

# *I N D E P E N D E N T*

*C O R P O R A T E R E C O V E R Y A D V I S O R S*

Independent Trustees (Pty) Limited (Reg No 2002/025164/07)  
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## **TO ALL KNOWN INVESTORS & CREDITORS**

Your Ref:

Our Ref: **R PIETERS**

Direct Line: **021 – 880 5400**

Direct Fax: **021 – 880 5430**

Cell Phone:

Direct E-Mail: **rynettep@corprecover.co.za**

Date: **16 October 2009**

Dear Sir / Madam

## **RE : BIZ AFRICA 1332 (PTY) LIMITED t/a KINGS FINANCIAL HOLDINGS (PTY) LIMITED ("IN LIQUIDATION") AND ITS SUBSIDIARIES ("THE GROUP")**

1. We refer to the above matter and to our previous communications.
2. Pursuant to what was stated in our previous circular and in order to take control of all the companies in the Group the following entities have to date been placed in liquidation:

| MATTER  | MASTERS REF | DEVELOPMENT  | CITY           |
|---|-------------|--|----------------|
| Biz Africa 1332 (Pty) Ltd t/a King Financial Holdings | C721/09     |  |                |
| Edrei Investments 4 (Pty) Ltd                         | C760/2009   | Erf 2906, Port Elizabeth, Eastern Cape   |                |
| Edrei Investments 7 (Pty) Ltd                         | C761/2009   | HUNTERS RETREAT:<br>Erf 2411, 2410 en 2659, Port Elizabeth, Eastern Cape   | PORT ELIZABETH |
| Edrei Investments (Pty) Ltd                           | C767/2009   |  |                |
| Octocon Civils )Pty) Ltd                              | C768/2009   | Erf 1126, Irene, Gauteng<br>Erf 870, 9111, 9163, 9164, 867, Wellington Office<br>Unit 11, Kings Place, Western Cape<br>Erf 11740, Russelstraat 47, Worcester<br>Unit 40, Queens Terrace, Western Cape<br>Unit 3, 5, 6, 7, 8, Office Park, Tswane | VARIOUS        |

### **Independent Trustees (Pty) Ltd is a member of hww insolvency cooperation partners**

Austria (Vienna) Brazil (Sao Paulo) Cayman Islands (Grand Cayman) Czech Republic (Prague) France (Paris) Germany (Hamburg) Great Britain (London) Hungary (Budapest) India (New Delhi) Italy (Rome) Mexico (Mexico City) Netherlands (Amsterdam) Poland (Warsaw) Republic of China (Hong Kong) Romania (Bucharest) Russia (Moscow) South Africa (Johannesburg) Spain (Barcelona) Sweden (Stockholm) USA (New York)

#### Directors:

JF Klopper B Com B Proc R Pieters\* B Econ LDR Van der Merwe\* B Com LLB  
MJ Maseko B Juris LLB HA Plaatjies\* B Juris LLB

\* Member of the Association of Insolvency Practitioners of Southern Africa ("AIPSA")

|                            |           |  |                |
|----------------------------|-----------|--|----------------|
|                            |           | STORAGE SPOT N7  |                |
| A & S Makelaars (Pty) Ltd  | C769/2009 | Welgedagt Farm, Portion 1 farm 1508  |                |
| RZT Zelpy 4615 (Pty) Ltd   | C775/2009 | MILKWOOD:<br>Erf 15293, Uitenhage, Eastern Cape  | UITENHAGE      |
| RZT Zelpy 4616 (Pty) Ltd   | C776/2009 | ERF 98:<br>Portion 98 of farm 496, Gauteng   | MIDRAND        |
| Redlex 330 (Pty) Ltd       | C778/2009 | BAINSKLOOF ESTATE:<br>Portion 2, 4, 5-25 farm 1364, Western Cape   | WELLINGTON     |
| Kingvest 4 (Pty) Ltd       | C779/2009 | CARLSWORLD 90:<br>Portion 90 Farm 406, Gauteng   | MIDRAND        |
| Kingvest 2 (Pty) Ltd       | C808/2009 | STORAGE FIN:<br>536 Units  |                |
| RZT Zelpy 4613 (Pty) Ltd   | C809/2009 | ARLINGTON:<br>Erf 1953, Port Elizabeth, Eastern Cape   | PORT ELIZABETH |
| Alto Enterprises (Pty) Ltd | C810/2009 | Malan 1 ,2, 3, 5, 6, 7, 10, 13,, Wellington<br>Kings Place 1, Paarl<br>Erf 14929, Stellenbosch<br>Unit 41, 29 Olive Park, Western Cape<br>Unit 29, 31 Village Lane, Western Cape<br>Unit 7, The Dene, Port Elizabeth<br>Erf 6459, Langebaan, Western Cape<br>Unit 17, Manhattan Park, Western Cape<br>Erf 1132, Bainstraat 73, Wellington<br>Erf 20488, Kuilsrivier, Western Cape<br>Erf 33610, 33614, 33643, 33581, Strand<br>Kings Village, 22, 103, 206, 213, 1, 12, PE | VARIOUS        |

|                                  |           |  |             |
|----------------------------------|-----------|--|-------------|
| Edrei Investments 5 (Pty) Ltd    | C811/2009 | Erf 683 en 684, Durbanville, Western Cape                                | DURBANVILLE |
| RZT Zelpy 4573 (Pty) Ltd         | C819/2009 | SCHONENBERG: Erf 16450, Somerset West, Western Cape                      | STRAND      |
| Kingvest 1 (Pty) Ltd             | C820/2009 | MONATANA: Montana Agricultural Holdings 132 and 133                      | PRETORIA    |
| RZT Zelpy 4619 (Pty) Ltd         | C821/2009 | HERITAGE HILL: Erf 927, 1087, 1080 en 1082, Tshwane                      | EKURHULENI  |
| RZT Zelpy 4617 (Pty) Ltd         | C830/2009 | RANDJEPARK: Erf 316, Randjepark, Gauteng                                 | MIDRAND     |
| RZT Zelpy 4614 (Pty) Ltd         | C831/2009 | WATERKLOOF Erf Portion 27 of farm 378, Twane                             | CENTURION   |
| Edrei Investments 3 (Pty) Ltd    | C849/2009 | Erf 3764, Bellville, 255 Durban Road                                     | BELLVILLE   |
| Edrei Investments 1 (Pty) Ltd    | C850/2009 | Erf 36153, Goodwood, Western Cape  | GOODWOOD    |
| Greendot Storage (Pty) Ltd       | C851/2009 | N7 STORAGE: Portion 3 Farm 214   | CAPE TOWN   |
| Edrei Investments 9 (Pty) Ltd    | C852/2009 | KINGS TERRACE: King Terrace, Port Elizabeth                              | WALMER      |
| Edrei Investments 12 (Pty) Ltd   | C853/2009 | Erf 3342, East London, Eastern Cape                                      | EAST LONDON |
| Edrei Investments 2 (Pty) Ltd    | C866/2009 | Erf 7248, 7319, 8319, 8099, 15654, 754 en 899, Durbanville, Western Cape | DURBANVILLE |
| Edrei Investments 15 (Pty) Ltd   | C872/2009 | Erf 49568, Vacant Land   |             |
| Edrei Investments 13 (Pty) Ltd   | C873/2009 | Erf 1290, Pretoria, Gauteng  | GAUTENG     |
| Autumn Star Trading 96 (Pty) Ltd | C910/2009 |  |             |
| Kingvest 3 (Pty) Ltd             | C911/2009 | Erf 5656, Pietersburg, Polokwane   | POLOKWANE   |
| Edrei Property Finance Ltd       | C938/2009 |  |             |
| Kingvest 7 (Pty) Ltd             | C912/2009 |  |             |
| King Health Holdings (Pty) Ltd   | C957/2009 |  |             |
| Zelpy 4618 (Pty) Ltd             | C822/2009 | OLIEVENZICHT KOSMOSDAL   | CENTURION   |

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3. We urge creditors and investors who have not as yet submitted their claims to peruse the above list and to obtain claim forms from the following link:  
<http://www.corprecover.co.za/PDFFiles/claim.pdf>
  4. Telephonic enquiries relating thereto may be also be addressed to the Kingfin offices in Wellington at (021) 864 2136. For this purpose you may communicate with:
    - 4.1. Surika Van Rooyen – email : [surika@kingfin.co.za](mailto:surika@kingfin.co.za) or
    - 4.2. Carien Bruwer – email: [cbruwer@kingfin.co.za](mailto:cbruwer@kingfin.co.za)
  5. The provisional liquidators have employed these staff members to assist investors and creditors with the completion of the claim documents and to answer any questions relating thereto.
  6. The joint provisional liquidators have been approached by a number of parties who have expressed an interest to propose schemes of arrangements or compromises in terms of Section 311 of the Companies Act 61 of 1973 in respect of certain individual companies or a number of companies within the Group. There are also parties who have expressed an interest in purchasing certain individual assets. The details of all such parties are being recorded in a database and all interest that has been expressed has been taken seriously by the provisional liquidators. All proposals which might be to be advantage of the creditors will be considered.
  7. It would be premature for the provisional liquidators to disseminate information to such interested parties on a piecemeal basis as and when they are approached by such parties. It would also not be proper to allow parties who wish to conduct a due diligence to do so as the provisional liquidators are in the process of establishing the very information which any prospective offeror or party wishing to propose a scheme of arrangement would need before an offer can be made. As far as the claims of investors are concerned, this is a matter which is presently being investigated. Share registers are in the process of being updated and legal advice is being sought in relation to the validity of investor claims. It would for instance appear from initial investigations that some investments were allocated incorrectly and that some investor's investments had been allocated to certain investments without their consent. It would further appear that a number of investors never received their share certificates

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8. Both a representative of our firm and Sanek Trust has been appointed as provisional liquidator in each of the abovementioned liquidated entities.
  9. The administration in the **Edrei Investment** entities, **Kingvest 2 (Pty) Limited** and **Autumn Star Trading (Pty) Ltd ('King Property Finance')** is being attended to by Sanek Trust. The liquidators from Sanek's offices who are attending to these matters are Mr Stephen Gore, Mr Trevor Glaum and Mrs Darusha Moodliar. Their telephone number is 021 418 4010. They are using the services of Messrs Herman and Roman Property Solutions not only to administer all the income producing properties but also to attend to the collection of monthly rentals, the maintenance and insurance of buildings.
  10. The administration in respect of the other **Kingvest entities** are being attended to by our firm and the liquidators attending thereto are Rynette Pieters and Hans Klopper. The assets of these companies consist in the main of vacant land in the initial stages of a development. We are in the process of investigating the situation relating to each individual vacant stand a decision relating to the completion of a development will be made once it is clear that 85% of the stands in a development had been serviced and will, in conjunction with experts, consider whether it will be financially viable to complete the installation of services in order to realise the best value for the creditors and investors.
  11. **Octocon Civils (Pty) Limited** and **Alto Enterprise (Pty) Limited** own buildings and flats which are being occupied by tenants and the monthly rentals are being collected. **A & S King Makelaars (Pty) Limited** owns all the vehicles and movable assets in the Group.
  12. Intercompany loan accounts are being investigated in conjunction with accounting staff which need to be thoroughly investigated and reconciled.
  13. The administration relating to the **Zelpy companies** are also being attended to by our firm. The assets of these companies consist of semi developed or partially completed residential properties. The value of each property is being determined in order to enable the provisional liquidators to take correct decisions with regard to the realisation of the best value for investors and creditors.

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14. Circulars setting out the assets and liabilities in respect of each company will shortly be sent to investors and creditors of such entity.
15. The provisional liquidators will shortly consider to apply to Court for the convening of enquiries in terms of Section 417 of the Companies Act to enable them to commence with the examination of witnesses to investigate the trade, dealings and affairs of the various companies in the Group with a view to determining whether there is an basis for holding certain parties personally liable and to investigate the likelihood of further recoveries.
16. The Afrikaans version of this circular may be obtained from our website or by request to Tel 021-864 2136.

Yours faithfully  
INDEPENDENT TRUSTEES (EDMS) BPK

**RYNETTE PIETERS**