



ENGLISH TEXT BELOW

MAANDELIKSE NUUSBRIEF: DESEMBER 2019

Hierdie nuusbrieff word aan u gerig as lid van die Hoëveld Sindikasie 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 / verkeerdelik ontvang het, stel asseblief die versender by hsagenquiries@gmail.com onmiddellik in kennis en vernietig dit. U mag nie 'n e-pos, of enige deel daarvan, wat foutiewelik ontvang aan enigiemand anders stuur, kopieer of openbaar nie. HSAG se webmeester gebruik antivirus-programmatuur om virusse en ander kwaadwillige kodes te voorkom. Hierdie sagteware kan egter nie so 'n kode altyd 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 inligting, onderhewig aan die vrywaring daarin vervat (en ook hierop van toepassing) kan bekom.

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

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1. **KERSFEES BOODSKAP**

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 2019.

Die HSAG-bestuur wil graag hiermee elke getroue belegger hartlik bedank vir sy/haar getroue ondersteuning gedurende 2019, 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 2020.

2. **TERUGVOER OOR HSAG SE HS 21 & 22 SERTIFISERINGS-AANSOEK**

Die Hooggeregshof van Suid-Afrika het 'n klas-aksie in teen die multimiljoenêr Nic Georgiou en sy familie-entiteite gesertifiseer vir die vordering van miljarde rande wat deur beleggers in die mislukte Hoëveld Sindikasie maatskappye belê is.

Die klas-aksie is 'n baanbreker en die eerste van sy soort aangesien dit gevoer word teen 'n privaat individu, en een van die beroemdste en welgesteldste gesinne in Suid-Afrika.

Die hooggeregshof het gelas dat alle opbetaalde HSAG-lede op 31 Januarie 2020 outomaties deel sal vorm en vrygestel sal word van registrasiegeld in die klas-aksie. Dit is 'n dringende oproep aan HSAG-lede om die geleentheid, alleenlik voorbehou vir HSAG-lede, aan te gryp en hul betalings op datum te bring voor die afsnydatum van 31 Januarie 2020 en sodoende deel te vorm van die klas-aksie / aansoek teen die Georgiou-familie.

Die tyd is dus baie beperk.

Hieronder is belangrike punte vanuit die uitspraak:

1. Die Applikante, bevestig as geskikte verteenwoordigers van die klas beleggers, slaag met die sertifisering en kan 'n klas-aksie / aansoek instel.
2. Die huidige prokureurs van rekord, Theron & Vennote, is bevestig as geskik, en in die beste posisie, om die beleggers in HS 21 & 22 in die klas-aksie / aansoek te verteenwoordig.
3. 'n Klas-aksie / aansoek moet binne 40 dae vanaf 10 Desember 2019 uitgereik word.
4. Elke belegger wat wil "opt-in", moet by die klas-aksie / aansoek registreer.
 - 4.1 Beleggers (anders as opbetaalde HSAG-lede) met eise van R 100 000 of minder, moet R 4 500 registrasiefooi betaal.
 - 4.2 Beleggers (anders as opbetaalde HSAG-lede) met eise van meer as R 100 000 moet R6 500 registrasiefooi betaal.
 - 4.3 Opbetaalde HSAG-lede (wat teen 31 Januarie 2020 opbetaal is) hoef nie te registreer of registrasiegelde te betaal nie.

5. 'n Afsonderlike geouditeerde trustrekening sal gehou word vir die klas-aksie/aansoek.
6. Mev. Van der Sandt, die tussenbeidetredende party, moet bestraffende kostes betaal vir haar tussenbeidetrede, en gevolglike onttrekking van haar opponering teen die hoofaansoek, op 'n prokureur-en-kliënt skaal, aangesien haar aansoek 'n misbruik van proses was.

Besoek ons webwerf by www.hsaction.co.za vir meer inligting. In ons Januarie 2020 Nuusbrief sal ons meer uitbrei op die uitspraak in die verband.

3. ORTHOTOUCH BESIGHEIDSREDDING – EISVORMS EN EERSTE VERGADERING VAN KREDITEURE

Almal op Orthotouch se databasis ontvang nou ook SMS'e saam met eposse wat dieselfde strekking het, nl. dat vorms oor die plasing van Orthotouch in Besigheidsredding onderteken word.

Die HSAG en die Regspan doen weer 'n ernstige beroep op lede en ondersteuners, en raai hulle sterk aan om, **nie sondermeer, behoorlike besinning en selfs onafhanklike advies, die eisvorms te onderteken nie**. 'n Voorbeeld waarom dit onder andere noodsaaklik is, is dat punt nommer 4 op die eisvorm duidelik lui:

"Dat geen ander persoon behalwe die genoemde (Orthotouch) aanspreeklik is vir genoemde skuld of enige gedeelte daarvan nie."

Dit beteken dat, sou bogenoemde verklaar word, en beleggers dit só skriftelik bevestig, niemand anders nie maar slegs Orthotouch ('n leë dop), teenoor hulle aanspreeklik sou wees vir die beleggers se eise. Dit kan dus beteken dat beleggers se eise teen Georgiou en die ander Respondente in wesenlike gevaar gestel kan word en hulle sodanige verweer teen beleggers se eise kan opper.

Gerugte doen ook weer die rondte dat Georgiou homself gaan sekwestreer en Orthotouch en Zephan likwieder. Hierdie gerugte spruit waarskynlik onder andere voort uit die teëspoed wat Georgiou weer onlangs in die Howe ervaar het. Georgiou het ook onder eed verklaar dat die entiteite miljarde rande se eise teen hulle het.

Sodanige prosesse kan inderdaad 'n positiewe uitwerking hê om die miljarde rande se vervreemde bates en fondse vinniger te verhaal.

Elke belegger moet 'n behoorlike en ingeligte besluit neem op welke wyse daar met sy/haar/hul eise teen Georgiou en sy mede-Respondente gehandel word.

Indien Georgiou gesekwestreer, of enige van sy entiteite gelikwieder word, sal hy eerder vroeër as later in die getuiebank tydens 'n insolvensie ondervraging wees om te verduidelik wat van die miljarde ontvang van die HS maatskappye geword het.

Ons jarelange regstryd is besig om vrugte af te werp en kan u op die ondersteuning en lojaliteit van u mede-HSAG-lede staatmaak ongeag welke roete (sakeredding/likwidasië) ook al gevolg word.

4. **DIGITALE UURGLAS – SPERDATUM VIR OUTOMATIESE OPT-IN!**

Ten einde lede behulpsaam te wees met die oog op die komende Aansoek vir Sertifisering asook moontlike skikkingsonderhandelinge, het die HSAG 'n digitale uurglas op die HSAG webtuiste aangebring. Hierin word 'n afsnydatum van 31 Januarie 2020 aandui vir lede om hul bydraes en registrasiekoste op datum te bring.

LET WEL:

- Ten einde billik en regverdig te wees teenoor almal wat steeds kan en wil voortgaan met die litigasie was destyds grasië verleen aan HSAG-lede om hul opvragings op datum te bring.
- Hierdie grasië periode sal ongelukkig streng toegepas word en geen uitsonderings sal gemaak word nie.

Die sperdatum om op datum te kom met u bydraes vir outomatiese opt-in is 31 Januarie 2020.

5. **“OPT-IN”: MAAK SEKER OF JY DEEL IS VAN DIE SAAK, DIS IMMERS JOUNE**

Ons beklemtoon weereens dat alle beleggers in HS 21 & 22 kan deel vorm van die voorgenome klas-aksie, en dit is nie eksklusief vir HSAG lede gereserveer is nie.

Soos in vorige Nuusbriewe uitdruklik gestel ingevolge die groepslede-befondsingsmodel wat die HSAG volg, maak die Kennisgewing van Mosie, en gevolglik die sertifiseringsaansoek se uitspraak, voorsiening daarvoor dat geen voornemende eiser outomaties geag sal wees om deel te wees van die klas-aksie (outomaties “opt-in”) nie, tensy hul opbetaalde HSAG-lede is.

Die Kennisgewing van Mosie kan besigtig word by <http://hsaction.co.za/wp-content/uploads/2019/10/Amended-Notice-of-Motion-Fast-Tracking-of-buyback-claims.pdf>

Persone wat nie die vereiste finansiële bydraes lewer nie, kan ongelukkig nie outomaties deel wees van die HSAG sertifikasie aansoek nie.

Indien u nie outomaties ingesluit word nie, en ook nie “opt-in” in die vereiste metode nie, kan dit uiteindelik beteken dat u nie in die toekoms 'n eis sal kan instel nie.

Dit plaas dus 'n verantwoordelikheid op eisers (wie wil voortgaan met hul eise) om positiewe stappe te neem ten einde deel te vorm van die HSAG se doelwitte.

6. **LEDEBYDRAES & DIE SPESIALE VERHOORHEFFING VIR HS 21 & 22**

6.1 **Waarom is Ledebydraes Belangrik?**

Die HSAG maak gebruik van 'n Groepslede-befondsingsmodel, dit beteken dat alle regs- en administrasiekoste befonds word deur die HSAG-lede. Dit beteken ook dat die regsman slegs hul gewone fooie hef en nie dubbeld of selfs 'n persentasie van die HSAG-eisers of lede se eise ontvang nie. Danksy die groot getalle lede van die HSAG die afgelope vyf jaar sal, indien hierdie model gevolg word, die totale eisbedrag plus rente en koste (wat uiteindelik tot dubbeld die oorspronklike belegging kan beloop) aan die HSAG-lid toegeken word.

Enkele duisende rande word gevolglik deur HSAG-lede betaal ter vordering van hul eise.

Neem kennis: Vanaf einde Februarie 2019 word persone wie se totale eiswaarde/ totale beleggingswaarde per persoon R60 000,00 of minder beloop, deur middel van 'n **vooraf skriftelike versoek** aan die HSAG se prokureurs (hsagenquiries@gmail.com), kwytgeskeld van die 2019 administratiewe- en regskostes, mits hul bydraes op datum is

6.2 **Spesiale Verhoorheffing vir HS 21 & 22**

'n Spesiale verhoorheffing is deur alle HS21&22 lede betaalbaar en sal op hul state verskyn.

Die HSAG regsman se personeel is deurlopend besig om die uiters belangrike spesiale verhoorheffing op u state aan te bring. Dit neem egter tyd en lede wat nog nie dié staat ontvang het nie sal dit mettertyd ontvang. Die staat sal vir u aandui wat die bedrag is wat u moet betaal.

In die tussentyd kan u, indien u nog nie u staat ontvang het nie, 'n e-pos rig aan die kantoor na hsagenquiries@gmail.com ten einde die bedrag van u spesiale verhoorheffing te bekom.

In u e-pos moet u asseblief melding maak van u volle naam, ID nommer, asook die bedrag(e) wat u in HS 21 en/of HS 22 belê het.

Die HSAG regsman sal u dan per kerende e-pos antwoord en u verwittig van die heffing wat op u staat sal verskyn.

U betalingsverwysing moet asseblief u voorletters, van en HS nommers (sindikasies waarin u belê het) aantoon.

7. **KAN HSAG-LEDE SE EISE STEEDS BUIE DIE HOF GESKIK WORD?**

By klas-aksies, veral in lande waarin die klas-aksie meganisme langer bestaan, is dit nie ongewoon dat die partye kort voor (of na) die sertifisering van 'n klas-aksie in skikkingsonderhandelinge betrokke raak nie, omdat 'n negatiewe beslissing in litigasie, in meeste van die gevalle vir die spreekwoordelike Goliat, miljoene of miljarde rande se werklike en reputasieskade kan besorg.

Indien daar dus skikkingsonderhandelinge is, wil die HSAG ook bemagtig wees om namens ander opbetaalde lede (wat nie in HS21&22 is nie) te onderhandel. In effek sal dit neerkom dat, indien 'n skikking bereik word, alle hofsake en litigasie tot 'n einde gebring word. Dit sal ook vir die teenkant 'n einde aan uitmergelende litigasie wees.

8. **SO BERIG DIE MEDIA OOR DIE PICVEST-BELEGGINGS – DEEL 6**

DEEL 6 van die reeks staan oor vir ons Januarie 2020 Nuusbrief.

Hierdie gedeelte van die Moneyweb ondersoek sal fokus op die verkoop transaksies verwant aan Accelerate.

9. **MIKE BOLHUIS SE ARTIKEL**

Kyk gerus uit vir die HSAG se Januarie 2020 Nuusbrief vir 'n opsomming van Mike Bolhuis se artikel asook Ryk Van Niekerk se kommentaar daarop.

10. **HUIDIGE STAND VAN SAKE**

10.1 Versnelde Sertifikasie Aansoek (HS 21 & 22)

Dit is met groot vreugde dat ons kan aankondig dat die HSAG suksesvol was met die Versnelde Klas Aksie Sertifikasie aansoek met koste in die Hooggeregshof in Pretoria. Die Aansoek vir Sertifisering van HS 21 & 22 is op 11 tot 15 November 2019 in Pretoria aangehoor en regter Tolmay het haar uitspraak in ons guns gelewer op 10 Desember, veel vroeër as verwag, en is die HSAG verskriklik dankbaar.

10.2 Beleggers met eise in HS 15 tot 20

Die HSAG regsman het die stukke gefinaliseer en geteken en dit is reeds uitgereik en in die proses om beteken te word op die Respondente.

10.3 Die Noormahomed Appèl Aansoek

Die HSAG Bestuur is baie tevrede met die uitspraak van die Hoogste Hof van Appèl ("HHA") in die Noormahomed saak, aangesien dit 'n einde maak aan die lang jakkals draaie van Georgiou en die lang tydsverloop verbonde aan die hofsake.

Dit onderskryf ook duisende van ons lede se reg in soortgelyke gevalle as die terugbetaling van dubbel hul aanvanklike belegging (HS22).

Dit is presies waarvoor ons geveg het en dit is die einde van die pad vir Georgiou en sy medewerkers.

Dit is ook 'n bewys dat die reg tot 'n finale beslissing moet gaan, aangesien skikkings en ooreenkomste met Georgiou in niks geëindig het nie.

Die HHA het beslis dat Georgiou en andere nie 'n bona fide (goeie trou) verweer teen die eis teen hulle kon opper nie.

Dit beteken kortom dat die hof beslis het dat, waar 'n belegger van HS 22 'n bedrag belê het, die ooreenkoms dat Zephan met die vervaldatum die aandele teen die premie van 100% moet terugkoop teen die vooraf ooreengekome terugkoopprys, geensins gewysig is nie, en dat dit steeds bindend en afdwingbaar is.

In praktyk beteken dit dat Zephan R500 000 moet betaal aan die HS Beleggers (HS22) wat R250 000 belê het. As rente bygevoeg word, kan die totaal meer as drie keer die oorspronklike belegging wees.

Nic Georgiou en die N Georgiou Trust het die behoorlike prestasie van Zephan gewaarborg en is ook aanspreeklik.

Hulle kan eenvoudig nie op die Art 155-reëlinskema, of die feit dat HS 21 & 22 in Besigheidsredding is, staatmaak nie.

Aanhouer wen!

11. **BELANGRIKE ALGEMENE TERME EN VOORWAARDES**

Die HSAG het verskeie versoeke ontvang om die nuusbriewe korter te maak. Dit is egter nie altyd moontlik nie maar word die algemene en herhalende terme, voorwaardes en ander algemene inligting wat voorheen in die Nuusbriewe vervat was, nou beskikbaar gestel op die HSAG se webtuiste by www.hsaction.co.za onder die September 2019 kennisgewings. In die alternatief kan dit besigtig word by die volgende skakel:

<http://hsaction.co.za/wp-content/uploads/2019/09/HSAGTsCs.pdf>

Die HSAG Bestuur wil iedere en elke lid alle voorspoed en sukses toewens met die afsienbare toekoms.

Vriendelike groete

HSAG-Bestuurskomitee

Kontak die HSAG en prokureurs by:

Tel: (021) 887 7877

hsactiongroup@gmail.com



AFRIKAANS HIERBO

MONTHLY NEWSLETTER: DECEMBER 2019

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.

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The www.hsaction.co.za website is the primary place where you will find HSAG information, subject to the disclaimer contained therein (and also applicable hereto), although emails are also sent out from time to time.

The obligation to keep us up to date of any changes to your personal and/or contact details rests on you as HSAG member.

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1. **CHRISTMAS MESSAGE**

Christmas is a time to spend with family, a time to love and a time to say thank you for all the wonderful blessings received during the year of 2019.

The HSAG steering committee would like to express its sincere gratitude to each and every loyal investor for their support in 2019, and we would like to take this opportunity to wish each one of you a Merry Christmas and a Happy New Year.

May the joy and peace of Christmas surround you all, now and throughout 2020.

2. **FEEDBACK REGARDING THE HSAG'S HS 21 & 22 APPLICATION FOR CERTIFICATION**

The High Court of South Africa has certified a class action against the multi-millionaire, Nic Georgiou, and his family entities for recoupment of the billions of rands that were invested in the failed Highveld Syndication companies.

This is pioneer class action and the first of its kind conducted against a private individual and one of the most well-known and affluent families in South Africa.

The High Court ordered that all paid-up HSAG members on 31 January 2020 will automatically form part and be exempted from paying registration fees in the class action. This is an urgent call to HSAG members to grab the opportunity, reserved for HSAG members, to get their payments up to date before the cut-off date of 31 January 2020 to form part of the class action/application against the Georgiou family.

The time is therefore very limited.

Hereunder are important points extracted from the judgment:

1. The Applicants, confirmed as appropriate representatives of the class of investors, are successful in the certification and may institute a class-action/application.
2. The current attorneys of record, Theron & Partners, have been confirmed as suitable, and in the best position, to represent the investors in HS 21 & 22 in the class-action/application.
3. A class action/application is to be instituted within 40 days from 10 December 2019.
4. Each investor who wishes to "opt-in" must register with the class-action/application.
 - 4.1 Investors (other than paid-up HSAG members) with claims of R 100 000 or less must pay R 4 500 registration fee.
 - 4.2 Investors (other than paid-up HSAG members) with claims of more than R 100 000 must pay R 6 500 registration fee.

- 4.3 Paid-up HSAG members (paid-up by 31 January 2020) do not have to register or pay any registration fees.
5. A separate audited trust account will be kept for the class-action/application.
6. Mrs. van der Sandt, the intervening party, must pay punitive costs for her intervention, and subsequent withdrawal of her opposition to the main application, on an attorney and client scale, as her application was an abuse of process.

Visit our website at www.hsaction.co.za for more information. We will discuss this judgement in more detail in our January 2020 Newsletter.

3. **ORTHOTOUCH BUSINESS RESCUE – CLAIM FORMS AND FIRST MEETING OF CREDITORS**

Everyone on Orthotouch's database are now also receiving SMS' as well as emails along the same vein, namely that Forms regarding the placement of Orthotouch into Business Rescue must be signed.

The HSAG and Legal Team again strongly urge their members and supporters **not to sign the claim forms, without proper independent review or advice**. An example of why it is necessary, inter alia, is that point number 4 on the Claim Form clearly states:

"That no other person besides the said "(Orthotouch)" is liable for the said debt or any part thereof."

"This means that by declaring the above, the Investors state in writing that no one else but Orthotouch (an empty shell), is liable for the investors' claim. This can also mean that it would jeopardise investors' claims against Georgiou and the other Respondents as Georgiou and others may have a defence against claims made."

Rumours are doing the rounds that Georgiou is going to sequestrate himself and liquidate Orthotouch and Zephan. This rumour probably stems from, amongst other things, the adversity Georgiou recently experienced in the Courts. Georgiou also declared under oath that the entities had billions of Rands claims against them.

Such processes may indeed have a positive result in recouping the billions' of estranged assets and funds.

Each investor must therefore make an informed decision in which way his/her claim against Mr Nic Georgiou and his fellow Respondents must be dealt with.

If Mr Georgiou is sequestrated, or any of his entities liquidated, he will undoubtedly be in the witness box during an insolvency interrogation, sooner rather than later to explain what happened to the billions received from the HS companies.

Our longstanding legal battle is beginning to pay off and you can rely on the support and loyalty of your fellow HSAG Members regardless of which route (business rescue / liquidation) will be followed.

4. **DIGITAL TIMER – DUE DATE FOR AUTOMATIC OPT-IN 31 JANUARY 2020!**

In order to assist members with the upcoming Application for Certification as well as possible settlement negotiations, the HSAG has added a digital hourglass to the HSAG website. This indicates the cut-off date of 31 January 2020 for members to bring their outstanding contributions and registration fees up to date.

TAKE NOTE:

- To be fair and reasonable towards everyone who still wishes to proceed with the litigation, a grace period was afforded to HSAG members to bring their outstanding contributions up to date.
- This grace period will unfortunately be strictly enforced and no exceptions will be made.

The deadline for bringing your contributions up to date for automatic opt-in is 31 January 2020.

5. **“OPT-IN”: MAKE SURE THAT YOU ARE PART OF THE CASE, IT IS INDEED YOURS**

Again, we emphasise that all investors in HS 21 & 22 will be able to form part of the proposed class action, and it is not exclusively reserved for HSAG members.

As expressly mentioned in previous Newsletters, in terms of the group member funding-model followed by the HSAG, and, the Notice of Motion, and subsequently the judgment in the certification application, provides that no proposed claimants will automatically be regarded as being part of the class action (automatically opt-in), unless they are paid-up HSAG members.

The Notice of Motion is available at:

<http://hsaction.co.za/wp-content/uploads/2019/10/Amended-Notice-of-Motion-Fast-Tracking-of-buyback-claims.pdf>

Persons who do not make the required financial contributions will unfortunately not automatically be part of the HSAG’s certification application.

If you are not automatically included, and then also neglect to “opt-in” in the prescribed manner, it may eventually mean that you will not be able to institute a claim in the future.

It therefore places an obligation on claimants (who want to continue with their claims) to take steps to be part of the HSAG’s objectives.

6. **MEMBERSHIP CONTRIBUTIONS**

6.1 **Why are Membership Contributions Important**

The HSAG implements the Group Members funding model, which means that all legal and administrative costs are funded by the HSAG members. This also means that the legal team only charges their usual fees and does not receive double or even a percentage of the HSAG claimants or members' claims. Thanks to the large number of HSAG members over the past five years and if this model is followed the total claim amount plus interest and costs (which could eventually amount to double the original investment) will be allocated to the HSAG member.

As a result, HSAG are able to institute their claims for a fraction of the cost.

Please take note: From the end of February 2019 persons with a total claim value/ total investment value per person of R60 000 or less whose contributions are paid up to date, together with a **prior written request** to the HSAG' attorneys (hsagenquiries@gmail.com), will be exempted from 2019's administrative -and legal costs.

6.2 **Special Trial Levy and Contribution – HS 21 & 22**

A special trial levy is payable by all HS21 & 22 members and will appear on their statements. This will be levied against all members who invested in those syndications.

The HSAG legal team's staff are continuously adding the very important special trial levy to your statements. However, it does take time and members who have not yet received their statement will receive it in due course. The statement will indicate the amount that will be due by you.

In the meantime, if you have not yet received a statement, you may e-mail the office at **hsagenquiries@gmail.com** to obtain the amount for your special trial levy.

In your e-mail, please state your full name, ID number, as well as the amount(s) you have invested in HS21 and/or HS22.

The HSAG legal team will then reply to you via email and notify you of the amount that will appear on your statement.

Your payment reference must as usual, please reflect your initials, surname and HS numbers (syndications in which you invested).

7. **CAN HSAG MEMBERS' CLAIMS STILL BE SETTLED OUT OF COURT?**

In class actions, especially in countries where the class action mechanism has existed for some time, it is not unusual for parties to become involved in settlement negotiations shortly before (or after) certification of a class action as a unfavourable

decision in litigation (in most cases for the proverbial Goliath) may result in millions or billions of rands worth of real and reputational damages.

Therefore, in the event that there are settlement negotiations, the HSAG wants to be able to negotiate on behalf of other paid-up members (that are not in HS21 & 22). It entails that if a settlement is reached, all court cases and litigation will be brought to an end. It will also be the end of gruelling litigation for the opposition.

8. **WHAT THE MEDIA REPORTS ON PICVEST-INVESTMENTS – PART 6**

Part 6 of the series will stand over for our January 2020 Newsletter.

This part of the Moneyweb investigation will focus on the sale transactions related to Accelerate.

9. **MIKE BOLHUIS' ARTICLE**

Keep an eye out for the HSAG's short January 2020 Newsletter for a summary of Mike Bolhuis' article and Ryk van Niekerk's commentary on same.

10. **THE CURRENT STATE OF LITIGATION**

10.1 Fast Track Certification Application (HS 21 & 22)

It is with great pleasure that we can announce that the HSAG was successful in its Fast Track Class Action Certification application with costs in the Pretoria High Court. The Certification Application for HS 21 & 22 was heard in Pretoria from 11 to 13 November 2019 and judge Tolmay delivered her judgment in our favour, much earlier than expected, and the HSAG is thankful.

10.2 Investors with claims in HS 15 to 20

The HSAG legal team has finalised and issued the papers and is currently in the process of serving same on the Respondents.

10.3 The Noormahomed Appeal Application

The HSAG Management is very pleased with the Supreme Court of Appeal ("SCA") judgment in the Noormahomed case as it brings an end to the run around that Georgiou has led everyone in circles, as well as the lengthy time involved in court cases.

It also endorses thousands of our members' entitlement in similar cases, to the repayment of double their initial investment. (HS22)

This is exactly what we've been fighting for and is the end of the road for Georgiou and his associates.

It is also proof that the law must take its course up to a final judgment, as settlements and agreements with Georgiou end up in nothing.

The SCA ruled that Georgiou and others have not disclosed a bona fide (genuine/good faith) defence against the claim against them.

In short it means that the court ruled where an HS 22 investor invested an amount, the agreement states that, upon maturity, Zephan must buy back the shares at the pre-agreed repurchase price at the premium of 100%, and that this agreement was not varied or waived, and is binding and enforceable.

In practice it means that Zephan must pay R500 000 to those HS Investors who invested R250 000. If interest is added, the total may be well over three times the original investment.

Nic Georgiou and the N Georgiou Trust guaranteed due performance by Zephan and are also liable to pay.

They simply cannot rely on the S155 Scheme of Arrangement or the fact that HS 22 is in Business rescue.

Perseverance pays off!

11. **IMPORTANT GENERAL TERMS AND CONDITIONS**

The HSAG received numerous requests to shorten the newsletters. This is not always possible, however the general and repetitive terms, conditions and other general information that was previously contained in the Newsletter, is now available on the HSAG website at www.hsaction.co.za under the September 2019 Notices. In the alternative, it can be directly accessed via the following link: <http://hsaction.co.za/wp-content/uploads/2019/09/HSAGTsCs.pdf>

The HSAG Steering Committee wishes prosperity and success to each and every member for the foreseeable future.

Kind regards

HSAG Steering Committee

Contact the HSAG's attorneys at:

Tel: (021) 887 7877

hsactiongroup@gmail.com