

ENGLISH TEXT BELOW

MAANDELIKSE NUUSBRIEF: DESEMBER 2018

Geagte HSAG-belegger / Mnr. / Mev. / Mej.

Hierdie nuusbrieff 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.

Hierdie e-pos is vertroulik en uitsluitlik vir die geadresseerde bedoel. As u dit per ongeluk ontvang het, stel asseblief die skrywer onmiddellik hiervan in kennis en vernietig dit. U mag nie 'n e-pos, of enige deel daarvan, wat verkeerdlik ontvang aan enigiemand anders stuur, kopieer of openbaar nie. HSAG se webmeester gebruik antivirusprogrammatuur om virusse en ander kwaadwillige kodes te voorkom. Hierdie sagteware kan egter nie so 'n kode voorkom of uitwis nie. Die HSAG of sy verteenwoordigers sal nie aanspreeklik wees vir enige verlies of skade wat voortspruit uit ontvangs of gebruik van hierdie e-pos of andersins, of dit voortspruit uit die nalatigheid van HSAG, sy lede, bestuurskomitee en agente of andersins nie.

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. KERSBOODSKAP

Kersfees is die tyd om saam met familie te wees, 'n tyd om liefde te gee en 'n tyd om dankie te sê vir al die wonderlike seëninge wat ontvang is deur die jaar van 2018.

Die HSAG-bestuur wil graag hiermee elke getroue belegger hartlik bedank vir sy/haar getroue ondersteuning gedurende 2018, en wil ons graag van hierdie geleentheid gebruik maak om vir elke belegger 'n geseënde Kersfees en 'n voorspoedige nuwe jaar toe te wens.

Mag die vreugde en vrede van Kersfees met u almal wees nou en dwarsdeur 2019.

2. 2018 – ‘N JAAR VAN HOOP

'n Boer se donkie het eendag in die put ingeval. Die donkie het ure lank gebalk terwyl die boer probeer het om 'n plan te maak.

Uiteindelik besluit hy toe dat die ou dier reeds te oud is, en die put het in elk geval nie meer water in nie en moet dus maar toegegooi word. Toe nooi hy al sy bure om hom te help om die put op te vul.

Elkeen het 'n graaf gebring en begin om grond in te gooi. Die ou dier besef wat aangaan, en protesteer luidkeels. Maar, tot almal se verbasing, word dit skielik stil. 'n Rukkie later loer die boer oor die kant van die put en sien wat gebeur.

Die donkie skud elke graafvol grond wat op sy rug val, af en trap dit vas. Terwyl die span manne die grond ingooi om die put op te vul, skud hy die grond af en klim elke keer 'n tree hoër.

Uiteindelik tree die donkie oor die kant van die put en draf weg!

Soos in bogenoemde verhaal, het die teenkant in die HSAG se saak ook verskeie kere gedurende 2018 grawe vol sand op die HSAG en die HSAG se saak gegooi.

Dit het die HSAG se span egter nie van baan gebring nie, intendeel, die HSAG het aanhou veg en met elke teenslag wat teen die HSAG geloods was, het die HSAG met mening terug geveg om sodoende sy lede se belange te beskerm.

Die klas-aksie litigasie het nuwe momentum gekry in 2018 nadat Orthotouch/Mnr. Georgiou bloedneus gekry het in verskeie interlokutêre hofaansoeke wat deel vorm van die klas-aksie litigasie.

Orthotouch / mnr Georgiou se optrede en verdragings-taktiek in die litigasie is in twee onafhanklike uitsprake erg gekritiseer deur twee regters as 'n misbruik van die hofproses ("abuse of the court process"), asook deur vyf regters van die Hoogste Hof van Appèl in Bloemfontein nadat die sekere Respondente geappelleer het teen voorgenoemde twee uitsprake.

Orthotouch / mnr Georgiou het die Appèlle tydens argument in die ope hof (in die Hoogste Hof van Appèl) teruggetrek en koste aangebied op 'n bestraffende skaal, wat uitsonderlik is. Die HSAG meen dat hy daardeur wou verhoed dat hy in die verleentheid gestel word deur 'n skriftelike uitspraak deur die Hoogste Hof van Appèl.

Die sukses in die Hoogste Hof van Appèl het die baan vir die HSAG geweg om voort te gaan met die beoogde klas-aksie.

Die HSAG-bestuur en HSAG-regspan wil graag vir elke HSAG-lid bedank vir sy/haar voortgesette en lojale ondersteuning gedurende 2018. Ons kan u verseker dat ons nie daarsonder kon voortgaan nie.

'n Nuwe jaar lê om die draai en die HSAG-span verbind hom daartoe om alles in die stryd te werp ten einde te veg vir dit wat HSAG-beleggers toekom.

3. HSAG – IN OPSOMMING

- Daar het altesaam meer as 18 300 beleggers, meestal pensioenarisse, ongeveer R4.6 miljard belê in agt Highveld Sindikasie ("HS") Maatskappye 15-22;

- Die HSAG verteenwoordig ongeveer 7 000 beleggers in gemelde agt maatskappye waarvan die sertifikasie aansoeke van vier maatskappye reeds in die Hooggeregshof Pretoria uitgereik is. Klas-aksies is reeds uitgereik in HS19-22;
- Gemiddeld het HS beleggers R250 000 per persoon belê;
- Die klas-aksies word gebring teen mnr. Nic Georgiou, 'n eiendomsmagnaat van Johannesburg (voorheen Bloemfontein), en 26 ander Respondente wie óf nou betrokke was óf finansiële voordeel getrek het uit die HS Maatskappye;
- In die vier sertifikasie aansoeke wat reeds uitgereik is, is die eise van die beleggers teen die Respondente dat onroerende eiendomme (meestal winkelsentrums) ter waarde van altesame R3.2 miljard deur Mnr. Georgiou se maatskappy, Zephan (voorheen Zelphy), aan die HS19-22 maatskappye verkoop is, waar Zephan die koopsomme van miljarde rande ontvang het, maar daarna geweier/versuim het om die eiendomme oor te dra;
- In effek het Zephan dus miljarde rande ontvang vir die verkoop van eiendomme, egter sonder om die eiendomme te transporteer of enige kapitale teenwaarde/ teenprestasie te lewer;
- Nadat Zephan die gelde ontvang het, was ál agt die HS15-22 maatskappye in besigheidsredding geplaas en het Mnr. Georgiou, deur een van sy ander maatskappye, Orthotouch, koopkontrakte met die besigheidsreddingspraktisyn, Mnr. Hans Klopper, afgesluit, wat ál die HS maatskappye se eiendomme sou koop;
- Voordat Orthotouch kon betaal, het Mnr. Georgiou en die Orthotouch direksie dit in 'n A155 Reëlinskema ('n meganisme in die Maatskappyyewet wat 'n maatskappy in effek teen sy krediteure beskerm) geplaas;
- Die A155 Reëlinskema het onder andere bepaal dat Mnr. Georgiou, sy familie, asook al die direkteure van die HS maatskappye gevrywaar word teen regsaksies en moet die A155 Reëlinskema dus tersyde gestel word voordat ál die sertifikasie aansoeke aangehoor kan word.

4. VANUIT DIE MEDIA

'n Reeks artikels wat handel oor die mislukte beleggings in die destydse PICVEST is onlangs deur Moneyweb gepubliseer.

Ons nooi HSAG-beleggers uit om die insiggewende berigte, welke berigte geplaas is op www.moneyweb.co.za te gaan lees.

Daar word onder meer berig oor die nie-oordrag van eiendomme, die beweerde dispuut tussen Bosman & Visser en Zephan en die destydse Sakereddingsplan en daarna die Art 155-Reëlinskema.

Een van die skokonthullings waaroor berig was, was die feit dat Orthotouch nie meer 'n enkele onroerende bate het nie:

“The Moneyweb investigation shows that Orthotouch doesn't currently own any properties and has no independent source of income.

Furthermore, Zephan owns only 10 properties.

The title deeds of these properties show that they were acquired for around R300 million, which hardly seems adequate to deliver the returns to repay investors in terms of the SOA. In the affidavit in defence of the liquidation application, Georgiou confirms that he owns nine unencumbered properties valued at around R266 million.

Orthotouch is therefore an empty shell and totally dependent on Zephan to provide the funds to pay interest and capital to investors in terms of the SOA.

The research reveals that there is not much left of the 79 properties the 18 700 investors 'bought' for R4.6 billion cash more than a decade ago."

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. WAT OM IN 2019 TE VERWAG

Die vermelde versnelde eise op grond van die terugkoop-ooreenkomste het nuwe momentum aan die litigasie verleen, onder andere omdat dit aansoek-prosedure behels wat vinniger aangehoor kan word as die aksie-prosedure van 'n normale klas-aksie.

Die HSAG verwag om binne die eerste paar maande van 2019 die Versnellingsaansoek ten aansien van HS 21 & 22 te plaas vir aanhoor. Indien die Aansoek suksesvol is, sal dit die baan vir die HSAG weg om die eise van beleggers, wie in HS 21 & 22 belê het, af te dwing.

Die Aansoek vir die Tersydestelling van die Art 155 Reëlinskema sal ook gedurende volgende jaar gedryf word. Indien die Art 155 Reëlinskema Tersyde gestel word, kan die HSAG voortgaan met die Aansoek vir die sertifisering vir 'n klas-aksie vir al die ander HS-maatskappye.

Wat die klas-aksie betref, gaan 2019 dus 'n jaar vol aksie wees in die howe.

6. HUIDIGE STAND VAN SAKE

6.1 Versnelde sertifikasie aansoek

Die HSAG-regspan het reeds op 27 Julie 2018 'n Aansoek vir die Sertifisering van 'n klas-aksies ten opsigte van HS 21 & 22 op Mnr Georgiou/Orthotouch en ander Respondente beteken waarin die HSAG die Hof vra dat sodanige Sertifikaat toegestaan moet word.

Die HSAG-regspan en die prokureurs van Mnr Georgiou het onlangs op 'n tydtafel (sien punt 7 van u Nuusbrieff) ooreengekom in terme waarvan die betekening van Hofstukke moet plaasvind.

In terme van die tydtafel moet mnr Georgiou se prokureurs voor of op 7 Desember 2018 hul Opponerende Verklarings ten opsigte van 'n gedeelte van die Aansoek vir Sertifisering lewer.

Die HSAG bevestig dat Mnr Georgiou se prokureurs wel bogenoemde Verklaring op die HSAG beteken het en dat die HSAG se prokureurs tans besig is om 'n Verklaring in repliek op te stel.

Die HSAG se Repliek op Mnr Georgiou se Verklaring moet voor of op 21 Desember 2018 op Mnr Georgiou beteken word.

Die Kennisgewing van Mosie, asook die Verklaring ter ondersteuning van die Kennisgewing van Mosie is op die HSAG se webblad by www.hsaction.co.za geplaas en nooi ons u uit om dit deur te lees.

6.2 Beleggers met eise in HS 15 tot 20

Eise in ander HS-maatskappye is glad nie verlore of in gedrang nie en gaan die HSAG nog steeds voort met stappe ten einde die beleggers se eise af te dwing.

Die eisoorzaak van HS 15 tot 20 berus op ander feite en omstandighede, nl. bedrog en wanvoorstellings, en die roete wat met hierdie eise gevolg moet word is anders as in die kontraktuele eise van die HS 21 & 22.

Soos hierbo gemeld, gaan HS 15 – 22 se eise op grond van onregmatige dade ook voort teen al die Respondente. Die rede hiervoor is dat enige tekorte wat mag bestaan by vorderings, van sodanige partye gevorder sal word.

Beleggers in HS 19 – 20 se eise is reeds ingestel deur middel van die Sertifikasie-Aansoek en sluit hierdie Aansoek die verjaring van eise in.

Die tersydestelling van die A155 Reëlinskema is nodig vir hierdie eise om voortgesit te word.

Die HSAG se aansoek om tersydestelling van die Reëlinskema is hangend, en daar word beplan om binnekort verdere hofdokumente in te dien met die vertroue dat hierdie tersydestellings-aansoek spoedig in 2019 aangehoor kan word, waarna die res van die klas-aksie dan in die Pretoria hof kan voortgaan.

Alhoewel die HSAG van voorneme is om die Art 155-Reëlinskema ("Reëlinskema") tersyde te stel, is Orthotouch in terme van die Reëlinskema verplig om maandelikse rente aan HS-beleggers te betaal, minstens tot tyd en wyl gemelde skema tersyde gestel word, al dan nie.

Aangesien Orthotouch die Reëlinskema minag deur nie betyds of enigsins aan al die HS-lede hul maandelikse rente betaal nie, bestaan daar egter geen rede waarom die Reëlinskema in plek gehou moet word nie, en sal die

HSAG oorweeg om ook so spoedig as moontlik stappe te neem ten einde die Reëlinskema tersyde te stel.

7. BELANGRIKE DATUMS

Die HSAG se prokureurs en die prokureurs van mnr Nic Georgiou het na afloop van die vergadering met Regter Tolmay op 8 November 2018 op 'n tydtafel ooreengekom ingevolge waarvan sekere Hofdokumente beteken en geliasseer moet word.

Die HSAG bevestig die volgende datums:

Voor of op **7 Desember 2018** – Respondente moet Antwoordende Verklarings in antwoord op die HSAG se Hofstukke beteken en liasseer. Die HSAG bevestig dat mnr Georgiou se prokureurs wel bogenoemde Verklaring op die HSAG beteken het en dat die HSAG se prokureurs tans besig is om 'n Verklaring in repliek op te stel;

Voor of op **21 Desember 2018** - Die HSAG moet/kan 'n Repliserende Verklaring beteken en liasseer in repliek op die Respondente se Antwoordende Verklaring;

Voor of op **11 Januarie 2019** - Respondente moet hul Hoofde van Betoog beteken en liasseer;

Voor of op **25 Januarie 2019** - Die HSAG moet Hoofde van Betoog beteken en liasseer.

Sodra al bogenoemde stukke beteken en geliasseer is, sal die Hof genader word vir 'n dringende datum waarop die Aansoek aangehoor sal word.

8. BOEDEL NAVRAE

Indien u 'n navraag het met betrekking tot boedels en die eise van HSAG-lede, is u welkom om 'n e-pos te stuur na hsagestates@gmail.com waarna die HSAG u sal bystaan.

9. 2018 SPESIALE OPVRAGING – “FAST TRACK” AANSOEK

Aangesien dit 'n enorme hoeveelheid werk verg ten einde die spesifieke Aansoek vir die Sertifisering van die klas-aksie ten opsigte van HS 21 & 22 van baan te bring, het die HSAG-bestuur besluit om 'n spesiale 2018 opvraging in die bedrag van R500.00 per persoon wat in enige van HS21 en/of HS22 maatskappye belê het, te maak.

Hierdie nominale 2018 opvraging is bo en behalwe die gewone opvragings en sal op HSAG-lede wie in HS 21 & 22 belê het se staat verskyn.

Dit is wel so dat alle HSAG-lede bydra tot 'n gemeenskaplike poel. Dit verg egter dat diegene wat in HS 21 & 22 belê het, addisioneel bydra om die litigasie van HS 21 & 22 spesifiek te ondersteun.

Daarom is die HSAG-bestuur genoodsaak om hierdie spesiale opvraging te doen.

Bogenoemde spesiale opvraging verskyn reeds op van die HS 21 & 22 lede se HSAG Staat en versoek ons u om die spesiale opvraging so spoedig as moontlik op datum te bring.

Die proses word oor tyd ingefaseer en die tersaaklike HSAG lede se state sal met verloop van tyd opgedateer word, maar lede word spesifiek versoek om nie te wag totdat hulle state opgedateer is nie en onmiddellik hulle bydrae in die trustrekening te maak onder die verwysing:

Theron & Vennote Rek. Nr. 2

Standard Bank

Stellenbosch

Rek. Nr. 063163160

Takkode 050610

Swift Code SBZA ZA JJ

Verwysing: "RQ1 Voorletters en Van".

Belangrik: Bogenoemde spesiale opvraging het slegs betrekking op HSAG-lede wie in HS 21 & 22 belê het.

Indien u reeds die bogenoemde bedrag betaal het en dit verskyn nie op u staat nie, wees asseblief geduldig, dit sal in die gewone loop op u staat verskyn of stuur 'n epos aan hsagenquiries@gmail.com om die kantoor te verwittig dat u wel betaal het, maar welke bedrag verskyn nie. Dankie aan diegene wie reeds die bogenoemde bedrag betaal het.

10. SLUIT VAN KANTORE

Ons wil u graag daarop attent maak dat Theron & Vennote Prokureurs se kantore gesluit sal wees vanaf 14 Desember 2019 tot en met 9 Januarie 2020.

Indien u dus enige verdere navrae ten aansien van administratiewe aangeleenthede en / of allokasies het, moet u asseblief voor/op 14 Desember 2019 met ons kantore in verbinding tree.

11. 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.

12. OPSKORTING VAN HSAG-LIDMAATSKAP

Die HSAG-bestuur het tydens 'n vorige vergadering besluit, welke besluit verwelkom was deur baie van die opbetaalde HSAG-lede, dat HSAG-lede wie nie hul **2014 / 2015 registrasiekoste** voor of op **31 Desember 2018** op datum bring nie, se lidmaatskap aan die HSAG ongelukkig onmiddellik opgeskort sal word.

Die gevolge van 'n HSAG-lid se lidmaatskap wat beëindig of opgeskort word is verreikend, en kan ondermeer beteken dat die HSAG-belegger se eis teen Orthotouch/Georgiou verjaar het. In die huidige bedeling van die klas-aksie aansoek kan dit ook beteken dat u nie weer sal deel vorm van die HSAG klas-aksie nie.

Ons moedig u dus aan om so spoedig as moontlik u registrasiekoste op datum te bring **én** ons van sodanige bewys te voorsien ten einde die beëindig van u lidmaatskap te voorkom.

Bewyse van betalings kan gestuur word na hsactiongroup@gmail.com waarna die betaling geallokeer sal word.

13. 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 kwytstelling 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;
- hsagestates@gmail.com vir alle Boedel navrae.

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

Indien u nie enige verdere e-posse wil ontvang nie, stel ons ook asseblief skriftelik in kennis daarvan.

14. 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.

15. LEDE BYDRAES EN REGISTRASIEKOSTE

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

Dit is van uiterste belang dat enige uitstaande registrasie- en regs-kostes, waarvan sommige só 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 regsvertegenwoordiging 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 regs-kostes 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. In November 2018/Desember 2018 was/gaan 'n spesiale opvraging tot regs- en administrasiekoste vir HSAG-lede wie in HS 21 & 22 belê het van R500 **per persoon** gemaak word;
- vi. 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;
- vii. 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 finansiële bydraes deur huidige HSAG-lede te verlig;
- viii. 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, kwytsgekeld van die 2018 administratiewe- en regskostes.
- ix. Kwytskelding **is nie van toepassing nie** op vorige jare se registrasie / administrasie / regskostes / agterstallige fooie en die spesiale opvraging vir HS 21 & 22 lede nie en is steeds betaalbaar.
- x. **Geen registrasie, administratiewe of regsfooie is terugbetaalbaar nie.**

Die HSAG geniet die beskerming van 'n regspan 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 aangeleenthede suksesvol af te handel. Almal se samewerking word vereis.

16. 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 R4.6 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 voltooide 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-, regs-kostes 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

AFRIKAANS HIERBO

MONTHLY NEWSLETTER: DECEMBER 2018

Dear HSAG Investor / Mr / Mrs / Ms

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.

This email is confidential and is exclusively meant for the addressee. If you have received it in error, please notify the sender immediately and delete it. You may not copy, disclose or deliver any email received in error or any part of it to anyone else. HSAG’s webmaster uses antivirus software to prevent viruses and other malicious code. However, such software cannot prevent or eradicate all such code. The HSAG or its representatives will not be liable for any loss, harm or damage whatsoever arising from receipt or use of this email or otherwise, whether arising through the negligence of HSAG, its members, steering committee and agents or otherwise.

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.

3. CHRISTMAS MESSAGE

Christmas is a time to spend with family, a time to give love and a time to say thank you for all the wonderful blessings received during the year of 2018.

The HSAG steering committee would like to sincerely thank every faithful investor for their loyal support in 2018, and we would like to take this opportunity to wish each one of you a Blessed Christmas and a Happy New Year.

May the joy and peace of Christmas surround you all, now and throughout 2019.

4. 2018 – A YEAR OF HOPE

One day a farmer's donkey fell down into a well. The animal cried piteously for hours as the farmer tried to figure out a way to get him out.

Finally, he decided it was probably impossible and the animal was old and the well was dry anyway, it just wasn't worth it to try and retrieve the donkey. So, the farmer invited his neighbours to come over and help him fill the well.

They all grabbed shovels and began to shovel dirt into the well. At first, when the donkey realised what was happening, he protested loudly. Then, to everyone's amazement, he fell silent and let out some happy brays. A few shovel loads later, the farmer looked down the well to see what was happening and was astonished at what he saw. With every shovel of dirt that hit the donkey's back, it was shaking it off and climbing up, one step at a time.

Eventually, the donkey stepped over the edge of the well and trotted away!

As in the abovementioned story, the opposition in the HSAG case have on several occasions during 2018, thrown shovels of sand on the HSAG and the HSAG's case.

However, this did not discourage the HSAG's team. On the contrary, the HSAG continued to fight off every attack launched against the HSAG, in order to protect its members' interests

The class action litigation gained new momentum in 2018 after Orthotouch / Mr. Georgiou were defeated in various interlocutory court applications which forms part of class action litigation.

Orthotouch / Mr Georgiou's actions and delaying tactics in the litigation were severely criticised in judgments by two independent judges and described as an "abuse of the court process", as well as by 5 judges of the Supreme Court of Appeal in Bloemfontein after certain Respondents appealed against both the aforementioned judgements.

Orthotouch / Mr Georgiou then retracted the Appeals in the open court (in the Supreme Court of Appeal) and tendered costs on a punitive scale, which is exceptional. In the HSAG's opinion he wanted to prevent the embarrassment of a written judgement by the Supreme Court of Appeal.

The success in the Supreme Court of Appeal has paved the way for the HSAG to proceed with the intended class-action.

The HSAG steering committee and legal team would like to thank each HSAG member for his / her continued and loyal support during 2018. Without which, we can assure you, we would not be able to keep going.

A new year lies ahead and the HSAG team commits itself to doing everything in its power to fight for what is owed to the HSAG investors.

3. HSAG – TO SUMMARISE

- In total, more than 18 300 investors, mostly pensioners, invested approximately R4.6 billion in eight Highveld Syndication ("HS") Companies 15-22;
- The HSAG represents approximately 7 000 investors in eight of the listed companies, of which four certification applications were already issued in the Pretoria High Court. Class actions have already been issued for HS19-22;

- On average, HS investors invested R250 000 per person;
- The class actions are brought against Mr. Nic Georgiou, a property tycoon from Johannesburg (formerly Bloemfontein), and 26 other respondents who were either involved or received financial benefit from HS Companies;
- In the four certification applications that have already been issued, the claims of the investors against the Respondents are that immovable property (mostly shopping malls) worth a total of R3.2 billion were sold by Mr. Georgiou's company, Zephan (formerly Zelphy), to HS19-22 companies, where Zephan received the billions of Rands, but then refused / failed to transfer the properties;
- In effect, Zephan received billions of Rands for the sale of properties, without transferring the properties or providing any counter performance;
- After Zephan received the purchase price, eight of the HS15-22 companies were placed in business rescue and Mr. Georgiou, through one of his other companies, Orthotouch, concluded purchase agreements with the business rescue practitioner, Mr. Hans Klopper for the purchase of all the HS companies' property;
- Before Orthotouch could pay, Mr. Georgiou and the board of Orthotouch placed it under an S155 Scheme of Arrangement (a company law mechanism that effectively protects a company against its creditors);
- The S155 Scheme of Arrangement stipulated that Mr. Georgiou, his family, as well as all the directors of the HS companies are exempt from liability and therefore the S155 Scheme of Arrangement has to be set aside before the certification applications can be heard.

4. **FROM THE MEDIA**

A series of articles regarding the failed investments in the then PICVEST has recently been published by Moneyweb.

We invite HSAG investors to read the insightful reports, which are posted on www.moneyweb.co.za.

Amongst other things, there are reports relating to the non-transfer of properties, the alleged dispute between Bosman & Fisher and Zephan and the subsequent Business Rescue Plan and thereafter the Sec 155 Scheme of Arrangement.

One of the shocking revelations was the fact that Orthotouch no longer owns a single immovable asset:

“The Moneyweb investigation shows that Orthotouch doesn’t currently own any properties and has no independent source of income.

Furthermore, Zephan owns only 10 properties.

The title deeds of these properties show that they were acquired for around R300 million, which hardly seems adequate to deliver the returns to repay investors in

terms of the SOA. In the affidavit in defence of the liquidation application, Georgiou confirms that he owns nine unencumbered properties valued at around R266 million.

Orthotouch is therefore an empty shell and totally dependent on Zephan to provide the funds to pay interest and capital to investors in terms of the SOA.

The research reveals that there is not much left of the 79 properties the 18 700 investors 'bought' for R4.6 billion cash more than a decade ago."

HS investors invested a total of R4.6 billion in the failed HS15-22 companies, there are properties currently under lease and properties that have since been sold. What has happened to all the HS investors' money?

5. WHAT TO EXPECT IN 2019

The abovementioned accelerated (fast track) claims, which are based on the buy-back agreements gave new momentum to the litigation, inter alia, because it involves application procedure that can be heard sooner than the action procedure of a normal class action.

The HSAG expects to place the acceleration application for HS 21 & 22 on the roll for hearing within the first few months of 2019. If the Application is successful, it will pave the way for the HSAG to enforce the claims of investors, who invested in HS 21 & 22.

The application for the rescission of the Sec 155 Scheme of Arrangement will also be conducted during the following year. If the Sec 155 Scheme of Arrangement is set aside, the HSAG may proceed with the Application for the Certification for a Class Action for all other HS companies.

With regards to the class action, 2019 will therefore be a year of action in the courts.

6. CURRENT STATE OF LITIGATION

6.1 Fast Track Certification Application

On 27 July 2018 the HSAG legal team served an application for the certification of a class action in respect of HS 21 & 22 on Mr Georgiou / Orthotouch and other Respondents in which the HSAG requested the Court for such certificate to be granted.

The HSAG legal team and the attorneys for Mr Georgiou recently agreed on a timetable (see point 7 of your Newsletter) in terms of which the service of court documents must be effected.

In terms of the timetable, Mr Georgiou's attorneys must deliver their Opposing Affidavits in respect of a part of the Application for Certification before or on 7 December 2018.

The HSAG confirms that Mr Georgiou's attorneys have served the abovementioned affidavit on the HSAG and that the HSAG's legal team are currently preparing a Replying Affidavit.

The HSAG's reply to Mr Georgiou's Affidavit must be served on Mr Georgiou on or before 21 December 2018.

The Notice of Motion, as well as the Supporting Affidavit and the letter to the Deputy Judge President, is posted on the HSAG's website at www.hsaction.co.za and we invite you to read it.

6.2 Investors with claims in HS 15 tot 20

Claims for investments in other HS Companies are not lost or in jeopardy and the HSAG is still proceeding with steps to enforce investors' claims.

The claims of HS 15 to 20 are based on other facts and circumstances, amongst others including fraud and misrepresentation, and this route must be followed with these claims, which differ to the contractual claims of HS 21 & 22.

As stated above, HS 15-22 claims, based on unlawful acts will also proceed against all Respondents. The reason for this is that any shortfall that may exist in the claims will be recovered from such parties.

Investors with claims in HS 19-20 have already been instituted by way of the Application for Certification and this Application suspends the running or prescription of HSAG members' claims.

The rescission of the Scheme of Arrangement is a necessary step in order to proceed with these claims.

The HSAG's application for setting aside the Scheme is pending and further court documents intend to be filed shortly with the hope that this rescission application may be heard early in 2019 after which the rest of the class action can proceed in the Pretoria court.

Although the HSAG intends to set aside the Sec 155 Scheme of Arrangement, (SoA) Orthotouch is obliged, in terms of the SoA, to pay monthly interest to HS investors, at least until the SoA is set aside.

Since Orthotouch disregard the Scheme of Arrangement by not paying HS members their monthly interest on time or at all, there is no reason why the Scheme of Arrangement should remain in effect and the HSAG will strongly consider taking steps as soon as possible to set the Scheme of Arrangement aside.

7. IMPORTANT DATES

After the meeting with Judge Tolmay on 8 November 2018 the HSAG' attorneys and the attorneys for Mr Nic Georgiou agreed on a time table in terms of which certain court documents are to be served and filed.

The HSAG confirms the following dates:

On or before **7 December 2018** – Respondents have to serve and file their answering Affidavits in response to the HSAG' court documents. The HSAG confirms that Mr Georgiou's attorneys have served the abovementioned affidavit on the HSAG and that the HSAG's legal team are currently preparing a Replying Affidavit;

On or before **21 December 2018** - The HSAG may serve and file a Replying Affidavit replying to the Respondents Answering Affidavit;

On or before **11 January 2019** - Respondents have to serve and file their Heads of Argument;

On or before **25 January 2019** - The HSAG must serve and file its Heads of Argument.

As soon as the abovementioned documents have been served and filed, the court will be approached in order to obtain an urgent date for the Application to be heard.

8. ESTATE ENQUIRIES

If you have any estate related enquiries regarding the estates and claims of HSAG members, you are welcome to send an email to hsagestates@gmail.com whereafter the HSAG will assist you.

9. 2018 SPECIAL REQUEST – “FAST TRACK” APPLICATION

Since it requires an enormous amount of work in order to bring the specific Application for the Certification of the Class Action for HS 21 & 22 to Court, the HSAG Management has decided on a special 2018 contribution in the amount of R500.00 per person, for those who have invested in the HS21 and/or HS22 companies.

This nominal 2018 contribution is additional to the usual yearly contribution and will appear on your statement.

All HSAG members contribute towards a common pool. However, it is necessary that those who have invested in HS 21 & 22, make an additional contribution to support the litigation of HS 21 & 22 specifically.

It is therefore necessary for the HSAG management to make this special request.

The abovementioned special contribution already appears on your HSAG Statement and we request that you settle this amount as soon as possible.

The process will be phased in over time and the relevant HSAG member statements will be updated over time, but members are specifically requested not to wait until their statements have been updated and are requested to immediately deposit the required amount in to the trust account, with the correct reference, as follows:

Theron & Partners Account. No. 2
Standard Bank
Stellenbosch
Acc. No. 063163160
Branch Code 050610
Swift Code SBZA ZA JJ
Reference: "**RQ1- Initials and Surname**".

Important: The abovementioned contribution is only applicable to members with investments in HS 21&22.

If you have already paid the above amount contribution and it does not appear on your statement, please be patient, it will appear in due course or send us an email to hsagenquiries@gmail.com in order to inform the HSAG that your contribution does not appear. Thank you to those who have already paid the abovementioned amount.

10. CLOSE OF OFFICES

We would like to remind you that the offices of Theron & Partners Attorneys will be closed from 14 December 2019 until 9 January 2019.

Therefore, if you have any further enquiries regarding administrative matters and / or allocations, please contact our offices before / on 14 December 2018.

11. LATE APPLICATIONS FOR REGISTRATION WITH THE HSAG

Late applications will be considered on a strictly *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.

12. SUSPENSION OF HSAG MEMBERSHIP

The HSAG Steering Committee decided at a previous meeting, which decision was welcomed by many of the HSAG members who have settled all their fees and contributions, that membership to the HSAG would unfortunately be suspended immediately if such members do not settle their outstanding **2014 / 2015 registration costs** by **31 December 2018**.

The consequences of a member of the HSAG membership being suspended has far-reaching consequences, and may mean, amongst other things, that the HSAG investor's claim against Orthotouch / Georgiou has prescribed. In the current scheme of the class action application, it may also mean that you will not be able to re-join the HSAG class action at a later stage.

We therefore encourage you to settle your registration fee as soon as possible **and** provide us with proof thereof in order to prevent termination of your membership.

Proof of payments may be sent to hsactiongroup@gmail.com whereafter the payment will be allocated.

13. 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;
- hsagestates@gmail.com for all estate related questions.

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.

If you do not wish to receive any further emails, please inform us in writing thereof.

14. 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.

15. **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. In November 2018/December 2018 there was/will be a special contribution request of R 500.00 **per person** made towards legal- and administration costs for HSAG members who have invested in HS 21 & 22;
- vi. 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;
- vii. 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;

- viii. 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;
- ix. Exemption is **not applicable** to previous years registration / administration and legal costs and overdue fees are still payable;
- x. **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. In light of the fact that the HSAG will proceed with the certification of a class action for HS 21-22 and the recession of the Sec 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.

16. 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