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**IN THE HIGH COURT OF SOUTH AFRICA
(WESTERN CAPE DIVISION, CAPE TOWN)**



Case No: 679/2007

In the ex parte application of–

EXECUTIVE OFFICER OF THE FINANCIAL SERVICES BOARD

Applicant

re the financial services business of

FIDENTIA ASSET MANAGEMENT (PROPRIETARY) LIMITED

First Respondent

(Registration No. 1998/024863/07)

BRAMER ALTERNATIVE (PROPRIETARY) LIMITED

Second Respondent

(Registration No. 2000/024139/07)

FIDENTIA HOLDINGS (PROPRIETARY) LIMITED

Third Respondent

(Registration No. 2001/022355/07)

FILING NOTICE

DOCUMENT FILED HEREWITH:

Curators' 18th Report

Dated at CAPE TOWN on this 29th day of JUNE 2018.

BISSET BOEHMKE McBLAIN

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FOR:

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(Ref: SJK/NFJ/MM9905)

**To: The Registrar
 High Court
 CAPE TOWN**

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CURATOR'S 18th REPORT TO COURT DATED 23 JUNE 2018

INDEX	PAGE NO
1 Introduction	2
2 Publishing of Court Order and 17 th Report on FSB website	3
3 Reporting to the FSB	3
4 Matters dealt with since our 17 th Report	3
5 Matters remaining outstanding	8
6 Recommendations	9

Annexe A: Order of Court dated 23 November 2017
Schedule 1: Financial Report

1. Introduction

- 1.1 The whole of the Respondents' business of providing financial services as contemplated by the Financial Advisory and Intermediary Services Act, 37 of 2002, ("the FAIS Act") was placed under provisional curatorship by this honourable court in accordance with the provisions of the Financial Institutions (Protection of Funds) Act, 28 of 2001, ("the Protection of Funds Act") on 1 February 2007, which order was made final on 27 March 2007.
- 1.2 Initially Messrs George Papadakis and Dines Chandra Gihwala were appointed as the curators of the said business but on 15 August 2014, following the resignation of Mr Gihwala on 26 June 2014, his appointment was cancelled and John Adrian Levin was appointed curator provisionally in his place, which appointment was made final on 19 September 2014.
- 1.3 The curators have reported to this honourable court from time to time on the status of the curatorship in terms of various Orders of Court, the last time by means of our 17th Report dated 28 September 2017, which report was accepted by the Honourable Ms Justice Mantame on 23 November 2017. A copy of Ms Justice Mantame's Order dated 23 November 2017 is annexed, marked A.
- 1.4 When accepting the 17th Report on 23 November 2017, Ms Justice Mantame directed, *inter alia*, in paragraph 3 of her Order that:
- "3. *The curators are directed to file a further report with the Court by not later than 30 June 2018 dealing with the following:*
- 3.1 *the status of the curatorship as at 31 May 2018;*
- 3.2 *an overview of assets disposed of or alienated and how the proceeds were distributed, including the distribution to investors who invested through Antheru Beleggings Trust;*
- 3.3 *details of civil actions which may have been instituted by or against the curators and specifically the progress made with regard to the litigation matters involving the Living Hands Umbrella Trust;*
- 3.4 *the costs of the curatorship as at 31 May 2018;*
- 3.5 *any recommendations as to how the continuation of the curatorship, or any related matters, should be dealt with further.*

- 1.5 This report, which is being furnished pursuant to paragraph 3 of Ms Justice Mantame's Order, comprises two sections, a general report prepared by Mr Levin and a financial report prepared by Mr Papadakis. Each of us has had the opportunity of viewing and commenting on the other's report before finalising.
- 1.6 This general section deals briefly with matters that have been dealt with since our last report and gives an overview of what still needs to be done in order to bring this curatorship to an end, while the financial report gives a complete overview of the curatorship since inception up to 31 May 2018, including the matters referred to in paragraphs 3.1 to 3.4 of Ms Justice Mantame's Order.

2. Publishing of Court Order and 17th Report on FSB website

In paragraph 2 of the Order referred to in 1.3, the Court directed that its Order and the curator's 17th Report should be published on the website of the Financial Services Board ("FSB"). We confirm that this was done.

3. Reporting to the FSB

In accordance with the requirements of paragraph 6 of the Protection of Funds Act, we have kept the Registrar of Financial Services Providers ("the Registrar") informed of our activities in connection with the curatorship since our 17th Report, by reporting to her and furnishing her with copies of relevant correspondence relating to matters being dealt with.

4. Matters dealt with since our 17th Report

4.1. From our 17th Report dated 28 September 2017 it is apparent that as at that date the only matters still outstanding, before the curatorship could be closed down, consisted of:

- 4.1.1. the CDH matter, in respect of which we reported that "*as soon as Mr Papadakis has completed amending his report, we will approach CDH in an effort to resolve the matter, following which such further action as we may then be advised will be instituted;*"

- 4.1.2. the Orion settlement amount of R1,757.588, in respect of which we reported that the amount, together with interest thereon, was to be paid in instalments of R100,000 per month with effect from 30 September 2017;
- 4.1.3. the Living Hands Umbrella Trust ("LHUT"), in respect of which we reported that:
- 4.1.3.1. we were trying to arrange a meeting with the Master of the High Court, Pretoria, in an effort to have additional trustees appointed for the trust;
 - 4.1.3.2. the total issued shares of Living Hands (Pty) Ltd were to be transferred *"from Fidentia Holdings to the trustees for the time being and from time to time of LHUT in their capacity as such, to ensure that Living Hands (Pty) Ltd continues as an active company after the discharge of the curatorship order and the probable deregistration of Fidentia Holdings thereafter"*;
 - 4.1.3.3. the Thebe litigation, in respect of which we reported that we would obtain a report on the merits of the matter from Fairbridges Wertheim Becker who are dealing with the matter, and then decide whether it merits pursuing;
 - 4.1.3.4. the Antheru Investors, whom we have been unable to trace, whose money will have to be paid into the Guardian's Fund.

4.2. Insofar as the CDH matter is concerned:

- 4.2.1. Mr Papadakis duly prepared a further report in which he grouped the various potential claims into categories, following which during November 2017 we furnished Brent Williams, the CEO of CDH, with a copy, explaining the background, and requested a meeting with a view to discussing and resolving the issues;
- 4.2.2. CDH responded that they wished to appoint a forensic expert of their own to work through Mr Papadakis's report, following which their expert would meet with Mr Papadakis to see if they could find common ground on matters where they differed, and concluded by saying that if it is found that CDH had

received any benefit to which they were not properly entitled, they would remedy the situation;

- 4.2.3. On 18 May 2018 Mr Terence Hatzkilson, the CDH forensic expert, contacted Mr Papadakis to say that he had completed his investigations and was ready to meet with Mr Papadakis to discuss his report. The meeting duly took place on 29 May 2018 at which it emerged that Mr Hatzkilson required more time to reconcile the data which has been provided to him by CDH with the data provided by Mr Papadakis. It was arranged that in the interim Mr Hatzkilson would send Mr Papadakis his workings to enable Mr Papadakis to consider his findings. These workings were provided on 14 June 2018 and Mr Papadakis is in the process of considering them.
- 4.2.4. Once Messrs Papadakis and Hatzkilson have settled the scope of the issues in dispute, Messrs Papadakis and Levin will meet with representatives of CDH to discuss settlement of the outstanding issues and hopefully find a solution.
- 4.3. In so far as the Orion settlement amount is concerned, Orion has to date paid only R619,179, having failed to pay their last two instalments, thus leaving a balance of R1,138,409. Mr Papadakis took this up with Orion, who have undertaken to make good the shortfall during this month (June). Should they fail to do so or miss another payment, we will call up the full balance outstanding as we are entitled to do in terms of the settlement agreement. (We need to correct what was stated in error in our last report, namely that the outstanding balance bears interest. When it came to signing the settlement agreement, Orion pointed out that its settlement offer which we had accepted, did not involve interest, and refused to pay).
- 4.4. In so far as the LHUT matter is concerned:

- 4.4.1. Despite having been called on the Department of Justice and Constitutional Development for assistance, we were unable to obtain a meeting with the Master of the High Court for purposes of having additional trustees appointed. Accordingly, with the consent of the Registrar, we have pended our efforts and will be writing to the Mineworkers Provident Fund and the Municipal Workers Pension Fund, the largest of the two source funds whose members lost money with LHUT, to inform them of this and of the implications for them of not having representation on the trust;

4.4.2. We have not yet decided what to do about Living Hands (Pty) Ltd. In our last Report we stated that *"before the Fidentia curatorship order is discharged, it will be necessary for us to transfer the total issued shares of Living Hands (Pty) Ltd from Fidentia Holdings to the trustees for the time being and from time to time of LHUT in their capacity as such, to ensure that Living Hands (Pty) Ltd continues as an active company after the discharge of the curatorship order and the probable deregistration of Fidentia Holdings thereafter"*. However, since then we have received a report about possible wrongdoing in the administration of LHUT, which is cause for concern. As such we are re-evaluating what will be in the best interests of the LHUT beneficiaries, having regard thereto that the shares cannot continue to be held by Fidentia Holdings (Pty) Ltd following the discharge of the curatorship order. We have also instructed Mr Fred Eksteen, our duly appointed nominee of Living Hands (Pty) Ltd in terms of section 6(4) of the Trust Property Control Act 57 of 1988, who was not involved in the wrongdoing forming the subject matter of the report, to bring the contents of the report to the attention of the Master of the High Court, Pretoria, under whose jurisdiction LHUT falls.

4.4.3. In paragraph 5.8 of our last Report we stated:

"We respectfully submit that as the LHUT trustees are not in any way answerable to us or to the Registrar, but to the Master of the High Court, and as the Fidentia curators have no interest whatever in the outcome of the above litigation for the reasons outlined in 5.1.2 and 5.1.3 above, we should be excused from having to furnish any further reports on the Old Mutual litigation."

Unfortunately this recommendation was overlooked, with the result that, following the format of previous orders, Ms Justice Mantame once again directed in paragraph 3.3 of her Order that the curators should report on *"the progress made with regard to the litigation matters involving the Living Hands Umbrella Trust"*.

4.4.4. Pursuant to Ms Justice Mantame's directive, we hereby furnish the following report which has been prepared by Mr Ian Lindsay of Knowles Hussein Lindsay of Johannesburg, the attorneys attending to the matter of Living Hands and Others NNO v Old Mutual & Others, case 42728/10, namely

- 4.4.4.1. *“As indicated in our 13th Report action was instituted in October 2010. A number of exceptions were raised after the action was instituted and settlements were concluded with various parties which ultimately led to the removal of certain defendants*
- 4.4.4.2. *As indicated in our 14th Report, Judge Wright was appointed the case manager in this matter and is still currently the case manager; this process requires all of the parties to be fully prepared for trial before a date will be allocated;*
- 4.4.4.3. *Pleadings have closed. In our 15th Report we indicated that Plaintiffs had received a vast amount of additional documentation and were in the process of considering that documentation/information for the purpose of further discovery. Such further discovery has now been made by the Plaintiffs and the Plaintiffs are in the process of preparing for the trial;*
- 4.4.4.4. *Since our last report, plaintiffs have withdrawn the action as against the first to eighth defendants. Old Mutual remains as the only defendant to the action. The third party defendants remain Brown, Tucker, Malan, Mulder, De Jongh and Living Hands (Pty) Ltd from whom Old Mutual is seeking a contribution in the event they are found liable for payment of the dissipated funds.*
- 4.5. We once again submit that as the LHUT trustees are not in any way answerable to us or to the Registrar, but to the Master of the High Court, and as the Fidentia curatorship has no interest whatever in the outcome of the abovementioned litigation for the reasons outlined in previous reports, we should be excused from having to furnish any further reports on the Old Mutual litigation.
- 4.6. In so far as the Thebe litigation is concerned, we have decided, having regard to the fact that the matter has for all intents and purposes been dormant since 2012, to the nature of the evidence which would have to be led and the difficulties thereby presented, and to the fact that the curatorship has for all intents and purposes run its course, that we should do nothing further in respect of this litigation. From a reporting point of view the matter can thus be treated as finalised.
- 4.7. In so far as the unclaimed Antheru monies are concerned, Mr Papadakis is in the process of preparing a list of the names and last known addresses of the investors concerned, indicating the amount owing to each investor, following which we will pay the proceeds over into the Guardian's Fund in accordance with arrangements previously made in this regard.

5. Matters remaining outstanding

All that remains to be attended to before the curatorship order can be discharged are the following:

- 5.1. to resolve the dispute with CDH, which hopefully can be done in the near future by negotiation;
- 5.2. to collect the remaining balance of R1,357,500 from Orion at the rate of R100,000 per month, which in the normal course should be completed by the end of March 2018;
- 5.3. to identify a suitable owner for the total issued shares of Living Hands (Pty) Ltd and transferring the shares to the person so identified;
- 5.4. to pay the unclaimed Antheru monies into the Guardian's Fund;
- 5.5. to do a final distribution of the money collected from Orion together with whatever we succeed in recovering from CDH.

6. Recommendations

We respectfully submit that although the curatorship has virtually run its course, there are still the few matters to be attended to as herein reported. Accordingly, we recommend that the financial services business of the Respondents continues under curatorship in accordance with the provisional order dated 1 February 2007, as read with the final order dated 27 March 2007 and the order of Ms Justice Mantame dated 23 November 2017, and that we be directed:

- 6.1. to furnish the Registrar with progress reports relating to the matters still having to be attended to and any additional matters which may subsequently arise, in such manner and at such intervals as she may from time to time require;
- 6.2. to deliver a further report to this honourable court by 31 May 2019 or, in the event of the CDH claim having been disposed of and the Orion claim having been settled before that date, and the funds so recovered having been distributed, then within 45

days of the date by when such funds were distributed, whichever date occurs first, such report to contain the following information:

- 6.2.1. the status of the curatorship as at 30 April 2019;
- 6.2.2. an overview of assets disposed of or alienated and the distribution of the proceeds to the investors, including the distribution to investors who invested through Antheru Beleggings Trust;
- 6.2.3. a report on progress made with bringing the remaining matters still outstanding to finality, as also on any new matters which may arise subsequent to our 18th report;
- 6.2.4. the costs of the curatorship as at 30 April 2019;
- 6.2.5. any recommendations as to how the continuation of the curatorship or any related matters should be dealt with further.

DATED AT CAPE TOWN ON THIS 23rd DAY OF JUNE 2018



J A LEVIN

CO-CURATOR

IN THE HIGH COURT OF SOUTH AFRICA
(WESTERN CAPE DIVISION, CAPE TOWN)

"Annexe "A"

CASE NO: 679/2007

~~23.11.17~~

On 23 November 2017 at Cape Town

Before the Honourable Ms Justice Mantame

In the ex parte application of-

EXECUTIVE OFFICER OF THE FINANCIAL SERVICES BOARD Applicant

re the financial services business of

FIDENTIA ASSET MANAGEMENT (PROPRIETARY) LIMITED First Respondent
(Registration No. 1998/024863/07)

and

BRAMBER ALTERNATIVE (PROPRIETARY) LIMITED Second Respondent
(Registration No. 2000/024139/07)


and

FIDENTIA HOLDINGS (PROPRIETARY) LIMITED Third Respondent
(Registration No. 2001/022355/07)

ORDER

Having heard counsel for the Applicant;

IT IS ORDERED THAT:

1. The Curators' seventeenth report dated 28 September 2017 has been considered and accepted.
 2. The Applicant is directed to publish this order and the Curators' seventeenth report on its website.
 3. The Curators are directed to file a further report to the Court by not later than 30 June 2018 dealing with the following:
 - 3.1 the status of the curatorship as at 31 May 2018;
 - 3.2 an overview of assets disposed of or alienated and the distribution of the proceeds to investors, including the distribution to investors who invested through Antheru Beleggings Trust;
 - 3.3 details of civil actions which may have been instituted by or against the Curators and specifically the progress made with regard to the litigation matters involving the Living Hands Umbrella Trust;
 - 3.4 the costs of the curatorship as at 31 May 2018;
 - 3.5 any recommendations as to how the continuation of the curatorship or any related matters, should be dealt with further.
 4. On receipt of the Curators' report referred to in paragraph 3 above, the Applicant shall within 20 days set the matter down for consideration of the report.
- 

5. The costs of this application shall be costs in the curatorship.

BY ORDER OF THE COURT

WESTERN CAPE COURT
FOURTH DIVISION
2017 -11- 24
CAPE TOWN/KAAPSTAD
WES-KAAP HOË HOF

COURT REGISTRAR

Box 9 Bisset Boehmke McBlain

9

**JOINT CURATORS REPORT
COVERING THE PERIOD 01 SEPTEMBER 2017 TO 31 MAY 2018**

CONTENTS	PAGE
1. INTRODUCTION	2
2. ANALYSIS OF CDH FEES	2
3. STATUS REPORT ON LEGAL MATTERS	2
4. CRIMINAL MATTERS	2
4.1 State vs Dr P Bothma, the previous CEO of TETA	2
4.2 Moshate Holdings (Pty) Ltd ("Moshate")	3
4.3 The Fraudulent Sanek Trust Claim	3
5. COMPILATION OF ACCOUNTING RECORDS	3
6. COURT SANCTIONED DISTRIBUTION PLAN	4-12
6.1 Admitted Claims	4
6.2 Disposal of capital assets to date, and recoveries of other amounts	5-11
7. DISTRIBUTIONS	11-12
8. LEGAL FEES	12

JOINT CURATORS REPORT
COVERING THE PERIOD 01 SEPTEMBER 2017 TO 31 MAY 2018

1. INTRODUCTION

1.1 This report has been prepared by me, in my capacity as joint curator and deals with matters affecting the curatorship between the last report presented to Court and 31 May 2018.

1.2 The report deals with proceeds realised from the sale of assets and other recoveries affected, and how such proceeds have been applied, distinguishing between proceeds applied toward costs associated with the curatorship and distributions to investors.

1.3 The report also deals with matters affecting the assets under the control of the curators and how these have been dealt with since the last report.

2. ANALYSIS OF CDH FEES

2.1 Pursuant to my last Court report and the opinion received from Senior Counsel CDH was engaged. During November 2017 the report and Annexures prepared by me detailing my findings, including identified irregularities, as such pertain to the amounts invoiced and paid to CDH was provided to CDH. CDH then appointed its own forensic accountants and on 29 May 2018 an initial meeting was held between CDH's forensic auditors and me. At the said meeting additional information was requested by CDH's forensic auditor which was provided. At the meeting it was agreed that I would be provided with the initial workings of CDH's forensic auditors for me to consider same. These workings were provided on 14 June 2018 and I am in the process of considering them.

3. STATUS REPORT ON LEGAL MATTERS

3.1 Details pertaining to the status of outstanding legal matter are dealt with in the report of my co-curator.

4. CRIMINAL MATTERS

4.1 State vs Dr P Bothma, the previous CEO of TETA

4.1.1. The trial continues in the Johannesburg Commercial Crimes Court and is scheduled to proceed during July 2018 with the State continuing to present its case.

JOINT CURATORS REPORT
COVERING THE PERIOD 01 SEPTEMBER 2017 TO 31 MAY 2018

4.2 Moshate Holdings (Pty) Ltd (“Moshate”)

4.2.1 The criminal charge that I laid in this matter, and dealt with in my previous Court report, is still under investigation. I was supported by other Moshate shareholders in the initiation of this criminal complaint.

4.3 The Fraudulent Sanek Trust Claim

4.3.1 I have requested an update from the appointed investigating officer on this matter. At the time of writing I have not received any feedback.

5. COMPILATION OF ACCOUNTING RECORDS

5.1 The statutory audits of Bramber Property (Pty) Ltd, and Fidentia Facilities (Pty) Ltd in respect of the financial year ended August 2015 have been finalised and the applicable tax returns filed with SARS. Draft annual financial statements of Fidentia Facilities (Pty) Ltd for the year ended August 2016 have been prepared. In respect of Fidentia Administration Services (Pty) Ltd the statutory audits in respect of the financial year ended August 2016 have been finalised and the applicable tax returns filed with SARS.

5.2 As regards the statutory audit of Fidentia Holdings (Pty) Ltd, there is nothing further to report, and the audit of this company has not commenced. In light of the difficulties associated with obtaining the necessary information from the previous auditors, coupled with the costs of conducting the audit, it is recommended that the curators be excused from conducting the audit of Fidentia Holdings (Pty) Ltd.

5.3 As regards Bramber Property (Pty) Ltd this company has been placed under liquidation and as such the liquidators are required to attend to further preparation and filing of financial statements and tax returns.

**JOINT CURATORS REPORT
COVERING THE PERIOD 01 SEPTEMBER 2017 TO 31 MAY 2018**

6. COURT SANCTIONED DISTRIBUTION PLAN

6.1 Admitted Claims

6.1.1 The curators have admitted the following claims:

Investor	Capital Claim
TETA	R 185 000 000
Antheru	R 9 205 449
Balltron	R 38 573 680
LHUT	R1 133 911 822
Total admitted claims at date of this report	R1 366 690 951

6.1.2 In respect of the Evertrade transactions, there is nothing further to report.

6.1.3 In terms of the distribution plan as approved by the Western Cape High Court, the amounts as recorded at 6.2.1.6 *infra* have, as at 31 May 2018, been distributed to the TETA, Balltron, qualifying individual investors who invested with Antheru Trust and LHUT. The distribution to those persons and entities that invested directly with Antheru Trust has been made in accordance with a directive from the Registrar FAIS, and as directed by this Honourable Court.

6.1.4 With the approval of the FSB a guarantee held for the benefit of Balltron, in the amount of R4 418 311 was returned to Balltron. This amount does not form part of the capital claim of Balltron.

JOINT CURATORS REPORT
COVERING THE PERIOD 01 SEPTEMBER 2017 TO 31 MAY 2018

6.2 Disposal of capital assets to date, and recoveries of other amounts

6.2.1 The disposal of the capital assets as at 31 May 2018 is summarised as:

6.2.1.1 Proceeds from the Sale of Assets Comprising the Fixed Property Portfolio (exclusive of VAT):

Description of Property	Sales Proceeds R
Facets	43 480 824
Facets - Occupational Rental	6 177 054
Thaba Manzi	34 099 998
Thaba Manzi - Occupational Rental	2 100 000
Sante-Rental (Note 1)	(7 675 297)
Syco Deli	1 750 000
Syco Deli - Occupational Rental	176 250
Waterford Place	34 415 887
Wavelengths 231	5 302 552
Villa Marais	3 900 352
Recovery Transfer Duty & Deposit – Bell Sombre	1 510 268
Recovery Teewaterskloof	265 000
Erf 403, 410 & 411 Blue Horizon Bay	2 760 884
Sante Hotel Furniture	220 000
Furniture ex Villas	34 000
Villa Midagkrans	4 373 377
Villa Drakenstein	4 002 626
Villa Tierkloof	4 593 953
Villa Haumann	2 708 278
Spa Suite	2 811 433
Sante Hotel	24 102 614
Total	171 110 053

Note 1: The rental figure is recorded net of costs incurred associated with the hotel operation and which are invoiced in the name of the landlord (a Fidentia company).

JOINT CURATORS REPORT
COVERING THE PERIOD 01 SEPTEMBER 2017 TO 31 MAY 2018

6.2.1.2 The proceeds from the sale and realisation of assets associated with such sales, comprising the Private Equity Portfolio, exclusive of VAT, are.

Description	Net Sales Proceeds R
AOS	9 993 668
Software Futures	14 366 636
Fidentia Rangers	3 050 000
Boland Rugby	201 397
Polex	5 293 284
Infinity	13 464 626
Legatus	1 900 000
Saambou Board of Executors (Pty) Ltd	1 900 000
Modus Versekeringsmakelaars (Pty) Ltd	10 000
Sundry Legatus Receipts	361 543
Legatus Settlement	(237 500)
Total	50 303 654

6.2.1.3 Other recoveries comprise:

Description	Proceeds R
Sale of Movable Assets (Note 1)	11 528 656
Sale of Cricket Suite	319 200
Recoveries from Previous Directors & Staff (Note 2)	31 819 434
Recoveries from Third Parties (Note 2)	8 124 190
Guarantee (Note 3)	4 418 311
Liquidation Dividend Schekels & Sante Leisure	468 436
Liquidation Dividend E/L Cruickshank (Note 4)	291 963
Painting	500
Sale of Tanzanite Stone	6 450
Other	111 318
Total	57 088 458

JOINT CURATORS REPORT
COVERING THE PERIOD 01 SEPTEMBER 2017 TO 31 MAY 2018

Note 1: This amount is reported inclusive of VAT.

Note 2: Queries relating to amounts received in trust by DLA have been raised. DLA has ignored the queries and has not responded thereto. This may result in the reported figures being amended in future reports.

Note 3: The guarantee represents funds previously held as a guarantee deposited by Balltron.

Note 4: The dividend originates from a claim submitted by Fidentia Holdings in the amount of R59 million in the Deceased Estate Cruickshank. The dividend is paid in terms of the 4th and final liquidation and distribution account.

6.2.1.4 The inflow of funds as detailed *supra* can be summarised as:

Description	Proceeds R
Sale/rental of fixed properties	171 110 053
Sale of private equity	50 303 654
Other Recoveries (See 6.2.1.3 above)	57 088 458
Inflows from sales and recoveries	278 502 165
Interest earned (Note 1)	28 058 445
Interest Porex	2 260 809
Interest Infinity	729 455
Proceeds from trading activities	95 262 194
Total inflows	404 813 068

Note 1: No provision for tax on the interest earned has been raised, as it is anticipated that the interest income will be offset against the assessed losses and trading expenses of the various companies within the Fidentia Group.

JOINT CURATORS REPORT
COVERING THE PERIOD 01 SEPTEMBER 2017 TO 31 MAY 2018

6.2.1.5 The total outflows, representing expenditure by the Curators (exclusive of VAT), to 31 May 2018 are:

Description	Expenditure R
Curators Fees: D. Gihwala	16 110 111
Curators Fees: G. Papadakis	11 275 761
Curators Fees: J. Levin	6 018 795
Forensic Accounting Services	8 612 249
Legal Services-DLA CDH	49 335 008
Legal Services-Other Legal Practitioners	7 959 874
Recoveries-Legal Fees	(1 958 141)
FSB costs	3 143 542
Advertising & Photography Costs	196 185
Sanek Trust: Insolvent JAW Brown	195 367
Total expenditure	100 888 751

6.2.1.6 The amount currently available can accordingly be summarised as:

Description	R
Total inflows	404 813 068
Less: Total expenditure	(100 888 751)
Less: Distributions for benefit of LHUT	(113 389 614)
Less: Distribution of Guarantee to Balltron	(4 418 311)
Less: Amounts distributed in terms of Court Approved Distribution Order (Note 1)	(180 980 452)
Amount available	R5 135 940

JOINT CURATORS REPORT
COVERING THE PERIOD 01 SEPTEMBER 2017 TO 31 MAY 2018

Note 1: The amounts distributed as at 31 May 2018 comprise:

Investor	Amount Distributed	Remaining Amount to be Distributed	Total Court Approved Distribution
TETA	44 489 879	0	44 489 879
Balltron	9 276 424	0	9 276 424
LHUT (Note 1.1)	125 519 917	0	125 519 917
Antheru (Note 2.1)	1 694 232	519 548	2 213 780
TOTAL	180 980 452	519 548	181 500 000

Note 1.1: According to the Trustees of LHUT, as at 31 May 2018, an amount of R38 855 472 of the R125 519 917 paid to LHUT in accordance with the Court approved distribution plan, has been paid to the individual beneficiaries of the source funds. This represents 31% of the distribution paid to the LHUT. The Trustees of the LHUT have advised that they are proceeding to make the distributions in accordance with the provisions of an Order obtained in the Gauteng North High Court.

As at 31 May 2018 the LHUT has R40,120 million on investment. A reconciliation of amounts distributed by the curators yields the following:

	R
Distribution to LHUT i.t.o Court Approved Distribution Plan	125 519 917
Distribution to beneficiaries	(38 855 472)
Amount on investment	(40 120 000)
Balance	46 544 445

JOINT CURATORS REPORT
COVERING THE PERIOD 01 SEPTEMBER 2017 TO 31 MAY 2018

The balance of R46 544 445 represents expenses and costs associated with the LHUT, for example trustee fees, legal fees, auditing fees etc.

Note 2.1: The individuals and entities that invested funds via Antheru Trust have been sent, by registered post, correspondence detailing the process and documents that need to be submitted in order for their distributions to be processed. The letters were sent to the addresses as appearing in the records maintained by Fidentia of individual Antheru investors.

Those individual Antheru investors that have contacted the curators and provided the required documentation have upon verification thereof been paid the distribution due to them.

The table below reflects an analysis of the number of qualifying individual Antheru investors, how much these individuals have been paid and the status of the remaining R519 548 that has not been paid.

JOINT CURATORS REPORT
COVERING THE PERIOD 01 SEPTEMBER 2017 TO 31 MAY 2018

Qualifying number of investors	171	Qualifying investors paid as at 31 May 2018	124
Total amount to be distributed	R2 213 780	Amount paid to qualifying investors	R1 694 232
Individuals positively contacted by Registered Post and e-mail who have not responded	7	Value of claims	R98 002
Invalid bank accounts of qualifying investors closed subsequent to 1 st distribution		Value of claims	R33 859
Individuals positively contacted by Registered Post who have not responded	15	Value of claims	R103 252
Individual claims under consideration/awaiting requested documents	4	Value of claims	R74 213
Registered letters returned as unclaimed/untraced. Investors who need to be traced	21	Value of claims	R212 603

7. DISTRIBUTIONS

7.1 Since curatorship, the following distributions to investors have been made:

Distribution	R
Distribution to LHUT in terms of Curatorship Order	113 389 614
Distribution to LHUT pursuant to litigation instituted against Lekana (Note 1)	33 440 196
Distribution to LHUT pursuant to the Global Funding Agreement	340 000
Amounts paid in terms of the Court Approved Distribution Order	180 980 452
Balltron Guarantee Refund	4 418 311
Total Distribution/Refund to Investors	332 568 573

Note 1: Pursuant to litigation initiated by the curators against Lekana Employee Benefits, settlement was reached in terms of which this amount was paid directly to one of the source funds under the LHUT. Beneficiary funds

JOINT CURATORS REPORT
COVERING THE PERIOD 01 SEPTEMBER 2017 TO 31 MAY 2018

originating from this source fund were invested by LHUT with Fidentia Asset Management (Pty) Ltd.

The amount of R70.5 million was provided by the attorneys who attended to this matter. Since the date of the last report, it has become apparent that there are more than one source fund affected by the secret profits made by Lekana Employee Benefits ("Lekana"). Lekana paid an amount of R33 440 196 directly to the Mineworkers Pension Fund, and on this basis the trustees of LHUT appear to have abandoned the action against Lekana. In calculating the second distribution to LHUT, its distribution has been reduced by the amount of R33 440 196.

- 7.2 To date, a total amount of R332 568 573 has been returned to the investors since curatorship. To date distributions to LHUT, Balltron, and TETA have been made in amounts which represent 24% of the total admitted claims of all investors. This percentage excludes the refund of the Balltron guarantee. Including the Balltron guarantee refund the percentage increases to 24.3%.

8. LEGAL FEES

- 8.1 For the period 01 September 2017 to 31 May 2018 legal fees in the amount of R227 403 (including VAT) have been paid.

(Sgd) G N Papadakis

GN Papadakis CA (SA)

Issued in my Capacity as Co-curator Appointed under Case Number 679/2007
23 June 2018

JOINT CURATORS REPORT
COVERING THE PERIOD 01 SEPTEMBER 2017 TO 31 MAY 2018

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