge-“like” en kommentaar op gelewer word.

11. LEDE BYDRAES EN REGISTRASIEKOSTE

Ignoreer asseblief hierdie punt indien u registrasie- en regskostes reeds ten volle vereffen is.

Dit is van uiterste belang dat enige uitstaande registrasie- en regskostes, waarvan sommige s lank gelede as 2014 reeds uitstaande is, so spoedig moontlik op datum gebring moet word. Bykans vier jaar sedert die totstandkoming van die HSAG is dit uiters onbillik teenoor getroue lede van die HSAG dat persone wie regsverteenvoordiging verlang in 'n saak waar die gemiddelde eisbedrag R250 000.00 is, nie bereid of gewillig is om die nominale bydrae vir registrasie en/of regskostes te betaal nie.

Let asseblief op die volgende:

- i. 'n Eenmalige registrasiekoste van R1 000 **per sindikasie** was gehef tot Oktober 2015 en daarna is dit verhoog na R1 500 **per sindikasie** en behoort so op u staat te verskyn
- ii. Die aangevraagde opvraging vir 2016-regskoste was R1 000 **per sindikasie**;
- iii. In Mei 2017 was 'n verdere opvraging vir bydrae tot regs- en administrasiekoste van R2 000 **per persoon** gemaak;
- iv. In Februarie 2018/Maart 2018 was 'n verdere opvraging tot regs- en administrasiekoste van R2 000 **per persoon** gemaak;
- v. Indien daar enige uitstaande bedrae is, word u vriendelik versoek om dit so spoedig moontlik te betaal ten einde onnodige administrasie en/of verdere kostes te verhoed. Sodanige lede wie se registrasiekostes steeds agterstallig is, loop die gevaar dat hul lidmaatskap by die HSAG opgeskort gaan word;
- vi. Registrasieheffings is betaalbaar op alle nuwe en agterstallige (90 dae en ouer) registrasies. Registrasiekoste beloop tans R1 500,00 per sindikasie en, indien latere registrasies toegelaat word, mag daar 'n verdere heffing vir registrasiekoste per sindikasie vir alle nuwe registrasies gehef word ten einde finansi le bydraes deur huidige HSAG-lede te verlig;
- vii. Van die einde van Februarie 2018 word persone wie se bydraes op datum betaal is met 'n totale eiswaarde wat R50 000,00 of minder tesame met 'n skriftelike versoek aan Theron & Vennote, kwytgeskeld van die 2018 administratiewe- en regskostes.
- viii. Kwytskelding **is nie van toepassing nie** op vorige jare se registrasie / administrasie / regskostes en agterstallige fooie nie en is steeds betaalbaar.
- ix. **Geen registrasie, administratiewe of regsfooie is terugbetaalbaar nie.**

Die HSAG geniet die beskerming van 'n regsplan wat bestaan uit prokureurs, junior en senior advokate wat reeds 'n vêr pad gestap het om voornemende eisers onder die sambreel van die HSAG te beskerm. In die lig van die feit dat die HSAG nou voortgaan met die sertifisering van 'n klas-aksie en die proses wat nou gevolg gaan word ten einde die Art 155-Reëlinskema tersyde te stel, versoek ons dat al die HSAG-lede hul kant te bring ten einde die aangeleentheid suksesvol af te handel. Almal se samewerking word vereis.

12. STAAT VIR DEELNAME AAN DIE HSAG

Die HSAG en hul prokureurs, Theron & Vennote, wil u graag bedank vir u volgehoue en lojale ondersteuning aan die HSAG. Die HSAG-saak behoort aan elke individuele belegger, daarom wil ons u versoek om u eie saak te ondersteun ten einde die nagenoeg R4.8 miljard van Orthotouch en andere te eis.

Vind asseblief hiertoe aangeheg u bydraestaat vir u deelname aan die HSAG, let asseblief op die volgende:

- i. Indien geen opvraging ten aansien van registrasie-, regs- of administrasiekoste of 'n krediet op u staat verskyn nie, beteken dit dat u waarskynlik in 'n groep val wat nie geprosesseer en / of geallokeer is nie, en sal dit, indien dit onder ons aandag kom of gebring word, op 'n latere staat verskyn;
- ii. Indien 'n staat 'n kredietbedrag toon, is u 'n geregistreerde lid van die HSAG, maar het ons nog nie u voltooid aansoekvorm ontvang nie. Geliewe die aansoekvorm af te laai vanaf ons webwerf, of rig 'n versoek aan ons daarvoor per e-pos by hsagregister@gmail.com
- iii. Die HSAG-beleggers se inligting wat gebruik word was aanvanklik verkry vanaf die aansoekvorms wat HSAG-lede ingevul het. Indien u aansoekvorm gevolglik foutief, onduidelik of onvolledig is, sal u moontlik geen state of e-posse ontvang nie
- iv. Die verpligting rus op u as belegger om ons op hoogte van enige veranderinge van u persoonlike en/of kontakbesonderhede deur in te skakel of om 'n e-pos te stuur na hsagregister@gmail.com
- v. Weens die voortdurende groot hoeveelheid navrae, registrasies, wysigings van persoonlike besonderhede en allokasies, is dit moontlik dat sommige betalings en/of registrasies nie op die aangehegte Staat sal verskyn nie, maar eers op 'n latere Staat.
- vi. Kliek asseblief op die skakel om na die "Customer Zone" te gaan waar u die opvragings vir registrasie-, regskostes en u betalings kan sien, geoutomatiseerde state word van tyd tot tyd (gewoonlik gedurende 'n maand) uitgestuur word, maar u skakel na die "Customer Zone" sal deurentyd aktief bly en u kan ter enige tyd u betalings en transaksies daarop sien, soos wat dit geallokeer word.

Vriendelike groete

HSAG-Bestuurskomitee

Kontak die HSAG en prokureurs by:

Tel: (021) 887 7877

hsactiongroup@gmail.com



HS Action Group

AFRIKAANS HIERBO

MONTHLY NEWSLETTER: AUGUST 2018

Dear HSAG Investor / Mr / Mrs / Ms [Customer Name]

This newsletter is addressed to you as a member of the Highveld Syndication Action Group (“HSAG”) on account of you having made an investment in the Highveld Syndication Companies 15-22 and/or support of the HSAG.

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.

Please keep us up to date with any changes to your personal and/or contact details.

1. INTRODUCTION

It was recently reported in the media that Mr Nic Georgiou's one son, in his personal capacity (and that does not even include the rest of the Georgiou family, their entities and businesses!) is amongst the top 30 richest individuals in South Africa.

The HSAG's legal action against the Georgiou's is therefore not against people who are incapable of paying.

Despite the "thousands of people" who according to Georgiou's followers, supported his Section 155 Scheme of Arrangement, these figures did not match the HSAG's own figures, unless they recruited members amongst the remaining 11 000 people who did not join the HSAG. Orthotouch and Helgard Hancke's HSIF are therefore requested to provide the names of persons who have signed their forms to us, because the HSAG will not keep people on board who have signed their claims away against Georgiou and others.

So far, and since 2014, about 5% of the total HSAG members indicated that they no longer wish to continue with class action and only about 2% HSAG members terminated their membership in the prescribed manner. This means that Mr. Nic

Georgiou and the other Respondents still have a major task of defending themselves against this group.

2. SUPPORT OF HSAG MEMBER CONTRIBUTIONS

A special word of thanks for your loyal support in recent years, where we literally have gone from strength to strength to pursue justice. Without your continued support of the HSAG's case (to recover the billions of Rand claimed on your behalf, from those who caused the losses and damages suffered) would not have been possible!

The HSAG and the legal team are still loyal to your case and undertake to do everything in their power to protect your rights and to ensure that the guilty parties are brought to book.

A serious point of discussion raised at the last HSAG management meeting was how far the HSAG should go, to keep members on board or protect those who do not bring their side financially or have not yet even paid any registration fees in full?

The HSAG Steering Committee noted that there are a considerable number of members who have not yet paid their registration costs at all or in full. This is due to the fact that there were former supporters of the HSAG that created a false impression and led members to believe they did not have to pay any further fees. Since then, there were dozens of newsletters and communications that gave everyone the opportunity to stay on board, but there are still people who have not made any further contributions.

It is very important that every member bring his/her side in order to drive the HSAG's case, otherwise their membership will unfortunately have to be terminated.

The consequences are far-reaching and could mean, amongst other things, that your claim against Orthotouch/Georgiou could have prescribed due to the termination of your HSAG membership.

These members may be contacted via telephone, electronically or otherwise in the next couple of weeks to address the issue, but the sole responsibility remains on the member to ensure that he/she is up to date with his/her registration.

3. FLOGGING A DEAD HORSE

After the HSAG had launched a Notice of Motion in which it applied for the Fast Track of the certification of the HS21 and 22 Class Action against Mr Nic Georgiou and other respondents, the HSIF, as expected, launched a personal attack on the HSAG and the HSAG's legal team, by once again proverbially "flogging a dead horse".

The handwritten note of Mr Johan Stander, after conclusion of the settlement negotiations in March 2017, was once again brought to the attention of investors,

with false allegations that the HSAG legal team was only looking to make millions of Rands out of the HSAG investors.

The HSAG already reported in full regarding this matter in the April 2017 Newsletter:

- During the settlement negotiations on 30 & 31 March 2017 Mr Nic Georgiou confirmed that he wants to settle all HSAG members' claims;
- After negotiations were concluded, Mr Georgiou requested Mr Johan Stander, Steering Committee member, to provide him with an estimate figures for which he (Georgiou) had to budget for him to settle the whole Class Action, which included the repayment of legal- and other costs to the HSAG members;
- In the event that all the HSAG members be settled, the claims would amount to approximately R2,5 billion as opposed to a total value for a certified class action for HS15-22, (including non-HSAG members), of approximately R4,8 billion. These were the amounts that Mr Nic Georgiou had to weigh up and consider when doing his calculations for settlement with HSAG members.
- Mr Georgiou was furthermore advised that, in the event that a HSAG settlement was not reached and signed before the end of April 2017, he would have to pay further legal costs requested from more than 6 688 HSAG members that have been estimated at R2 000 per person.
- In terms of paragraphs 5.2.3 and 15 of the settlement agreements, Mr Nic Georgiou was responsible for the payment of the HSAG members' registration and legal costs as well as all costs pertaining to the settlement negotiations so that the said amounts could be refunded to the HSAG members.
- Thus, the settlement agreement would not have cost the HSAG members anything at that stage, and is it false to suggest that the attorneys required additional funds. Theron & Partners also do not work on a contingency or commission basis. Legislation provides for legal representatives to charge as much as double their fees or 25% of Claims' claim, whichever is the lesser. Because Georgiou wanted to budget for the worst-case scenario, a maximum amount, such estimates were provided to him. Our attorneys only charge their normal legal fees and expenses for all work done, which fees are verified by independent cost consultants and eventually audited by independent auditors. With regard to the drafting, negotiations and eventual completion of the agreements (that stretch over 40 months from date of signature) a rough estimate of approximately R250 per contract per month was given by Mr Stander to Mr Georgiou.;
- Providing that all 6 688 HSAG members had paid their contribution to costs on that date (which unfortunately was not at all the case), Mr Georgiou had to repay investors between R2 000 and R2 500 per syndication;
- A further amount that would have been payable by Mr Georgiou in the event that the members of the HSAG's claim were settled in full after April 2017, would have included, amongst others, the contributions of the HSAG members towards administration and legal costs and the further contribution of R2 000 per person (that would have been levied as from May 2017);

- In addition to the above-mentioned costs, Mr Nic Georgiou also offered to pay 1% commission as negotiation commission from his own pocket should the HSAG members accept his offer. The vast majority of HSAG members had previously rejected Nic Georgiou's 50% offer. Many investors have said that they would be willing to forfeit a percentage of their claim. Investors did not have a problem accepting an offer from Nic Georgiou as long as he was prepared to pay all the legal costs and the 1% from his own pocket. This is absurd! Theron & Partners Attorneys did not partake in this discussion. No negotiation commission formed part of the settlement agreement and Mr Nic Georgiou undertook to pay it from his own funds (whichever percentage may be accepted by the HSAG Members). If Nic Georgiou denies this, it is a blatant lie.
- Helgard Hancke was not invited to the negotiations and cannot make any remarks regarding same.

The HSIF uses this handwritten note entirely out of context and with one transparent purpose in mind: to detract attention from the guilty parties who took about R4.6 Billion from investors, to take the focus away from Orthotouch who is not honouring their interest payment obligations to HS Investors and to discredit the HSAG's legal team and steering committee.

The HSAG-legal team have been fighting for investors since 2014. Instead of discrediting the legal team and insinuating that they are wasting investors' money, the HSIF, should rather hold the Prospectuses (in which HS-investors agreed to invest their hard-earned money for promises that have not yet been realised) under the noses of Orthotouch/Georgiou and its directors. Or better still, send a copy of the Section 155-Scheme of Arrangement (which determines that HS investors should receive monthly interest) to Orthotouch and ask why the interest is not being paid.

We can assure our members that there is no truth in the HSIF's rumours and that the HSAG are still striving to act in the best interest of its members. Despite the various 50% Settlements through the HSIF, it has not materialised a single agreement to date.

Decide for yourself who speaks the truth!

4. THE EMPTY PROMISES OF ORTHOTOUCH / NIC GEORGIU

On 26 November 2014, a court order was obtained by Georgiou's Orthotouch on an ex parte (unilateral) basis to authorize the sanctioning of Section 155 Scheme of Arrangement ("SoA") by the North Gauteng High Court, Johannesburg.

In terms of the SoA, the claims of the trade creditors of Orthotouch and the HS Companies as well as the claims of HS Investors, which include the HS Investors' claims relating to interest, were restructured.

In terms of the SoA, the HS Investors were given the opportunity to make choices regarding the repayment of their historical investments in the HS Companies based on certain Alternative choices / options.

HS investors could exercise one of three alternative choices / options:

- **Alternative 1**

“HS investors electing Alternative 1, become entitled to be paid their pro rata shares of the full amount of their historical investments, on the tenth anniversary (“tenth anniversary”) of the final date (“the Alternative 1 Capital”) and during the period from such acceptance until the tenth anniversary, HS Investors having elected this Alternative 1, will receive interest, calculated and payable at 4% per annum, monthly in arrears, on the perceived value, as from the final date, the Alternative 1 Capital being payable on the tenth anniversary, as envisaged in paragraph 2.2.5.3 of the Arrangement.”

According to Alternative 1, the payment must be realised in terms of the above option in 2024. However, the HSAG is doubtful whether this payment will ever materialise as Orthotouch is currently struggling pay the monthly interest (at 2% interest rate per annum) to investors.

It seems that Alternative 1, like the other options, may be another empty promise. The HSAG would like to know what steps Orthotouch is going to take to ensure that investors receive their money within 6 years.

- **Alternative 2**

“HS investors electing Alternative 2, become entitled to be paid their pro rata shares of the actual aggregate values of the Properties, on 31 March 2017 (“the Alternative 2 Capital”), which value is guaranteed by the Company and the financial proposer to be at least R2 billion, and pending such payment, will receive interest, calculated and payable at 6% per annum, monthly in arrears, on the amount of R2 Billion, as from the final date, the Alternative 2 Capital being payable on 31 March 2017, as envisaged in paragraph 2.2.5.4 of the Arrangement.”

According to the feedback received from HSAG investors, this option has not yet been fully realised and there have been postponements regarding the payment of the above option. As with Alternative 1, the undertaking with regards to the interest payments has also not been honoured.

- **Alternative 3**

“HS investors electing Alternative 3, agree to convert their rights, title and interest in and to their claims, their (“listing entitlement”), against the Company and the HS Companies, in respect of the values of their claims as at the final date, into shares in The Capital Growth Fund Limited (“CGF”), a new Property Fund, to be listed as a REIT in the property sector on the main board of the JSE Limited (“JSE”). Details of CGF and a summary of the details of the proposed listing appear from Annexure “J” to the Arrangement, as envisaged in paragraph 2.2.5.5 of the Arrangement.”

“The listing of CGF by way of introduction on the JSE, will allow HS Investors the opportunity to convert their historical investments in the HS Companies into ordinary shares or a combination of ordinary and secured redeemable preference shares in CGF.

All the ordinary shares and all the preference shares in CGF will be listed on the JSE (subject to approval by the JSE), allowing the owners of the ordinary and preference shares to trade in their shares on the JSE.”

To date Alternative 3, has not yet realised and it was once again an empty promise made to HS investors. You will recall that Mrs Elna Visagie was marketing and driving this option – however, her and Orthotouch's equally sudden silence, speaks volumes. Rumour has it that Mrs Visagie is currently overseas and does not work for Orthotouch/Georgiou anymore.

Absolutely nothing has come from these promises and undertakings. Two years ago, Mr. Nic Georgiou desperately sought for the "weak and poor" list (his so-called "weak and poor list") from the HSAG, but without success. Since Mr. Helgard Hancke, betrayed and left the HSAG, Georgiou suddenly started an attack by withholding payments from people who are possibly members of the HSAG and are struggling to survive financially. It was very clearly to exploit the unfortunate position of the sick and poor people, and thus eliminate their claims against Georgiou and others. Maybe Mr Helgard Hancke, who served as a member of the HSAG Board. Maybe he can explain where Mr Georgiou obtained his information from?

The above-mentioned action is not only highly unethical, but also a warning that HSAG investors must be very careful to contract with Orthotouch/Georgiou and their supporters. The realities of the case (the facts are obvious) are that no promise/undertaking has yet been met by Orthotouch, Georgiou, Visagie and Hancke and, except that HSAG members will have signed off their claims against Georgiou and others, it is almost a given that they will not see anything of their investments.

In response to the above-mentioned warnings, there were follow-up letters from Orthotouch, Messrs. Klopper and Hancke that argued, the failure by Georgiou to keep any promise, was due to the "continued litigation of the HSAG and others". This is utter nonsense. Orthotouch has sold 48 of its 50 assets and there is no value left to pay investors. Klopper gave a long response to the HSAG's previous newsletter, but sidestepped two simple issues:

- (a) What has become of the investors' billions Georgiou received from HS19-22? and
- (b) What happened to the buildings and the proceeds in HS15-18?

HS investors invested a total of R4.6 billion in the failed HS15-22 companies. There are currently rented properties and properties that have since been sold. What has become of all the HS investors' money?

5. HSAG NEWSLETTERS, FROM AND FOR HSAG MEMBERS - FROM THE PEN OF AN INVESTOR

Mr. Helgard Hancke has made a big deal about who is responsible for the content of the HSAG newsletters. Just as wrong as Hancke is regarding what he said about Orthotouch and Mr. Nic Georgiou's true motives and goals, he is also wrong about the HSAG, its management, legal representatives and even the content of our newsletters. By way of illustration, the HSAG received a copy of a letter from an investor who addressed it to Orthotouch and Mr Helgard Hancke since the previous newsletter.

The content of the letter, which speaks for itself, is quoted below and represents the vast majority of HSAG members, its management, legal representatives and everyone involved (even those who work for Georgiou and Orthotouch!). The author's identity is not disclosed but permission has been granted to post it and freely translated:

"For attention: Mr Hancke and Orthotouch

Following the newsletter that I received, the following:

I am an investor of R400,000 in the HS 21 syndication. My original written agreement stipulates that after 5 years my full investment would be returned. After many unilateral resolutions in which I had no say, I'm in position today, even if my interest, which has not been respected in terms of my original written agreement, has been changed without my approval, will be held back. It was enforced on me with beautiful promises that did not materialise. In order to worsen the situation further, my interest payment for July and August was retained because I do not want to sign a declaration, which can harm me further.

I have not agreed to make any statement in which I will have no claims in the end against Georgiou and his cronies in their personal capacity. How crazy is that!!

In all the communications we receive from all sides, the gullible elders are threatened, deceived and lied to.

You are so busy bad mouthing and accusing one another, that the focus is no longer on the investors' interests, but rather to promote your own egos and agendas. Let go of your squabbles and look for the people into whose bags the investors' money has disappeared and lay a case against them for their crimes. To use a euphemism, us pensioners are fed up!!

The communication from D P Cohen has further increased our blood pressure. His heart-rendering letter about his so-called emotional abuse cannot even be compared to the trauma that investors had to endure over the years. Take responsibility for your share in this mess and put it right, instead of resigning. Unfortunately, some investors who have been traumatised for years, have had premature deaths and have not had this luxury.

I just want to remind you that injustice does not simply disappear without paying the price for it. So, decide whether you are honourable or not. Also, know that you may

think that you are now above the law, but as sure as there is a Father in heaven who promised that a place was made for the workers of inequity, the persons will most certainly bear their wrong doings in eternity. Every cent which is irregularly alienated from the investors (read stolen or withheld) will be reimbursed. The Great Judge does not sleep.

I urge you to pay my interest for July and August without delay. "

The above-mentioned letter induces the following reaction:

- The letter is addressed to Orthotouch and Mr. Helgard Hancke, who both support and work for Nic Georgiou, the First Respondent;
- Emotions ranging from incredible anger to a bitter sadness for the overall abuse and impossible situation in which HS investors have been experiencing for years with Mr. Nic Georgiou and his accomplices were raised;
- It symbolises the challenges experienced by all those involved in the HS Companies;
- It sends a message of unprecedented strength, faith and wisdom;
- The letter is a heartfelt summary of the unenforceable position and circumstances in which everyone finds themselves in.

It has long been known that Mr. Georgiou, without exception, employed people who previously built a reputation of trust with others (IE: investment advisors, professionals, former HSAG committee members, supporters etc.), to pursue his case for financial gain and purposes in order to total achieve overall confusion and uncertainty (also amongst the most eloquent elderly people). The attitude of the BRP (Hans Klopper), the Receiver (Derek Cohen), HSIF (Helgard Hancke) and other people (Elna Visagie) with their so-called "advice" and "solutions" is therefore nothing strange. Everyone is in fact victims, but everything is undoubtedly only aimed at benefiting Mr. Nic Georgiou in the end.

In this case, elected retirees and elderly people are threatened and fought against with their own retirement packages and life savings and if that does not work, they are literally offered crumbs and beggars' money, not to take those to court who have their money!

The HSAG Steering Committee and Legal Team can assure everyone that they will do everything in their power with supporters (such as the author above) to ensure that judgement and justice eventually take place.

6. CURRENT STATE OF AFFAIRS: “FAST TRACK” CERTIFICATION FOR HS21-22

In light of the recent successful court rulings against Zephan and Georgiou, that determined the Business Rescue Plan and the Section 155 Scheme of Arrangement did not have an effect on the HS21 & 22 Buyback clause, the HSAG legal team has served a Notice of Motion on Georgiou and other respondents, in terms of which the HSAG approached the Court for an accelerated certification order for HS21 & 22, on 27 July 2018. This means that the case is being accelerated against those Respondents, but does not in any way detract from the Certification Application of the other Highveld Syndications and Respondents.

In terms of the Notice of Motion, the Respondents had 5 Court Days in which they had to inform the HSAG if they wanted to oppose the Notice of Motion.

The HSAG confirms that Mr Georgiou and his entities (as it was expected) have filed late notification their intention to oppose the proposed Accelerated Application for Certification.

In terms of the court Rules, Georgiou has to sign, under oath, and set out the reasons for his opposition to the HSAG.

If the HSAG does not receive such a statement within the stipulated period, the HSAG will continue to put the matter on the unopposed role for hearing.

The HSAG requests all members to read the Notice of Motion, as well as the Statement to Support the Notice of Motion, which documents are posted on the HSAG website at www.hsaction.co.za.

If the HSAG is successful with the above-mentioned Application, Mr. Nic Georgiou, his trust and Zephan will have no excuse for not complying with the Buyback clause.

HSAG members who invested in the other HS companies' claims are not lost or compromised at all. Because the court action of HS 15 to 20 hinges on other facts and circumstances, including fraud and maladministration, the route that will be followed with these syndications, will be different to those in HS 21 & 22.

The above investors' claims have already been made through the Certificate Application and this Application includes the prescription of claims.

7. NON-PAYMENT OF INTEREST

It has come to the HSAG attention that arrears in interest payments for June have now been paid to HS investors.

However, we note that **not all** interest payments in respect of July 2018 have yet been made.

The HSAG's position is still relentlessly that Orthotouch cannot withhold interest rates from HSAG investors because of their support / participation in the HSAG. However, it is clear that Orthotouch's administrative staff are required by Georgiou to

threaten HS Investors to sign forms against the HSAG. Orthotouch's board confirmed by their lawyers in writing that Orthotouch will honour its own scheme of arrangement, but the staff members do not adhere to them.

The Section 155 Scheme of Arrangement clearly states that HS Investor interest must be paid on or before the seventh day of each month. Zephan only pays capital and therefore interest cannot be withheld by Orthotouch.

If the interest is not paid, it boils down to contempt of a court order.

HSAG investors are under no obligation to complete any form in which a HSAG member discloses their membership to the HSIF.

If HSAG investors have completed or considering to complete the form, it will be done at the risk of the HSAG member, which may lead to termination of his / her HSAG membership.

8. LATE APPLICATIONS FOR REGISTRATION WITH THE HSAG

Late applications will be considered on a strict ad hoc basis. Registration forms are available on our website at www.hsaction.co.za or can be requested from us at hsagregister@gmail.com. All requests and completed registration forms must be sent to hsagregister@gmail.com.

9. USE OF CORRECT EMAIL ADDRESSES AND REFERENCES

The correct use of e-mail addresses (as contained on our website and e-mails) as well as HSAG members' initials and surnames, syndication numbers and reference numbers (e.g. identity number, etc.) for all communications are essential.

The official and existing e-mail addresses for the HSAG are as follows:

- hsactiongroup@gmail.com for all General Enquiries; (For Example - to change contact details, Proof of Payments, Death of a Member etc)
- hsagenquiries@gmail.com for Specific Enquiries; (For Example requesting information/statements regarding a specific member, exemption queries for a specific member)
- hsagregister@gmail.com for the registration and deregistration of HSAG members;
- hsagwhistle@gmail.com for all Confidential Information that you would like to send to us anonymously or interest not paid;
- hsagdebitorder@gmail.com for investors who want to make their contributions through debit orders.

If an investor or any person sends an email to the wrong address, it will result in the email not receiving the speedy or necessary attention, if any.

10. HSAG'S OFFICIAL WHATSAPP GROUPS

It is a huge challenge to promptly convey notices, news snippets or important messages to almost 7 000 individuals.

We therefore request HSAG members to join the HSAG's official WhatsApp Groups to receive notices, news snippets or news flashes per WhatsApp.

By joining one of the HSAG's official WhatsApp groups, you will be informed of the latest developments regarding your case on a regular basis.

Simply send your mobile number; identification number; full name and surname, to hsactiongroup@gmail.com after which you will be uploaded to the groups.

You can also contact the administrators of the respective WhatsApp groups directly at 079 635 4165 (Afrikaans) and 082 450 8854 (English).

The HSAG also has an official Facebook page, and can be viewed, "liked" and commented on at www.facebook.com/hsaction.

11. MEMBERSHIP CONTRIBUTIONS AND REGISTRATION COSTS

Please ignore this point if your registration and legal costs have already been settled up to date.

It is of utmost importance that any outstanding registration and legal costs, of which some are outstanding as long ago as 2014 should be settled as soon as possible. Almost four years have elapsed since the HSAG came into being and it is extremely unfair towards loyal HSAG members that persons who seek legal representation in a case where the average claim amounts to R250 000.00 are not willing to make a nominal contribution towards registration and / or legal costs.

Kindly take note of the following:

- i. A once-off registration fee of R1 000 **per syndication** was also levied up to 2015, which then increased to R1 500 **per syndication** thereafter and should reflect on your statement accordingly.
- ii. The requested amount for 2016 legal costs was R1 000 **per syndication**.
- iii. In May 2017 a further requisition for a contribution towards legal and administration costs of R2 000 **per person** was made;
- iv. In February 2018/ March 2018 a further requisition of R2 000 **per person** towards legal and administrative costs was made.
- v. If there are any outstanding amounts with reference to your registration and / or legal costs, you are kindly requested to pay such outstanding balances as soon as possible to prevent unnecessary administration and/or further costs, and also to prevent such members' membership from being suspended from the HSAG.

- vi. Registration surcharges are payable on all new and arrear (90 days and older) registrations. Registration costs currently amount to R1 500 per syndication and, if further registrations are allowed beyond the deadline, it is probable that there will be a further requisition for registration costs per syndication for new registrations, in order to relieve the financial contributions made by our current HSAG members.
- vii. From the end of February 2018 persons whose contributions are paid up to date, with a total claim value of R 50 000 or less, together with a prior written request to Theron & Partners, will be exempted during 2018 from administrative -and legal costs.
- viii. Exemption is **not applicable** to previous years registration / administration and legal costs and overdue fees are still payable.
- ix. **No registration, administration or legal fees are refundable.**

The HSAG enjoys the protection by way of a legal team consisting of attorneys, junior and senior advocates who have already gone a long way towards protecting the prospective plaintiffs under the umbrella of the HSAG. Everyone's cooperation is required, **in** light of the fact that the HSAG will proceed with the certification of a class action for and the rescission of the Section 155 Scheme of Arrangement, we request that all HSAG members to give their cooperation in order to successfully complete these matters. Everyone's cooperation is required.

12. STATEMENT FOR PARTICIPATION IN THE HSAG

The HSAG and its attorneys, Theron & Partners, would like to thank you for your continued and loyal support of the HSAG. The HSAG's case belongs to each individual investor, and we would therefore like to ask you to support your own case in order to claim approximately R4.6 billion from Orthotouch and others.

Please find attached your contribution statement for participation in the HSAG, kindly take note of the following:

- vii. If no trust requisition regarding registration, legal or administration costs, or if a credit appears on your statement, it means that you are in a group which has not yet been registered, processed and/or allocated and could the amount reflect on a later statement;
- viii. If a credit balance appears on your statement, it confirms that you are a registered member, but we have not received your completed application form. Kindly download same from our website or request same from hsagregister@gmail.com;
- ix. The HSAG members' information on our records was gathered from the application forms completed by the HSAG members. If your application form is faulty, vague or incomplete, there is a possibility that you may not receive statements or emails from us

- x. The obligation rests on you as investor to inform us of any changes to your personal and / or contact details either telephonically or by e-mail to hsagregister@gmail.com;
- xi. Due to the continuous high volume of enquiries, registrations, the amendment of personal information and allocations, it is possible that your payment/s and / or registration/s will not yet appear on the attached statement but rather on a later statement.
- xii. Please click on the email link at the bottom of the newsletter to enter the “Customer Zone” where you will see all your trust requisitions for registration and legal costs, as well as all payments made, automated statements are sent from time to time (usually during a month), but your link to the “Customer Zone” will be continuously active, enabling you to view your payments and transactions, as it is allocated, at any time.

Kind regards

HSAG Steering Committee

Contact the HSAG Attorneys at:

Tel: (021) 887 7877

hsactiongroup@gmail.com