

## THE FAKE NEWS OF THERON & PARTNERS

Theron & Partners recently published their newsletter for June 2017. Below are the comments of Orthotouch in regard to that newsletter.

***“Fake news is a type of journalism that consists of deliberate misinformation spread via traditional print and broadcast news media or online social media. Fake news is written and published with the intent to mislead in order to gain financially or politically, often with sensationalist, exaggerated, or patently false headlines that grab attention.”*** - Wikipedia

Jaques Theron of Theron & Partners and his well oiled media machine have become absolute experts on the dissemination of fake news. To find proof of this, one only has to read the June 2017 Monthly Newsletter distributed by Theron & Partners. It is clear from the Newsletter that same is distributed with one intention only and that is to raise money to fund the so called Class Action in the Highveld Syndication matters.

Many of the reports in the media have been written by journalists purely on information provided by Theron & Partners and/or the HSAG. This is evident from a number of established facts which cannot be disclosed at this time.

### Paragraph 1

The newsletter commences by stating that ***“31 March 2017 was the cut-off date for late-registrations to join the HSAG”*** and that ***“Any further late applications would only be considered on an ad hoc basis with specific conditions”***. There is little doubt that the ***“specific conditions”*** entail nothing more than payment to Theron & Partners to fund their litigation against Nic Georgiou, Orthotouch and others. That litigation is to Theron clearly a goose that lays a golden egg. The fact that payment is the only requirement for reinstatement is actually cleared in paragraph 3 (4th Sentence).

### Paragraph 2

After expressing some niceties and the importance of HSAG making financial contributions, the Newsletter goes on to say how the ***“proposed HSAG class action suit against Mr Nic Georgiou and others with regards to the unsuccessful Pickvest property syndication schemes, may receive a significant boost”***. The ***“significant boost”*** comes in the form of Mr Morkel Steyn who has ***“disassociated”*** himself from property magnate Mr Nic Georgiou, Orthotouch and several other related individuals, as he doesn't believe they act in the best interest of investors.'

No explanation is given as to why it has taken Mr Steyn so long to so ***“disassociate”*** himself. The newsletter makes no mention of the fact that Mr Georgiou has over a period of time lent to Mr Steyn an amount of approximately R14,000,000 and that Mr Steyn's ***“good conscience only seems to have been pricked when no further loans were forthcoming and repayment was demanded.”***

The newsletter also fails to make mention of the fact that Mr Steyn's erstwhile attorney, Andre Vlok on more than one occasion in a totally unprofessional manner attempted to extort further moneys from Mr Georgiou. The import of Mr Vlok's demands has been that (if Mr Georgiou advanced no further funds) Mr Steyn would make a press release and support the class action. This begs the question – what would Mr Steyn have done if Mr Georgiou were induced to advance further funds to him? What would the effect be on Mr Steyn's conscience if he successfully extorted funds?

Reference to Moneyweb's "**comprehensive**" report is ludicrous in the light of that medium's obvious slant and bias, a matter being dealt with separately.

### **Paragraph 3**

This paragraph really gets to grips with the real purpose of the newsletter, which is to encourage investors to pay more money to Theron & Partners.

It is very interesting that Theron & Partners specifically state that "**Any person who settles through them (Georgiou and associates) or who support (sic) their goals must accept the fact that they definitely do not have the support or sympathy of the HSAG.**"

In the first instance one would question what further "**support or sympathy**" such persons might require from the HSAG once they have settled their claims.

Numerous investors have complained that they specifically made payment to Theron & Partners for the purpose of pursuing a settlement on their behalf. The funds thus paid had nothing to do with the application for a class action or that to set aside the scheme of arrangement. As Theron & Partners failed, refused or neglected to pursue a settlement, the investors were forced to do so successfully on their own behalves.

The persons in question will be demanding repayment of the amounts which they paid to **Theron & Partners.**

### **Paragraph 4**

There is no reason in the circumstances of the general conduct of Theron & Partners to accept any of the statistics of their survey, or anything else they say, as true. We can report on a factual and not statistical basis in regard to Alternative 2 that 88% of investors by number and 68% by value have been paid. In regard to the remainder it would appear from the fact that none have complained to us, nor returned the increased amount of interest paid to them, that they are quite happy to be paid at the end of August 2017.

## **Paragraph 5**

The reference by Theron to a number of court matters is irrelevant. What is relevant, according to a number of investors who have approached us, is that Theron & Partners have failed to explain to them that:-

- 1 in the unlikely event that the class action application succeeds, all that will be achieved is the certification of a class of plaintiffs which at that stage will issue numerous summonses which will in all likelihood be defended; and
- 2 in the unlikely event that the setting aside application should succeed, the HS Companies will in all probability be liquidated with disastrous consequences for the investors.

## **Paragraph 6**

It is not our practice to discuss matters which are or might be *sub judice*. We do however record that the reason for which the settlement negotiations broke down is that Theron & Partners and Johan Stander demanded an exorbitant amount of money in order to continue settlement negotiations.

Had it not been for the unreasonable demands of Theron and Stander, an additional 800 settlements would probably have been concluded by Georgiou, over and above the close on 1500 concluded directly to date.

## **Paragraph 7**

Parties who have or may enter into settlements directly with us are fully apprised of their rights. We therefore do not propose to deal with Theron & Partners' comments, suffice it to state that Theron & Partners have to date achieved no relief at all for investors and in the unlikely event that they ever do it will be some years hence. On the other hand investors have to date been paid in excess of R1,1 billion and a number of claims have been settled by Orthotouch

What is stated above is significant in the light of the fact that investors in all the other property syndications have to date received only very negligible amounts of money, if any at all.

## **Paragraph 8**

This paragraph again goes to the crux of the matter, which is to collect more money.

We have had a number of complaints from investors in Highveld Syndications 15 to 18 that monies paid by them to Theron & Partners have been misappropriated and used for the legal matters relating to Highveld Syndications 19 to 22 only. Theron & Partners have repeatedly stated that action will shortly be taken on behalf of the HS15 to 18 investors but to date (some two years after certain of them made payment) absolutely nothing has been done.

Requests by HS 15 to 18 investors for proof that their funds are still held in trust have been ignored by Theron & Partners.

One wonders whether the words in capitals at the end of this clause relate to amounts taken from Highveld Syndication 15 to 18 investors and/or to persons who made payment for the negotiation of a settlement only? It would appear that the words do so relate given that Theron has avoided or refused a number of requests from investors for information relating to the amounts paid into his trust account.

### **Paragraph 9**

This issue has been handled above

### **Paragraphs 10, 11 and 12**

The matters raised herein relate to the internal administration of Theron & Partners and/or the HSAG in regard to which we have no interest.