



\*ENGLISH TEXT BELOW\*

## MAANDELIKSE NUUSBRIEF: SEPTEMBER 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](http://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. **ANTWOORDE OP VRAE ONTVANG VAN BELEGGERS**

Die HSAG bestuur en regspraak ontvang groot hoeveelhede navrae van beleggers, beleggingsadviseurs sowel as derde partye aangaande die aangeleentheid waarin die HSAG betrokke is. Ons let op dat baie van die e-posse en oproepe wat ons ontvang van dieselfde aard is. Ons sal dus onder hierdie afdeling enkele vrae beantwoord wat ons gereeld van beleggers ontvang.

### **VRAAG 1:**

**Aangesien Suid-Afrika se Inperkingsregulasies op 21 September 2020 na Vlak 1 verslap is, is daar nou 'n moontlikheid dat die HS 15 – 20 en HS 21 & 22 aangeleentheid vroeër voor die hof sal kan wees?**

Die aankondiging dat Suid-Afrika na Vlak 1 van die Inperkingsregulasies verslap is wel 'n positiewe teken. Die HSAG vertrou dat dit die gevolg sal hê dat die hof nou meer sake kan aanhoor. Dit is egter belangrik om op te let dat die hof steeds nie op volle stoom sal voortgaan nie en sal sake wat gedurende die inperking aangehoor moes word, uiteraard voorkeur kry. Dit moet ook genoem word dat sake eers deur die hof aangehoor kan word wanneer dit “verhoor-gereed” is en wanneer alle dokumente wat nodig is vir die verhoor deur die onderskeie partye uitgeruil is.

Die hof se werking is nie net onderhewig aan die Inperkingsregulasies nie, maar ook direklike wat deur die Hoofregter van die Konstitusionele Hof bekend gemaak word. Hierdie direklike is nog nie gewysig sedert die amptelik verslapping na Vlak 1 nie, en het die werking van die hof dus nie verander of skielik meer toeganklik geword sedert Vlak 1 nie. Tyd sal leer hoe dit in die praktyk sal geskied.

Die HSAG is in proses om 'n saakbestuurder in die HS 15 – 20 aangeleentheid te bekom, wat sodoende sal verseker dat die uitruil van dokumente in hierdie aangeleentheid volgens 'n skedule, wat die saakbestuurder daarstel, moet verloop. Die Respondente het steeds nie hul antwoordende verklarings aan die HSAG regspraak voorsien nie en daarom kan die HSAG regspraak, op die stadium, nie repliserende stukke liasseer nie. Na afloop van die prosesse sal die HSAG regspraak in die HS 15 – 20 aangeleentheid aansoek kan doen vir 'n hofdatum wat ons vertrou vroeër sal wees as gevolg van die feit dat die inperkingsmaatreëls verder verslap het.

Die CCAF (Certified Class Action Fast track HS 21 & 22) regspraak het in verband met die HS 21 & 22 aangeleentheid op 31 Augustus 2020 die antwoordende verklarings van die teenkant ontvang. Hulle het weer repliserende stukke op die teenkant beteken.

Waarnemende Adjunk Regterpresident (“WnARP”) Potterill sal dus in die komende week genader word deur die regsman om ‘n hofdatum te versoek. Ons vertrou dat hierdie hofdatum vroeër sal wees as verwag, spesifiek weens die verslapping van die Inperkingsmaatreëls.

### **VRAAG 2:**

**Die HSAG kry elke maand state waarop hul betalings wys. Wanneer gaan die HSAG lede in die CCAF verrigtinge maandstate ontvang?**

Soos voorheen gemeld was daar twee opsies vir HS 21 & 22 beleggers om deel te kon vorm van CCAF. Die beleggers moes óf voor 16 Maart 2020 “opt-in” op die webtuiste (“Groep 1 CCAF”) óf hulle moes opbetaalde HSAG lede wees teen 31 Januarie 2020 (“Groep 2 CCAF”). Die groep buite die HSAG, Groep 1 CCAF, wat die “opt-in” opsie gevolg het, se state is reeds uitgestuur. Groep 2 CCAF (opbetaalde HSAG lede) se state kan egter nog nie uitgestuur word nie aangesien daar steeds ‘n proses aan die gang waardeur rekeningkundige inligting oorgeplaas word vanaf die HSAG SAGE pastel stelsel na XERO. Die ouditeure staan ook by met die proses. Groep 1 CCAF se inligting kon direk van hul registrasievorms oorgelaai word na XERO, maar dit is ongelukkig nie moontlik vir Groep 2 CCAF nie en moet die inligting individueel geverifieer en oorgelaai word. Sodra hierdie proses voltooi is sal alle CCAF lede hul CCAF state ontvang.

Vir opbetaalde HSAG-lede behoort die CCAF state egter nie ‘n probleem te wees nie aangesien hul tot dusver geen betalings gemaak het ten aansien van CCAF nie. Die enigste bydraes deur hul betaal was HSAG bydraes, welke bydraes op hul HSAG state sigbaar is. Beleggers is tog veronderstel om teen nou te weet wat die vereistes was om deel te vorm en of hul opbetaal was, al dan nie.

Indien enige betalings van registrasiefooië nie op ‘n Groep 1 CCAF staat verskyn nie, versoek ons dat u die regsman dringend inlig daarvan by [accounts@ccaf.co.za](mailto:accounts@ccaf.co.za). Indien u nie die voorgeskrewe verwysing met die maak van die betaling gebruik het nie, versoek ons dat u die bewys van betaling na bogenoemde epos stuur sodat u betaling op u staat aangebring kan word.

### **VRAAG 3:**

**Waar staan HS 15 – 20 & HS 21 & 22 lede met betrekking tot Orthotouch en Zephan se besigheidsredding?**

Op die stadium is die HSAG regsman in afwagting om te sien wat Du Toit se modus operandi gaan wees vir die stemming vir of teen die sakereddingsplan. Dit blyk dat hy tans besig is om ‘n elektroniese proses te oorweeg en verwag die HSAG regsman dat hy

wel binnekort melding daarvan sal maak in sy maandelikse vorderingsverslae wat hy verplig is om te lewer in terme van die Maatskappywet. Du Toit se maandelikse skrywes is dus nie onverwag nie. In terme van die Maatskappywet moet 'n besigheidsreddingspraktisyn ("BRP"), indien die sakereddingsproses nie binne 3 maande afgehandel word nie, maandeliks 'n verslag voorberei en dit maandeliks opdateer rakende die stand van sake in die proses.

In die normale loop van sake word daar nou gewag vir 'n verdere vergadering van krediteure (en ook aandeelhouders indien van toepassing) waar die sakereddingsplan oorweeg kan word en waar daar 'n geleentheid gegee kan word om te stem vir die wysiging van die plan, voorlopige aanvaarding van die plan, en indien nie, dus die verwerping van die plan. Die doel van die hierdie tweede vergadering is spesifiek om die belanghebbendes 'n geleentheid te gee om hul stemme te lig. Die deelname van geaffekteerde persone (dus u) tydens die sakereddingsproses is van uiterse belang om 'n sakereddingsproses te bewerkstellig wat die belange van alle geaffekteerde persone in ag neem en is die regspan van mening dat daar nie afgewyk kan word van daardie bepalings van die Maatskappywet indien die proses wat gevolg word nie die deelname van geaffekteerde persone kan fasiliteer nie.

Die advies van die HSAG se advokatuur, met die inligting tot hul beskikking, is om teen die besigheidheidsreddingsplan in beide Zephan en Orthotouch te stem aangesien daar geen redelike vooruitsig bestaan om die maatskappye te red nie en dit slegs bestem is om die proses verder uit te rek.

**\*Nie net is alle CCAF Applikante ook lede van die HSAG nie, maar het CCAF ook dieselfde regsverteenwoordigers. Die oorgrote meerderheid van die litigante in die gesertifiseerde klas-aksie is ook HSAG lede. Ons deel dus graag ook die CCAF sake se inligting in die HSAG nuusbrieff.**

## **2. ORTHOTOUCH EN ZEPHAN PROPERTIES (PTY) LTD (IN SAKEREDDING) JULIE & AUGUSTUS /2020- DR GERT HOLTZHAUZEN VERSLAG**

Die HSAG het ook die opinie van Dr Gert Holtzhauzen ingewin met betrekking tot die maandelikse skrywes van die BRP. Dr Holtzhauzen is 'n deskundige op die gebied van sakeredding en is ook 'n lid van die krediteure komitee van Zephan en Orthotouch. 'n Opsomming van sy verslag volg hieronder.

Die BRP se ondersoek is sedert dag een verdag aangesien geen bewyse voorgelê is aan die krediteure dat 'n behoorlike ondersoek gedoen is deur die BRP nie, en latere krete na ondersoek het op dowe ore geval. Die BRP regverdig nou dat sekere inligting uitgelaat was weens tydsbeperkings, welke regverdiging debatteerbaar is.

Onder die druk van 'n potensiële strafregtelike klagte, blyk dit dat die BRP probeer red wat hy kan, maar vryf hy nou sout in die wond deur die kooppryse van eiendomme te ondersoek met bystand van 'n sogenaamde onafhanklike eksterne rekenmeester, gerieflik dieselfde Orthotouch en Zephan rekenmeester wat versuim het om die finansiële verslaglewering van Orthotouch sedert 2014 en Zephan sedert 2009 te doen. Die rekenmeester se onafhanklikheid is twyfelagtig. Die rekenmeester moet gerapporteer word aan IRBA.

Om die Bosman & Visser (waarvan Georgiou destyds 'n direkteur was) syfers met die prospektus syfers te vergelyk regverdig nie die belangrikheid van die eiendom transaksies nie. Die BRP bevestig die manipulerings van opvallende syfers in die onderliggende transaksies, maar versuim om die rede vir die “verhoogde” pryse te verduidelik. Die vanselfsprekende belastingimplikasies van die verskille in pryse word weereens gerieflik geïgnoreer.

Die BRP, in sy poging om duidelikheid te skep oor die “terugbetalings” gemaak voor, gedurende en na sakeredding, misluk om insiggewend te wees en laat meer vrae ontstaan deur nie 'n omvattende terugbetaling skedule in te sluit om die noemenswaardige bedrae te ondersteun nie.

Na verdere ondersoek deur die BRP na die terugbetaling van beleggings aan beleggers, het dit na vore gekom dat die gepubliseerde sakereddingsplan nie betalings ingesluit het aan beleggers voor die sakeredding van die HS maatskappy in 2011 nie. Die belang van die stelling word betwyfel, buiten dat dit bevestig dat krediteure nie gelyk behandel is nie.

Die akkuraatheid van die inligting verskaf aan die BRP is voorgelê aan hom deur die maatskappy se bestuur en die BRP steun weereens op die sogenaamde onafhanklike eksterne rekenmeester. Dit blyk dat die BRP nie die inligting self verifieer het nie.

Die feit dat die BRP nou instem dat die Art 141 ondersoek nie behoorlik gedoen is voor publiserings van die sakereddingsplan nie word verwelkom. Hy het 'n verskoning aangebied dat die inligting nie beskikbaar was voor publiserings van die plan nie en hy is nou op hierdie latere stadium besig om ondersoek in te stel na die sogenaamde kontantvloei van die eiendomstransaksies. Die indruk word geskep dat die BRP slegs gekonsulteer het met die bestuur en onafhanklike rekenmeester van die maatskappy na publiserings van die sakereddingsplan, wat hoogs onreëlmatig sal wees.

Die volgende stelling gemaak deur die BRP is ondenkbaar aangesien hy erken dat hy opvallende inligting weggelaat het in die sakereddingsplan “..Some of this information was purposely omitted from the Business Rescue Plan as I, as Business Rescue

Practitioner, was of the opinion that such information was required...'. Die BRP het (weereens) versuim om te voldoen aan die Maatskappyewet.

Die BRP het nog nie aan krediteure openbaar dat hy 'n aansoek gebring het namens Orthotouch en Zephan om tussenbeide te tree in die sekwestrasie aansoek van Nic Georgiou om dit te opponeer nie. Die sekwestrasie aansoek is geskik deur Georgiou voor die aanhoor daarvan. Die BRP moet openbaar wat gelei het tot die aansoek en hoe dit befonds is, en hoekom die maatskappye tussenbeide getree het in hofverrigtinge waarin dit nie 'n party is nie.

Dieselfde “ou” raaisel word herhaal met betrekking tot die onidentifiseerbaar derdeparty finansierders uit vrees van ontsporing die sakeredding deur die sogenaamde teenstanders (“detractors”). Dit kom voor dat die BRP die sogenaamde teenstanders groepeer het in 'n krediteure klas van hul eie, wat duidelik is in die afdeling van die vorderingsverslag wat handel oor litigasie. Die litigasie wat gebring is teen die maatskappye in die verlede het bewys om nogal suksesvol te wees aangesien hierdie krediteure se eise meestal buite die hof geskik is. Die BRPs ignoreer uit gerieflikheidshalwe Artikel 7(k) van die Maatskappyewet wat stel dat die oogmerke van die Wet onder andere is om “...voorsiening te maak vir die doeltreffende redding en herstel van maatskappye wat finansiëel in die nood is, op 'n wyse wat die regte en belange van alle betrokke belanghebbers in ewewig bring...”.

Die BRP het steeds nie die rede vir die onttrekking van die R1,2 miljoen verduidelik nie en het nou die fondse deponer in sy prokureur se trustrekening. Dit laat die vraag ontstaan waarom hierdie stap nodig was. Die BRP versuim om die agtergrond van die fondse te verduidelik en sy redenasie dat die fondse belê is tot voordeel van sekere beleggers wie in litigasie is teen die maatskappye, en waarom enige eise ongelyke voordele vir sekere geaffekteerde partye tot gevolg sal hê.

Die BRP het aangedui dat hy van voorneme is om 'n nuwe plan te publiseer, dit sonder om die geaffekteerde partye te nader om hul toestemming te kry, en sonder enige noemenswaardige konsultasie met hulle. Hoe sal die addisionele openbaarmaking van sogenaamde feite die uitkoms of voorstel in die plan verander? In werklikheid, met die voortdurende uitstel, is die bedrag wat verdeelbaar is aan krediteure vinnig besig om waarde te verloor.

Die BRP se beoogde “nuwe” plan laat die vraag ontstaan na die voortbestaan van 'n redelike vooruitsig dat die maatskappye gered kan word.

Die gewysigde plan sal in alle waarskynlikheid weereens meer vrae as antwoorde tot gevolg hê, en kan gesien word as 'n uitstel van die onafwendbare uitkoms, wat die likwidasië van die maatskappye is.

### 3. **HS 21 & 22 FICA DOKUMENTE: CCAF**

Die HSAG lede van HS 21 & 22 in CCAF wat nog nie hul FICA dokumente aan die HSAG regspraak se kantore ge-e-pos het nie, moet dit asseblief voor 4 Oktober 2020 doen. U is reeds verskeie male versoek om hierdie dokumente te voorsien aan die HSAG regspraak. Die oorhandiging van FICA dokumente is 'n algemene vereiste van die *Financial Intelligence Centre Act* ("FICA wetgewing") wat bepaal dat kliënte van verantwoordbare instansies, (bv. banke en prokureursfirmas) hierdie dokumente aan die instansies moet oorhandig indien hulle van die instansie se dienste gebruik wil maak om die instansie in staat te stel om die kliënt te verifieer. Die oogmerke van die wet is onder andere om bedrog te voorkom en is dit nie bloot 'n formaliteit nie, maar verpligtend.

Ten einde te bepaal watter dokumente u aan die regspraak moet voorsien vir FICA doeleindes, kan u die onderstaande lys bestudeer.

#### **INDIVIDUE:**

1. Afskrif van die ID-dokument (SA burgers) / paspoort (buitelandse burgers);
2. Bewys van adres wat minder as drie maande oud is (byvoorbeeld nutsrekening, winkelrekening, bankstaat met adres, DSTV-rekening, munisipale brief)
3. Indien u nie 'n bewys van adres op u naam het nie, kan u 'n verklaring deur 'n derde party indien wat sal dien as bevestiging dat u 'n adres met die derde deel. U moet dan ook die derde party se bewys van ID verskaf sowel as bewys van adres (minder as drie maande oud).

#### **INDIVIDUELE NIE-INWONER:**

1. Afskrif van buitelandse ID / paspoort
2. Bewys van adres minder as drie maande oud
3. Indien u nie 'n bewys van adres op u naam het nie, kan u 'n verklaring deur 'n derde party indien wat sal dien as bevestiging dat u 'n adres met die derde deel. U moet

dan ook die derde party se bewys van ID verskaf sowel as bewys van adres (minder as drie maande oud).

### **BOEDEL:**

1. Afskrif van doodsertifikaat
2. Afskrif van ID van oorledene
3. Bankbesonderhede van wyle boedelrekening
4. Resolusie (indien meer as een eksekuteur)

Van die **eksekuteur/s** benodig ons die volgende:

5. Afskrif van ID
6. Afskrif van die Eksekuteursbrief / Magtiging
7. Bewys van adres (minder as drie maande oud)

### **TRUST:**

1. Afskrif van trustakte (indien van toepassing, enige wysigings van trustakte)
2. Afskrif van die magtigingsbrief
3. Afskrif van die SAID-dokument wat die inkomstebelasting / BTW-registrasienommer van trust bevestig
4. Resolusie onderteken deur alle Trustees wat die gemagtigde ondertekenaar / verteenwoordiger benoem
5. Afskrif van die bankstaat wat die bankbesonderhede van die trustrekening bevestig (minder as drie maande oud)

Van die gemagtigde ondertekenaar/vertteenwoordiger, elke kurator, begunstigde en stigter van die trust benodig ons die volgende:

6. Afskrif van ID



7. Bewys van adres (minder as drie maande oud)

**MAATSKAPPY:**

1. Maatskappy registrasiedokumente
2. CM1- Sertifikaat van inlywing
3. CM2- Akte van oprigting
4. CM22- Kennisgewing van Geregistreeerde Kantoor
5. Indien van toepassing, CM9 of Sertifikaat van Erkenning (CoR) (CoR 18.1 en 18.3 vir omskakeling vanaf CC en CoR 15.1 vir naamsveranderinge)
6. Laaste CM29 - Inhoud van Registrateur van Direkteure, Ouditeure en Beamptes besigheidsnaam indien anders as geregistreeerde naam
7. Bewys van adres (minder as drie maande oud)
8. Afskrif van die SARS-dokument wat die inkomstebelasting / BTW-registrasienommer van die maatskappy bevestig
9. Resolusie, onder maatskappybriefhoof, onderteken deur alle direkteure
10. Afskrif van die bankstaat wat die bankbesonderhede van die maatskappy bevestig (minder as drie maande oud)

Van die gemagtigde ondertekenaar/verteenwoordiger en / of uitvoerende hoof, elke direkteur en elke persoon of korporasie met 'n aandeelhouding van 25% of meer in die maatskappy, benodig ons die volgende:

11. Afskrif van ID
12. Bewys van adres (minder as drie maande oud)

**BESLOTE KORPORASIE:**

1. Afskrif van die stigtingsverklaring (CK 1) en die sertifikaat van oprigting (indien van toepassing, CK2 vir enige wysigings aan die stigtingsverklaring)
2. Besigheidsadres indien dit nie geregistreer is nie
3. Bewys van adres van die maatskappy (minder as drie maande oud)
4. Afskrif van die SARS-dokument wat die inkomstebelasting / BTW-registrasienommer vir die BK bevestig
5. Resolusie op BK briefhoof, onderteken deur alle lede wat een ondertekenaar /vertegenwoordiger benoem
6. Afskrif van die bankstaat wat die bankbesonderhede van die beslote korporasie bevestig (minder as drie maande oud)

Van die gemagtigde ondertekenaar / verteenwoordiger en elke lid benodig ons die volgende:

7. Afskrif van ID
8. Bewys van adres (minder as drie maande oud)

4. **DIE VERLOOP VAN DIE REGSPROSES - HS 21 & 22**

Die HSAG bestuur, regspraak en skakelbeampies het belangrike navrae ontvang rakende die regsprosedures wat gevolg word met betrekking tot die HS 21 & 22 aangeleentheid.

Die HS 21 & 22 of te wel die "CCAF" (Certified Class Action Fast Track HS 21 & 22) aangeleentheid beweeg by die dag nader aan die hof. Op 22 September 2020 het die regspraak die Applikante se repliserende verklaring op die Respondente beteken.

Die CCAF regspraak is dus besig om 'n versoek aan WnARP Potterill voor te berei. As saakbestuurder van hierdie aangeleentheid en weens aard van die versoek vertrou die regspraak dat ons 'n hofdatum te bekom wat vroeër eerder as later is.

## 5. **DIE VERLOOP VAN DIE REGSPROSES - HS 15 - 20**

Hoofsaaklik weens Covid-19 het hierdie aangeleentheid ongelukkig nie vinnig beweeg in 2020 nie. Hierdie aangeleentheid beweeg al nader daaraan om 'n hofdatum te bekom met betrekking tot sertifisering. Op die oomblik wag die HSAG regsman steeds op die teenkant om hul antwoordende verklarings te lewer.

Die HSAG regsman wag dus steeds op terugvoer van WnARP Potterill met betrekking tot 'n saakbestuurvergadering. Die doel sal wees om haar te ooreed dat hierdie aangeleentheid inderdaad, soos voorheen, ook 'n saakbestuurder verdien weens aard van die aangeleentheid en die vertragingstaktieke wat die teenkant gebruik. Ons vertrou dat ons so gou as moontlik 'n datum vir hierdie vergadering sal bekom.

Indien die WnARP bevind dat hierdie aangeleentheid 'n saakbestuurder regverdig sal dit die gevolg hê dat die saakbestuurder 'n datum sal voorsien waarop die teenkant hul antwoordende verklarings moet lewer, sonder dat die HSAG regsman 'n aansoek voor die hof moet bring om hulle te verplig. Die saakbestuurder sal die HSAG regsman dan ook van 'n tydraamwerk voorsien wat hulle sal hê om te repliseer om die teenkant se antwoordende verklarings. Na afloop van die lewering van antwoordende sowel as repliserende verklarings sal ons kan aansoek doen vir 'n hofdatum. In die CCAF aangeleentheid was dié uitruilingsproses binne 'n maand en 'n half voltooi nadat daar 'n saakbestuurvergadering was.

## 6. **INHOUD VAN REPLISERENDE STUKKE - HS 21 & 22: CCAF**

Op 22 September 2020 het die regsman twee verklarings op die teenkant beteken. Die eerste verklaring was 'n repliserende verklaring op die teenkant se antwoordende verklarings. Die tweede verklaring was 'n aanvullende funderende verklaring met die doel om die BRP, Mnr Jacques du Toit, te bevestig as 'n party (ook in sy persoonlike hoedanigheid) in hierdie aangeleentheid.

Die repliserende verklaring op die teenkant se antwoordende verklarings sal eerstens kortliks bespreek word. Dit is ook op die HSAG webtuiste, [www.hsaction.co.za](http://www.hsaction.co.za), beskikbaar indien enige persone meer in diepte die stukke wil nagaan. In die verklarings was daar sterk daarop klem gelê dat daar reeds gesag met betrekking tot die feite in hierdie aangeleentheid is. Dit was bevestig in die Hoogste Hof van Appèl dat die terugkoopklousules van die HS 21 & 22 beleggiers afdwingbaar is.

Die respondente het in hul antwoordende verklaring aangevoer dat die rede waarom hulle nie vroeër hul antwoordende stukke gelewer het nie was omdat die identiteite van die

beleggers sowel as die eisbedrag in hierdie aangeleentheid nog nie aan hulle bekend gemaak was nie. Dit is egter 'n verregaande redenasie aangesien Regter Tolmay se sertifiserings uitspraak spesifiek bepaal het dat die klas-aansoek uitgereik moes word voordat die "opt-in" periode verstryk het, en sou dit dus onmoontlik wees om te voldoen aan die bevel. Verder het Regter Tolmay se bevel melding gemaak dat die totale eiswaarde van persone wat "opt-in" gelewer moet word, en nie die spesifieke identiteit en eiswaarde van elke individuele belegger wat deel is van die klas-aansoek nie.

Dit word egter voorsien dat die individuele identiteite en eiswaardes van beleggers wat deel is van die HS 21 & 22 klas-aansoek mettertyd bekendgemaak sal moet word aan die Respondente ten einde die Applikante in staat te stel om hul eise af te dwing.

Die aanvullende funderende verklaring wat op die teenkant beteken is handel oor die sakeredding van Zephan, en meer spesifiek, die onafhanklike opponering van die klas-aansoek deur die BRP. Die regsplan het hierdie besluit gemaak aangesien Zephan se advokaat, op instruksie van Mnr. du Toit as BRP, in die saakbestuurvergadering aangevoer het dat die BRP nie antwoordende verklarings hoef te lewer nie aangesien dit tans in besigheidsredding is. Dit stem ooreen met Mnr. du Toit se stellings in sy omsendbriewe dat daar nie voortgegaan mag word met litigasie teen Zephan terwyl dit in sakeredding is nie. Die Maatskappywet maak egter ook voorsiening daarvoor dat 'n hof kan gelas dat daar voortgegaan word met litigasie teen 'n maatskappy in sakeredding, net soos bepaal is deur die Regter Tolmay tydens die sertifiseringsaansoek gedurende November 2019, toe Zephan in sakeredding geplaas was enkele dae voor die aanhoor van die HS 21 & 22 sertifiseringsaansoek. Volgens die advokatuur is Du Toit se redenasie dus nie geldig nie, en verskoon die bepalings in die Maatskappywet, wat handel oor die sakereddingsproses, nie 'n party om te voldoen aan die normale Hofreëls nie. Verder is die regsplan van mening dat die BRP fondse van Zephan mors (m.a.w. die beleggers se fondse) om die klas-aansoek onafhanklik te opponeer, terwyl daar reeds regsplanne betrokke is wat vir jare lank Georgiou en sy entiteite verteenwoordig.

Bydraende redes vir die besluit om Mnr. du Toit te betrek was om feite voor die hof te plaas rakende Du Toit se optrede in die litigasie en sy versuim om behoorlik te reageer op sekere versoeke en vrae wat die HSAG regsplan en lede van die krediteure komitee aan hom gerig het na aanleiding van die publiserings van die Zephan en Orthotouch sakereddingsplanne. Dit blyk dat Du Toit nie gewillig is om op 'n samewerkende benadering met belangrike rolspelers van die proses voort te gaan nie en is sy huidige taktieke en optrede eensgesind met dit wat Georgiou die afgelope paar jaar gebruik om die proses teen hom te vertraag. Met hierdie klagtes voor en aanvaar deur die Hof is die regsplan in 'n beter posisie om 'n bestrawwende kostebevel teen hom en vir sy eie

rekening te versoek as gevolg van die manier hoe hy litigasie in hierdie aangeleentheid voer namens Zephan, met uiteindelik die beleggers se fondse.

## 7. FLUITJIEBLASERS

Indien u enige inligting met betrekking tot hierdie aangeleentheid anoniem wil aanmeld kan u gerus gebruik maak van die [hsagwhistle@gmail.com](mailto:hsagwhistle@gmail.com) e-pos adres.

Hierdie e-pos adres is spesifiek geskep sodat beleggers/belanghebbendes belangrike en nodige inligting kan deel met die HSAG regsplan onder die verstandhouding dat die identiteit van daardie persone nie geopenbaar sal word nie.

Die regverdiging daarvoor is dat persone wel oor belangrike inligting mag beskik om die saak teen Georgiou en ander te ondersteun, maar bekommerd is dat dit hul sal benadeel, dat daar regsgevolge kan wees, of dat hul die teken van smeerveldtogte kan wees indien hulle identifiseer word as iemand wat sensitiewe inligting verskaf aan die regsplan.

Die fluitjieblaser e-pos maak dit ook moontlik vir die HSAG om op dreef te bly van probleme wat beleggers ervaar en kan daar dus beter na hul belange omgesien word.

Ons moedig u aan om saam te staan en die regsplan te ondersteun deur enige belangrike inligting te deel, so ook kan u bydra om geregtigheid te laat seëvier.

## 8. GEBRUIK VAN KORREKTE E-POS ADRESSE

Die korrekte gebruik van e-pos adresse (soos vervat op ons webtuiste en e-posse) asook HSAG-lede se voorletters en van, sindikasiennommers en verwysingsnummers (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.

Die amptelike en bestaande e-pos adresse vir CCAF (gesertifiseerde HS 21 & 22 klas-aksie), is as volg:

- **accounts@ccaf.co.za** vir betalingsbewyse
- **admin@ccaf.co.za** vir die amptelike versoek vir afbetaling-vorm
- **enquiries@ccaf.co.za** vir ander CCAF navrae

Indien 'n belegger of enige persoon 'n epos na die verkeerde adres sou stuur sal dit daartoe lei dat daardie e-pos nie spoedig of enigsins die nodige aandag geniet nie. Indien u nie verder enige verdere e-posse wil ontvang nie, stel ons ook asseblief skriftelik in kennis daarvan.

## 9. **BELANGRIKE ALGEMENE TERME EN VOORWAARDES**

**Die algemene en herhalende terme, voorwaardes en ander algemene inligting wat voorheen in die Nuusbrief vervat was, word nou beskikbaar gestel op die HSAG se webtuiste by [www.hsaction.co.za](http://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](mailto:hsactiongroup@gmail.com)



\*AFRIKAANS HIERBO\*

## MONTHLY NEWSLETTER SEPTEMBER 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](mailto: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](http://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. **ANSWERS TO QUESTIONS RECEIVED FROM INVESTORS**

The HSAG steering committee and legal team receive a large amount of questions from investors, investment managers and third parties regarding the matters that the HSAG is involved in. We noticed that a lot of the emails and calls that we receive are of the same nature. We will therefore answer the frequently asked questions below.

### **QUESTIONS 1:**

**As South Africa's Lockdown Regulations was relaxed on 21 September 2020 and we moved to Level 1, is there a possibility that the HS 15 – 20- and HS 21 & 22 matters will be in court sooner?**

The announcement that South Africa was released to Level 1 of the Lockdown Regulations is indeed a positive sign and the HSAG trusts that it will have the result that the courts will be able to hear more cases. It is however important to understand that the courts will still not run on full steam and cases that were scheduled to take place during lockdown will of course enjoy preference. Cases are also only able to be heard once it is "trial ready" and when all documents needed for the trial have been exchanged between the parties.

The functioning of the courts is not only subject to the Lockdown Regulations but also to the directives that are issued by the Chief Justice of the Constitutional Court. These directives have not been amended since the relaxation to Level 1. The functionality of the courts has therefore not changed nor suddenly become more accessible since the move to Level 1. Time will tell how it will manifest in practice.

The HSAG is in the process of acquiring a case manager in the HS 15 – 20 matter. This will have the effect that the exchange of documents in this matter will take place according to a schedule that the case manager prescribes. The Respondents have not yet served their answering papers on the HSAG legal team and the legal team is therefore unable to reply to the said papers at this stage. Once the above process has been finalised the HSAG legal team will be in a position to apply for a court date in the HS 15 – 20 matter. As the Lockdown Regulations have been relaxed, we trust that this date will be sooner rather than later.

The CCAF (Certified Class Action Fast track HS 21 & 22) legal team received the Respondent's answering papers on 31 August 2020 in the HS 21 & 22 matter. The legal team thereafter served replying papers on the opposition. Acting Deputy Judge President ("ADJP") Potterill will therefore be approached in the coming week by the legal team to request a court date. We trust that this court date will be sooner rather than later, specifically due to relaxation of the Lockdown Regulations.



**QUESTION 2:**

**The HSAG receives statements on a monthly basis that indicate their payments. When will the HSAG members in the CCAF matter receive their monthly statements?**

It has been stated earlier that there were two options for HS 21 & 22 investors to form part of CCAF. The investors either had to opt-in before 16 March 2020 on the website ("Group 1 CCAF") or they had to be paid-up HSAG members on 31 January 2020 ("Group 2 CCAF"). The group that used the opt-in option and was not part of the HSAG, Group 1 CCAF, already received their statements. The statements of Group 2 CCAF (paid-up HSAG members) can however not be send out yet. The reason is that there are still processes being followed where accounting information is being transferred from the HSAG SAGE pastel system to XERO. The auditors are also assisting in this process. Group 1 CCAF's information could be transferred directly from their registration forms to XERO, this is unfortunately not possible for Group 2 CCAF and the information has to be verified and transferred individually. All CCAF members will receive their CCAF statements as soon as this process is completed.

The CCAF statements should not be a problem for paid up HSAG members as they have thus far not made any contributions with regards to CCAF, the only contributions paid by them were HSAG contributions. These contributions appear on their HSAG statements. Investors are deemed to know by now what the requirements were to form part of CCAF and whether they were paid-up or not.

If any payments of registration fees do not appear on a Group 1 CCAF statement urgently inform the legal team at [accounts@ccaf.co.za](mailto:accounts@ccaf.co.za). If you did not make use of the prescribed reference when you made the payment, kindly supply us with the proof of payment at the above email address to make it possible for us to add it to your statement.

**QUESTION 3:**

**Where do HS 15 – 20 & HS 21 & 22 members stand with regards to Orthotouch and Zephan's business rescue?**

The HSAG legal team is at this point waiting to see what Du Toit's modus operandi will be for the voting for or against the business rescue plan. It seems that he is currently busy considering an electronic process. The HSAG legal team expects that he will soon make mention thereof in his monthly progress report that he is obliged to deliver in terms of the Companies Act. Du Toit's monthly reports is therefore not unexpected. A business rescue practitioner ("BRP") must in terms of the Companies Act write and update a monthly report with regards to his progress if the business rescue process is not completed within 3 months.

In the normal course of business, we are currently waiting for a further creditors meeting (and also shareholders if applicable) where the business rescue plan will be considered and where an opportunity will be given to vote for the amendment of the plan, provisional acceptance of the plan and if not, the rejection of the plan. The goal of this second meeting is specifically to give the interested parties an opportunity to voice their concerns. The participation of the affected persons (the investors) during the business rescue process is of utmost importance to ensure that a business rescue process is followed that takes the interest of all affected persons in consideration. The legal team is of the opinion that there cannot be deviated from these provisions in the Companies Act if the process that is followed does not facilitate the participation of the affected parties.

With the information available to the HSAG, its counsel advised that you vote against the business rescue plan of both Zephan and Orthotouch as there are no reasonable prospects of rescuing the companies and that this is only a means to frustrate the process even further.

**\*Not only are all the CCAF Applicants also members of the HSAG, but CCAF also has the same legal representatives. The overwhelming majority of the litigants in the certified class action are also HSAG members. We therefore gladly also share CCAF cases' info in the HSAG Newsletter.**

2. **ORTHOTOUCH AND ZEPHAN PROPERTIES (PTY) LTD (IN BUSINESS RESCUE) JULY & AUGUST /2020- DR GERT HOLTZHAUZEN REPORT**

The HSAG additionally acquired the opinion of Dr Gert Holtzhauzen with regards to the monthly circular that the BRP sends out. Dr Holtzhauzen is an expert in the field of business rescue and is also a part of the creditors committee of Zephan and Orthotouch. A summary of his report follows hereunder.

The investigations by the BRP were suspect from day one as no evidence was presented to the creditors that a proper investigation was conducted by the BRP and later calls for the investigation report was ignored. The BRP now justifies that certain information was omitted due to "time constraints", which is debatable.

With the pressure of a potential criminal charge, the practitioner seems to be trying to salvage what he can, but adds injury to insult by only now investigating the property purchase prices with assistance from a so-called independent external accountant, conveniently the same Orthotouch and Zephan accountant that failed to do the financial reporting of Orthotouch from 2014 and Zephan from 2009. The accountant's independence is questionable. Such accountant should be reported to IRBA.

Comparing the Bosman & Visser (of which Georgiou was a director at the time) figures with the prospectus figures does not satisfy the importance of the property transactions. The BRP confirms the manipulation of salient figures in the underlining transactions, but fails to explain the reason for the “increased” prices. The obvious tax implications of the difference in pricing are once again conveniently ignored.

The BRP in his attempt to clarify the “repayments” made before, during and after business rescue, fails to be informative and creates more questions by not including a comprehensive repayment schedule to support the substantial amounts in question.

Upon further investigation by the practitioner regarding the repayment of investment funds to investors, it emerged that the published business rescue plan did not include payments made to investors before the business rescue of the HS Companies in 2011. The importance of this statement is doubtful, other than confirming that creditors were not treated equally.

The accuracy of the information provided to the practitioner was presented to him by the companies’ management and the practitioner once again relies on the so-called independent external accountant. It seems that the practitioner did not verify the information himself.

The fact that the BRP is now in agreement that the Section 141 investigation was not conducted properly before the publishing of the rescue plan is welcomed. He offered an excuse that the information was not available before the publishing of the plan and he is now at his late-stage investigating the so-called cash flows of the property transactions.

The impression is created that the BRP only consulted with the management and independent accountant of the company after publishing the rescue plan, which would be highly irregular.

The following statement made by the BRP is inconceivable as he admits to omitting salient information in the rescue plan “*..Some of this information was purposely omitted from the Business Rescue Plan as I, as Business Rescue Practitioner, was of the opinion that such information was required...*”. The BRP (again) failed to adhere to the Companies Act.

The BRP has not yet disclosed to the creditors that he brought an application in the name of Orthotouch and Zephan to intervene and oppose in the sequestration application of Nic Georgiou. The sequestration application was settled by Georgiou before the court hearing. The BRP should disclose how his application came about and how it was funded, and why the companies intervened in court proceedings in which it was not a party.

The same “old” conundrum is repeated regarding the “unidentifiable” third party financier in the fear of derailment by so-called detractors. It appears that the BRP grouped the so-called detractors into a creditors class of their own, which is evident in the section of the status report dealing with litigation. The litigation brought against the company in the past proofed to be quite successful as these creditors were mostly settled out of court, the BRPs conveniently ignoring Section 7(k) of the Companies Act that states that the purposes of the Act are, amongst others to “...*provide for the efficient rescue and recovery of financially distressed companies, in a manner that balances the rights and interests of all relevant stakeholders...*”

The BRP has still not explained the reason for the withdrawal of the R1,2 million and has now deposited the funds in his attorney's trust account. It begs the question as to why this step was necessary. The BRP fails to explain the background of the funds and his reasoning that the funds were invested for the benefit of certain investors who engaged in litigation against the companies (“detractors”), and why any claims would result in unequal benefits to some affected parties.

The BRP has indicated that he intends to publish a new plan, this without approaching the affected parties to get their consent and without any substantial consultation with them. How will the additional disclosure of so-called facts change the outcome or proposal stated in the published plan? In fact, with the ongoing “procrastination”, the amount distributable to the creditors is quickly losing value.

The BRP's envisaged “new” plan begs the question of the continued existence of a reasonable prospect of rescuing the companies.

The revised plan will in all likelihood raise more questions than answers once again, and can be seen as a deferment of the inevitable outcome, being the liquidation of the companies.

### 3. **HS 21 & 22 FICA DOCUMENTS: CCAF**

The HSAG members of HS 21 & 22 in CCAF that still have not e-mailed their FICA documents to the HSAG legal team, must kindly do so before 4 October 2020. These documents have been requested multiple times. The furnishing of FICA documents is general requirement of the Financial Intelligence Centre Act (“FICA act”) that determines that clients of accountable institutions (for example banks and law firms) must furnish these documents if they want to make use of these institutions' services. These documents give the institutions enough information to verify their clients. The aim of the act is, amongst others, to prevent fraud. It is therefore not just a formality but a requirement.

To determine which documents you have to hand over to the legal team for FICA purposes you can study the list hereunder:

**INDIVIDUALS:**

1. Copy of ID document (SA Citizens) / Passport (Foreign Nationals);
2. Proof of address less than three months old (for example utility bill, store account statement, bank statement with address, DSTV account, municipal letter)
3. Should you not have proof of address in your name, you may provide a declaration by a third party confirming that you share an address with them and provide the third party's proof of ID and proof of address (less than three months old).

**NON-RESIDENT INDIVIDUAL:**

1. Copy of foreign ID / passport
2. Proof of address less than three months old
3. Should you not have proof of address in your name, you may provide a declaration by a third party confirming that you share an address with them and provide the third party's proof of ID and proof of address (less than three months old).

**ESTATE LATE:**

1. Copy of death certificate
2. Copy of ID
3. Bank details of estate late account
4. Resolution (if more than one executor)

From the **executor/s** we require the following:

5. Copy of ID
6. Copy of Letter of Executorship / Authority
7. Proof of address (less than three months old)

**TRUST:**

1. Copy of Trust deed (if applicable, any deeds of amendment of Trust Deed)
2. Copy of Letter of Authority
3. Copy of SARS document confirming Income tax / VAT registration number for trust
4. Resolution signed by all Trustees nominating authorised signatory / representative
5. Copy of bank statement confirming trust account banking details (less than three months old)

From the authorised signatory/representative, each trustee, beneficiary and founder of the trust we require the following:

6. Copy of ID
7. Proof of address (less than three months old)

**COMPANY:**

1. Company registration documents
2. Certificate of Incorporation
3. CM2- Memorandum of Association
4. CM22- Notice of Registered Office
5. If applicable, CM9 or Certificate of Recognition (CoR) (CoR 18.1 and 18.3 for conversion from CC and CoR 15.1 for name changes)
6. Latest CM29 - Contents of Registrar of Directors, Auditors and Officers Business name if different from registered name
7. Proof of address (less than three months old)
8. Copy of SARS document confirming Income tax / VAT registration number for company

9. Resolution on company letterhead signed by all directors nominating authorised signatory /representative
10. Copy of bank statement confirming company banking details (less than three months old)

From the authorised signatory/representative and / or CEO, each director and each person or corporation with shareholding of 25% or more in the company, we require the following:

11. Copy of ID
12. Proof of address (less than three months old)

#### **CLOSE CORPORATION:**

1. Copy of Founding Statement (CK 1) and Certificate of Incorporation (if applicable, CK2 for any amendments to the Founding Statement)
2. Business address if different from registered address
3. Proof of address of the company (less than three months old)
4. Copy of SARS document confirming Income tax / VAT registration number for the CC
5. Resolution on the CC letterhead signed by all members nominating one signatory /Representative
6. Copy of bank statement confirming bank details of the company (less than three months old)

From the authorised signatory / representative and each member we require the following:

7. Copy of ID
8. Proof of address (less than three months old)

#### 4. **THE LEGAL PROCESS – HS 21 & 22**

The HSAG steering committee, legal team and PR received important questions with regards to the legal process that is being followed in the HS 21 & 22 matter.

The HS 21 & 22 matter i.e. the CCAF (Certified Class Action Fast track HS 21 & 22) matter is moving closer to the court on a daily basis. On 22 September 2020, the legal team served the Applicant's replying affidavits on the Respondents.

The CCAF legal team is therefore in the process of preparing a request to ADJP Potterill. As case manager in this matter and due to the nature of the request we trust that we will be able to obtain a court date which is sooner rather than later.

#### 5. **THE LEGAL PROCESS – HS 15 - 20**

Mainly due to Covid-19, this matter has unfortunately not progressed quickly in 2020. This matter is moving closer to obtaining a court date with regard to the certification. The HSAG legal team is currently still waiting for the Respondents to file their answering papers.

The HSAG legal team is therefore still awaiting a reply for a case management meeting herein with ADJP Potterill. The purpose of this meeting will be to persuade her, as before, that this matter also warrants a case manager due to the nature of the case and stalling tactics that the opposition is using. We trust that we will receive a date for this meeting as soon as possible.

If the ADJP finds that this matter warrants a case manager it will have the consequence that the case manager will provide a date as to when the Respondents must serve their answering papers without the legal team first having to bring a court application to compel them. The case manager will give the HSAG legal team a timeframe wherein they will have to reply on the opponents answering papers. After the service of the answering as well as the replying affidavits we will be able to apply for a court date. In the CCAF matter this exchange process was completed within a month and a half after a case manager was appointed.

#### 6. **CONTENTS OF REPLYING AFFIDAVITS – HS 21 & 22: CCAF**

The legal team served two affidavits on the opponents on 22 September 2020. The first one was a replying affidavit to the opposition's answering papers. The second affidavit was a supplementary founding affidavit with the goal to confirm the BRP, Mr Jacques du Toit, as a party (also in his personal capacity) in this matter.

The replying affidavit to the opposition's answering affidavit will first be discussed briefly. A full copy thereof will be available on the HSAG website, [www.hsaction.co.za](http://www.hsaction.co.za), if anyone wants study it in more depth. In the affidavit it was strongly emphasised that there is already presedent with regard to the facts in this matter. It was confirmed by the Supreme Court of Appeal that the buy-back clauses of the HS 21 & 22 investors are enforceable.



The respondents held in their answering affidavit that the reason why they did not deliver their answering papers earlier, was because the identities as well as the amounts claimed in this matter was not conveyed to them yet. This is however a poor argument as Judge Tolmay specifically held in the certification judgement that the class application had to be issued before the opt-in window closed. It would therefore have been impossible to comply with the said order. Judge Tolmay further held in her order that only the total claim value of the persons who opted-in must be given and not the identity and the claim value of each individual person who forms part of the class application.

It is however expected that the individual identities and claims of investors in the HS 21 & 22 class application will in due course have to be made available to the Respondents for the Applicants to enforce their claims.

The supplementary founding affidavit that was served on the Respondents deals with the business rescue of Zephan and more specifically the independent opposition of the class application by the BRP. The legal team reserved this option because Zephan's counsel, on instruction of Mr du Toit as BRP, held in the case management meeting that the BRP does not have to serve any answering papers as it is currently in business rescue. This is in accordance with Mr du Toit's viewpoint in his monthly circular wherein he states that there may not be litigated against Zephan while it is in business rescue. The Companies Act does however also make provision that the court may order that litigation may proceed against a company in business rescue. Judge Tolmay stated the same in the certification application during November 2019 when Zephan was placed in business rescue a few days before the HS 21 & 22 certification application was heard. According to the CCAF counsel, Mr du Toit's argument is not valid and the provisions of the Companies Act, that deals with business rescue, does not excuse a party from complying with the Court Rules. The legal team is further of the opinion that the BRP is wasting the funds of Zephan (the investors' funds) to oppose the class application separately while there are already legal teams involved that have represented Georgiou and his entities for years.

There are also further reasons to involve Mr du Toit. The legal team wants to place certain facts of Mr du Toit's conduct before the court. These include his conduct in the litigation as well as his failure to satisfactorily answer certain questions and requests from the HSAG legal team and members of the creditors committee, following the publishing of the Zephan and Orthotouch business rescue plans. It seems as if Mr du Toit is not willing to cooperate with important role players in the process. His current actions are similar to the tactics that Georgiou used the last couple of years to delay the process against him. The legal team will be in a better position to request a punitive cost order against him if these complaints are before and accepted by the court. A punitive cost order against him personally will be sought for the manner in which Mr du Toit litigates, on behalf of Zephan with, ultimately, the investors' funds.

## 7. **WHISTLE BLOWERS**

If you have any information with regard to this matter and wants to report it anonymously you can make use of the [hsagwhistle@gmail.com](mailto:hsagwhistle@gmail.com) email address.

This email address was created specifically to enable investors/interested parties to share valuable information with the HSAG legal team with the understanding that the identities of these persons will not be made public.

The reasoning behind this is that persons may have valuable information to support the case against Georgiou and others but they are afraid to share same as they do not want to be disadvantaged, have legal actions taken against them or want to be the victim of a smear campaign if they are identified as someone who shared sensitive information with the legal team.

The whistle blower email address additionally enables the HSAG to keep in touch with the problems that investors face and their needs can therefore be catered for.

We encourage you to stand together and to support the legal team by sharing any important information. Through this you can contribute to ensure that justice prevails.

## 8. **IMPORTANT: USE OF THE CORRECT EMAIL ADDRESSES!**

The correct use of e-mail addresses (as stipulated 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 and obligatory. Failure to comply herewith may lead to unnecessary delays or any reply at all.

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

The official and existing e-mail addresses for CCAF (HS 21 & 22 certified class action) are as follows:

- **accounts@ccaf.co.za** for proof of payments
- **admin@ccaf.co.za** for the official request to pay registration fees over 6 months - form
- **enquiries@ccaf.co.za** for all other CCAF questions and enquiries

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 thereof in writing.

## 9. **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](http://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**

Contact the HSAG's attorneys at:

Tel: (021) 887 7877

**hsactiongroup@gmail.com**