



ENGLISH TEXT BELOW

MAANDELIKSE NUUSBRIEF: JANUARIE 2020

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

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

Die Hof het beslis dat ALLE HSAG LEDE WIE SE BYDRAES VOOR OF OP DIE AFSNYDATUM VAN 31 JANUARIE 2020 OP DATUM IS, nie registrasiekostes van tussen R4 500 en R6 500 hoef te betaal nie en OUTOMATIES DEEL VORM VAN DIE GESERTIFISEERDE HIGHVELD SYNDICATION 21 LTD EN HIGHVELD SYNDICATION 22 LTD KLAS-AKSIE. Hierdie is die enigste uitsondering wat die Hooggeregshof gemaak het in terme waarvan HSAG lede nie hoef te registreer nie.

Ter verduideliking van die bogenoemde:

Die registrasiekoste, asook die uitsondering vir opbetaalde HSAG-lede, is streng in terme van die hofbevel van 10 Desember 2019 en kan daar geensins daarvan afgewyk word of ander vergunnings verleen word nie.

Indien 'n HSAG-lid nie opbetaal is teen 31 Januarie 2020 nie, sal daardie lid, indien hy/sy deel wil wees van die HS 21 & 22 gesertifiseerde klas-aksie, moet registreer by die klas-aksie op die aanlyn “opt-in” portaal wat vanaf 1 Februarie 2020 beskikbaar sal wees by **www.ccaf.co.za**.

Daardie lede sal sondermeer ook die registrasiekoste, soos bepaal deur die Hof, moet betaal. Indien 'n belegger se totale gekombineerde belegging in HS 21 & HS 22 R100 000 of minder beloop, is 'n registrasiefooi van R4 500 betaalbaar. Indien 'n belegger se totale gekombineerde belegging in HS 21 & 22 meer as R100 000 beloop, is 'n registrasiefooi van R6 500 betaalbaar.

Hierdie registrasiefooi is onmiddellik betaalbaar sodra u besonderhede op die “opt-in” portaal ingesleutel is. Neem asseblief kennis dat hierdie registrasiefooi nie voor 1 Februarie 2020 betaalbaar is nie. Neem verder kennis dat die registrasiefooi nie betaalbaar is in die HSAG trustrekening nie, maar in 'n unieke trustrekening, soos deur die hof bepaal, welke trustrekening se besonderhede op die “opt-in” portaal aangedui word.

Die doel van die unieke trustrekening is om te voldoen aan die hofbevel wat bepaal dat daar nie kruissubsidiëring mag plaasvind tussen die HSAG en die gesertifiseerde HS 21 & HS 22 klas-aksie nie.

Dit beteken dat, indien u staat nie aandui dat u volop betaal is nie, u 'n bewys moet lewer (depositobewys of strokie) dat u betalings VOOR OF OP 31 JANUARIE 2020 gemaak is, anders sal lede fisies op die "opt-in" portaal moet registreer om deel te wees van die gesertifiseerde klas-aansoek.

NEEM KENNIS dat, weens die feesseisoen, betalings gemaak die afgelope maand moontlik nie op u staat verskyn nie. U hoef nie bekommerd te wees indien u onlangse betalings nie op u staat verskyn nie. Dit is tans besig om geallokeer te word. Die meeste allokasies is reeds tot en met 22 Januarie 2020 gedoen. Die doel van die interim staat is om uitstaande balanse aan te dui aan lede wat weet dat hul agterstallige betalings het, en dit graag op datum wil bring.

Indien u skriftelike bewys kan lewer dat u uitstaande betalings voor of op 31 Januarie 2020 betaal is, hoef u nie te registreer nie. Die verpligting bly te alle tye op die HSAG lede om seker te maak dat hul betalings op datum is. Indien u enige bedrae hoër betaal het as wat opgevra is, sal dit tot u krediet wees. Geen gelde of krediete sal egter terugbetaal word nie.

Maak asseblief doodseker dat u verwysing op u inbetaling korrek is, bv. ABC SMITH, HS18,20,21 , en bring dit onder ons aandag indien dit nie op u staat verskyn nie. Die hofbevel bepaal dat die afsnydatum om middernag 31 Januarie 2020 is. Geen uitsonderings kan gemaak word indien u nie betyds betaal het nie. Indien u te veel betaal het sal dit tot u krediet aangewend word, maar daar sal geen uitbetalings van krediet geskied nie.

Verifieer u betalings teen die volgende heffings:

- i. Registrasiekostes vir 2014 en 2015 = R1 000 per sindikasie
- ii. Registrasiekostes vanaf 2016 = R1 500 per sindikasie
- iii. Regskoste vir 2016 was R1 000 per sindikasie;
- iv. Vanaf Mei 2017 is 'n verdere jaarlikse opvraging gedoen vir bydraes tot regs- en administrasiekoste van R2 000 per persoon;
- v. Vanaf 2018 is 'n verdere jaarlikse opvraging vir bydraes tot regs- en administrasiekoste van R2 000 per persoon gemaak;
- vi. Vanaf 2019 is 'n verdere jaarlikse opvraging vir bydraes tot regs- en administrasiekoste van R2 000 per persoon gemaak;
- vii. HS 21 & 22 Spesiale Heffings: 2018 = R500 per persoon

2019 = soos per u staat

NB: Indien daar geen spesiale verhoorheffing op u staat verskyn nie; is dit nie betaalbaar 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>

Die Hofbevel en uitspraak gelewer deur Regter Tolmay op 10 Desember 2019 kan besigtig word by die volgende skakel:

<http://hsaction.co.za/wp-content/uploads/2020/01/HS2122Order.pdf>

Ons vertrou op u samewerking en sukses in die saak.

2. HS 21 & 22 – DIGITALE UURGLAS – SPERDATUM VIR OUTOMATIESE OPT-IN!

SLEGS 2 DAE OOR

Ten einde HSAG-lede behulpsaam te wees met die oog op die komende gesertifiseerde aansoek (asook moontlike skikkingsonderhandelinge) het die HSAG 'n digitale uurglas op die HSAG webtuiste aangebring. Hierin word 'n afsnydatum van 31 Januarie 2020 aangedui 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 gracie verleen aan HSAG-lede om hul opvragings op datum te bring.
- Hierdie gracie periode sal ongelukkig streng toegepas moet word in navolging van die hofbevel en geen uitsonderings sal gemaak kan word nie.

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

3. BELEGGERS MET EISE IN HS 15 TOT 20

Indien u nie enige beleggings in HS 21 en/of HS 22 het nie, hoef u nie enige stappe in hierdie verband met die “opt-in” proses op hierdie stadium te neem nie. Die HS 15 – 20 sertifiserings-aansoek is reeds uitgereik en beteken op Georgiou en andere en is die onderskeie regsverteenvoerders tans besig om stukke uit te ruil.

Daar het tydens die feesseisoen gerugte die rondte gedoen dat die plasing van Zephan en Orthotouch in sakeredding noodwendig sal beteken dat alle litigasie gestaak word buiten as die sakereddingspraktisyn daartoe toestem. Hierdie misleidende inligting bevat nie die volle waarheid nie. Die Maatskappywet bepaal dat litigasie teen ’n maatskappy in sakeredding kan voortgaan met die toestemming van die sakereddingspraktisyn **of** indien die Hof so gelas. Indien die Hof dit gelas, kan daar dus voortgegaan word met litigasie al stem die sakereddingspraktisyn nie in daartoe nie.

Die HSAG het ook in die HS 15 tot 20 sertifiserings-aansoek wat in Desember 2019 uitgereik en beteken is die Hof versoek om te gelas dat die litigasie sal kan voortgaan, ten spyte van sakeredding. Dit is ook belangrik om kennis te neem dat die litigasie nie alleenlik teen Orthotouch of Zephan gevoer word nie, maar dat daar talle Respondente is wat onder ander Mnr. Georgiou en van sy familieledede in hul persoonlike hoëdanigheid insluit. Van die ander Respondente is Mnr. Hans Klopper, die sakereddingspraktisyn van die HS maatskappye.

Die HSAG Bestuur tree in die beste belange van al sy lede op en is steeds van voorneme om, soos voorheen bekend gemaak, namens elke HSAG-lid wat opbetaal is te onderhandel indien daar enige skikkingsonderhandelinge mag plaasvind. Hierdeur word daar opgetree namens elke lojale lid wat dit vir die HSAG oor die jare moontlik gemaak het om, deur hul ondersteuning, hierdie punt te bereik.

4. BEVINDINGE DEUR HOOGGEREGSHOF T.O.V. DIE HSAG SE REGSVERTEENWOORDIGERS, THERON & VENNOTE

Sedert Mnr. Helgard Hancke die HSAG Bestuur verlaat het nadat dit uitgekom het dat hy namens sy familie in die geheim met Mnr. Nic Georgiou geskik het, het hy ’n aktiewe smeerveldtog namens Mnr. Nic Georgiou teen die HSAG-Bestuur en regsverteenvoerders, Theron & Vennote, gevoer. Georgiou het ook in sy hofstukke en met behulp van pionne ’n groot hoeveelheid onwaarhede verkondig wat voor die hof gedien en oorweeg was. Die Hof het hieroor beslis.

Daar is verskeie faktore wat regters oorweeg wanneer hulle besluit of 'n klas-aksie gesertifiseer kan word. Een belangrike faktor is die vraag of die regvertegenwoordigers bevoeg is om die saak te hanteer. Die hof het bepaal dat Theron & Vennote aan sodanige vereistes voldoen.

Regter Tolmay bepaal in haar uitspraak dat Theron & Vennote in die beste posisie is om hierdie saak vorentoe te dryf. Sy het hul vasberadenheid en vermoë om te litigeer opgemerk, veral om die litigasie tot hierdie punt te bring ten spyte van die hindernisse langs die pad. Theron & Vennote verteenwoordig die klas reeds vir vyf jaar en was in daardie tyd betrokke in 23 hofsake en/of aansoeke waarin hul suksesvol was in meeste daarvan. Volgens Regter Tolmay spreek hierdie feite dus boekdele van hul bevoegdheid en bekwaamheid.

Theron & Vennote het steeds die werk gedoen terwyl hul slegs tot in die derde kwartaal van 2016 ten volle betaal was vir hulle fooie.

Theron & Vennote is praktiserende prokureurs wat onderhewig is aan die relevante wetgewing, reëls en regulasies van die regspraktik. Op grond hiervan het Regter Tolmay opgemerk dat die beweringe en opmerkings rakende Theron & Vennote se bevoegdheid blyk sonder meriete of basis te wees. Dit is insiggewend dat Theron & Vennote 'n instrumentele rol gespeel het in die totstandkoming van die HSAG en groepslede-befondsingsmodel. Hierdie model is ook deur die Regter goedgekeur.

Klas-aksies word gewoonlik deur derde partye soos banke of regshulporganisasies befonds, maar regter Tolmay benadruk dat dit in hierdie spesifieke geval vergesog sou wees, veral in lig van die feit dat Orthotouch in besigheidsredding geplaas is, etlike dae voor die aanhoor van die sertifiserings-aansoek. 'n Groepslede-befondsingsmodel is dus die enigste lewensvatbare opsie.

Regter Tolmay bevestig ook dat die belange van die lede beskerm sal word in hierdie befondsingsmodel. Sy benadruk dat die model deursigtig is en dat enige bydraes vrywillig sal wees. Alle fondse wat Theron & Vennote ontvang ten aansien van die HS 21 & 22 gesertifiseerde klas-aksie word in 'n aparte trustrekening gehou en sal dan ook deur onafhanklike ouditeure geaudit word, wat dan verslag sal lewer aan die verhoor Hof.

Die feit dat Theron & Vennote alreeds vir so lank die litigasie behartig sal ernstige nadeel vir die Applikante tot gevolg hê indien hul vervang word en dit sal nie in die beste belang van geregtigheid wees nie. Dit sal moontlik lei tot die stille dood van die litigasie. Regter

Tolmay is van mening dat sy nie kan sien dat enige ander regsfirmas so duur en uitgerekte saak sal aanneem nie.

5. KAN HSAG-LEDE SE EISE STEEDS BUITE DIE HOF GESKIK WORD?

By klas-aksies, veral in eerstewêreldlande 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. 'n Negatiewe beslissing in litigasie kan, in meeste van die gevalle vir die spreekwoordelike Goliat, miljoene of miljarde rande se werklike en reputasieskade besorg.

Indien daar dus skikkingsonderhandelinge is, wil die HSAG ook bemaagtig 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.

6. BELANGRIKE ALGEMENE TERME EN VOORWAARDES

Die algemene en herhalende terme, voorwaardes en ander algemene inligting wat voorheen in die Nuusbrief vervat was, nou beskikbaar gestel op die HSAG se webtuiste by www.hsaction.co.za en kan direk besigtig word by die volgende skakel: <http://hsaction.co.za/wp-content/uploads/2020/01/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: JANUARY 2020

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/ wrongly, please notify the sender immediately at hsagenquiries@gmail.com 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 negligence of the 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, 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. **“OPT-IN” MAKE SURE THAT YOU ARE PART OF THE CASE, IT IS INDEED YOURS**

The Court decided that ALL HS 21 and HS 22 HSAG MEMBERS WHOSE CONTRIBUTIONS ARE UP TO DATE ON OR BEFORE 31 JANUARY 2020, do not have to pay the registration costs of R4 500 or R6 500 and will AUTOMATICALLY BE PART OF THE CERTIFIED HIGHVELD SYNDICATION 21 LTD AND HIGHVELD SYNDICATION 22 LTD CLASS ACTION. This is the only exception that the High Court made in terms of which HSAG members do not have to register.

In explanation of the abovementioned:

The registration costs, as well as the exemption granted to paid-up HS 21 and HS 22 HSAG members, is strictly in terms of the Court order of 10 December 2019 and there can be no departure from it, nor can there be any other concessions.

If a HSAG member is not paid-up by 31 January 2020, that member will have to register with the class action on the online opt-in portal from 1 February 2020 at **www.ccaf.co.za** to be part of the HS 21 & 22 certified class action.

Those members will also have to pay a registration fee, as ordered by the court. If an investor's total combined investment in HS 21 & HS 22 amounts to R100 000 or less, a registration fee of R4 500 will be payable. If an investor's total combined investment in HS 21 & HS 22 amounts to more than R100 000, a registration fee of R6 500 will be payable.

This registration fee is immediately payable as soon as your details have been entered on the opt-in portal. Kindly take notice that this registration fee is not payable before 1 February 2020. Take further notice that the registration fee is not to be paid to the HSAG trust account, but to a unique trust account, as determined by the Court order, which trust account details will be indicated on the opt-in portal.

Die purpose of the unique trust account is to comply with the Court order that determined that no cross-subsidising may occur between the HSAG and the certified HS 21 & HS 22 class-action

This means that you will have to deliver proof (proof of payment or deposit slip) that your payments were made ON OR BEFORE 31 JANUARY 2020, otherwise members would have to physically register on the opt-in portal to be part of the certified class action.

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>

The Court order and judgment delivered by Judge Tolmay on 10 December 2019 can be viewed at the following link:

<http://hsaction.co.za/wp-content/uploads/2019/12/HS21and22judgment.pdf>

We trust in your cooperation and success in the matter.

2. HS 21 & 22 - DIGITAL TIMER – DUE DATE FOR AUTOMATIC OPT-IN!

ONLY 2 DAYS REMAINING

In order to assist members with the upcoming certified application (as well as possible settlement negotiations) the HSAG 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 in complying with the Court order and no exceptions can be made.

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

3. INVESTORS WITH CLAIMS IN HS 15 TO 20

If you do not have any investments in HS 21 and/or HS 22, you do not have to take any steps regarding the “opt-in” process at this stage. The HS 15 – 20 certification application has already been issued and served on Georgiou and others and the respective legal representatives are in the process of exchanging court papers.

During the festive season rumours were spread that the business rescue of Zephan and Orthotouch will definitely entail that all litigation will cease, unless the business rescue practitioner agrees that it continues. This misleading information is not entirely

true. The Companies Act determines that litigation against a company in business rescue may continue with the business rescue practitioner's consent, **or** with leave from Court. If the Court grants leave, litigation may thus be continued with, without the business rescue practitioner's consent.

In the HS 15 to 20 certification application that was issued and served in December 2019, the HSAG requests the Court to grant leave to continue with litigation despite business rescue. It is also important to take note that the litigation is not solely against Orthotouch and Zephan, but against numerous Respondents which include Mr. Georgiou and some of his family members in their personal capacities. One of the other Respondents is Mr. Hans Klopper, the business rescue practitioner of the HS companies.

The HSAG Steering Committee acts in the best interests of all its members and still intends to, as previously disclosed, negotiate on behalf of each and every paid-up HSAG member if any settlement negotiations ensue. Through this there will be acted on behalf of each loyal member who has over years made it possible, with their support, to reach this point.

4. FINDINGS OF THE HIGH COURT I.R.O. THE HSAG'S LEGAL REPRESENTATIVES, THERON & PARTNERS

Since Mr. Helgard Hancke left the HSAG Steering Committee, after it emerged that he secretly settled with Mr. Nic Georgiou on behalf of his family, he has undertaken an active smear campaign on behalf of Mr. Nic Georgiou against the HSAG Steering Committee and legal representatives, Theron & Partners. Georgiou has also proclaimed huge amount of lies in his court papers and with the assistance of his pawns. These lies were before Court for consideration. The Court ruled on this.

There are several factors that judges consider when deciding whether a class action can be certified. One important factor is whether the legal representatives will be competent to handle the case. The court determined that Theron & Partners comply with such requirements.

In her judgment, Judge Tolmay states that Theron & Partners are in the best position to propel this case forward. She noted their determination and ability to litigate, especially in bringing the litigation to this point despite the obstacles along the way. Theron & Partners has represented the class for five years and during that time was involved in 23 court cases and/or applications, in which they were successful in most of them. According to Judge Tolmay, these facts speak volumes of their ability.

Theron & Partners continued to do the work while only being paid their full fees until the third term of 2016.

Theron & Partners are practicing attorneys, subject to the relevant laws, rules and regulations of legal practice. Based on this, Judge Tolmay noted that the allegations and remarks regarding Theron & Partners' competence appear to be without merit or basis. It is insightful that Theron & Partners played an instrumental role in the creation of the HSAG and the group members funding model. This model was also approved by the Judge.

Class actions are usually funded by third parties such as banks or legal aid organisations, but Judge Tolmay emphasises that this would be farfetched in this particular case, especially in light of the fact that Orthotouch was placed in business rescue several days before the certification application was heard. A group member funding model is therefore the only viable option.

Judge Tolmay also confirmed that the members' interests will be protected in this funding model. She emphasises that the model is transparent and that any contributions will be voluntary. All funds received by Theron & Partners in respect of the HS 21 & 22 certified class action will be held in a separate trust account and will also be audited by independent auditors, who will then report to the trial Court.

The fact that Theron & Partners have been conducting the litigation for such a long time will result in serious prejudice to the Applicants if they are replaced and it will not be in the best interests of justice. This may lead to the silent death of the litigation. Judge Tolmay is of the opinion that she cannot see that any other legal practitioner will take on such costly and protracted litigation.

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

In class actions, especially in first world 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.

6. **IMPORTANT GENERAL TERMS AND CONDITIONS**

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 and can directly be accessed via the following link: <http://hsaction.co.za/wp-content/uploads/2020/01/HSAGTsCs.pdf>

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

Kind regards

HSAG Steering Committee

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