

MAXI MORE PROPERTIES 46 CC (IN LIQUIDATION)
("the Close Corporation")

MASTER'S REFERENCE NUMBER : T46/07

REPORT OF THE LIQUIDATOR, IN TERMS OF SECTION 79 OF THE CLOSE CORPORATION'S ACT NO 69 OF 1984 ("THE ACT") TO BE SUBMITTED AT A SECOND MEETING OF CREDITORS TO BE HELD BEFORE THE MASTER OF THE HIGH COURT, PRETORIA ON THURSDAY, 20th SEPTEMBER 2007 AT 10:00

ORDER OF THE COURT AND MEETINGS

| | |
|---------------------------|------------------------------------|
| Nature of Liquidation | Ex parte Application |
| Date of liquidation | 30 November 2006 |
| Date of provisional Order | 5 December 2006 |
| Date of Final Order | 16 January 2007 |
| Joint Liquidators | LDR vd Merwe, E Wagner & CI Lehoka |

GENERAL AND STATUTORY INFORMATION

Registrar of Close Corporations

The Close Corporation was duly registered with the Registrar of Close Corporation under their reference number 2005/004409/23.

Registered Address

21 Wilkenson Street, Kilner Park, 0186

Nature of Business

The Close Corporation carried on business as a property investment.

Business Address

Member and Interest

The Member in the Corporation is as follows:

Jalal El Mohamadir

We now report in terms of Section 79 of the Close Corporation's Act:

SECTION 79(a)

ASSETS AND LIABILITIES

According to the Notice of Motion, the following would appear to represent the financial state of affairs of the Corporation as at the date of liquidation:

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| | Notes | Liabilities | Assets |
|---|-------|--------------|------------|
| <u>Immovable Property: Erf 1342 Montana</u> | | | 780,000.00 |
| <u>Movable Assets</u> | | | None |
| <u>Secured Creditors (First national Bank)</u> | | 1,160,000.00 | |
| <u>Preferent Creditors</u> | | | |
| SARS | | Unknown | |
| <u>Concurrent Creditors (approximate)</u> | | 40,000.00 | |
| TOTAL | | 1,200,000.00 | 780,000.00 |
| DEFICIT | | 420,000.00 | |

NOTES

1. The above figures are subject to adjustment and verification;
2. The CM100 was not submitted by the company;
3. No books and records were provided to the liquidator;

SECTION 79(b)

CAUSES OF THE CORPORATION'S FAILURE

In the absence of any books and records and the fact that we have to date been unable to interview the member concerning the financial affairs of the company, we are unable to comment meaningfully as to the causes of its failure.

SECTION 79(c)

**REPORT UNDER SECTION 400(2) OF THE COMPANIES' ACT READ WITH
SECTION 66 OF THE CLOSE CORPORATION'S ACT**

Should it be found necessary, a report under Section 400(2) will be submitted direct to the Master of the High Court prior to a Final Liquidation Account being prepared.

The Member appears to have contravened the following provisions of the Companies' Act.

Section 105 in that we have not been furnished with the Members Register of the Close Corporation and the Member may have failed to maintain same.

Section 242 in that we have not been furnished with the Minute Book of the Close Corporation and the Member may have failed to maintain same.

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Section 414 in that the Member failed to attend the First Meeting of Creditors.

Section 284 in that we have not been furnished with the books and records of the Close Corporation and the Member may have failed to maintain same.

Section 363 In that we have not been furnished with a Statement of Affairs form.

SECTION 79(d)

LIABILITY OF MEMBER

We can not at present report under this section at this stage. However, should it be found necessary a report under this section will be made to the Master of the High Court at a later stage.

SECTION 79(e)

LEGAL PROCEEDINGS

As far as we are aware there are no legal proceedings pending by or against the Corporation, save and except for the recovery of debts.

SECTION 79(f)

FURTHER ENQUIRY

The liquidators do not intend holding any enquiry in this matter at present, and will report to creditors if this position changes.

SECTION 79(g)

BOOKS AND RECORDS

The books and records of the Corporation have not been handed to us.

SECTION 79(h)

PROGRESS AND PROSPECTS OF WINDING-UP

The only asset of the close corporation is the immovable property referred to above. These assets will forthwith be realized.

SECTION 79(i)

MATTERS REQUIRING FURTHER DIRECTIONS OF CREDITORS AND CONTRIBUTORIES

Such directions as we desire, and sanction of the actions taken by the Liquidators to date, are contained in the Resolutions to be submitted for consideration and adoption are attached hereto.

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GENERAL

As there appears to be every danger of a contribution being levied on Creditors. We cannot recommend that concurrent creditors submit claims for proof.

DATED at JOHANNESBURG this _____ day of _____ 2007.

LDR VAN DER MERWE

JOINT LIQUIDATOR

DATED at _____ this _____ day of _____ 2007.

E WAGNER

JOINT LIQUIDATOR

DATED at _____ this _____ day of _____ 2007.

CI LEHOKA

JOINT LIQUIDATOR

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**RESOLUTIONS SUBMITTED AND ADOPTED AT THE SECOND MEETING OF CREDITORS
HELD BEFORE THE MASTER OF THE HIGH COURT, PRETORIA ON 20TH SEPTEMBER 2007
AT 10H00**

RESOLVED THAT:

1. The report of Liquidator or Joint Liquidators, as the case may be, hereinafter referred to as (the Liquidator"), as submitted be received and adopted and all his actions referred to therein be and are hereby confirmed, ratified and approved.
2. All actions of whatsoever nature heretobefore taken by the Provisional Liquidator and/or Liquidator be and are hereby confirmed, ratified and approved.
3. The Liquidator be granted the authority and is vested with all the powers mentioned in Section 386(4)(a) – (i) of the Companies Act No 61 of 1973, as amended, such powers to be exercised at his sole and absolute discretion.
4. The Liquidator be and is hereby authorised in his sole and absolute discretion to:
 - 4.1. Take legal advice on any question of law affecting the administration and distribution of the company;
 - 4.2. Institute or defend on behalf of the company any action or other legal proceedings of a civil nature for the recovery of monies due to the company or otherwise and subject to the provisions of any law relating to criminal procedure, institute any criminal proceedings;
 - 4.3. Hold any enquiry into the affairs of the company and/or any matter relating thereto;

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- 4.4. Investigate and institute legal proceedings for the recovery of any voidable or undue preferences, voidable dispositions of property or any other impeachable transactions of whatsoever nature and to abandon same at any time;
- 4.5. Write up the books of the company as may be required, and if necessary, to produce a balance sheet, audited or not, as at the date of liquidation, either for the purpose of investigating the affairs of the company, establishing the claims of creditors, or any other purpose.
5. The Liquidator be and is hereby authorised in his sole and absolute discretion to employ and engage the services of attorneys and/or counsel (senior and/or junior) and/or accountants and/or bookkeepers and/or any employee of the insolvent and/or recording agents and/or any other person who in the sole discretion of the Liquidator may be of assistance in the winding-up of the company in relation to any matter referred to in 4 above and further to pay all the costs thereof of whatsoever nature out of the estate as costs incurred in the liquidation.
6. The Liquidator be and is hereby authorised to collection any debts due to the company and for the purpose thereof to sell or compound or compromise any of these debts for such sum and upon such terms and conditions as he in his sole discretion may deem fit, and to accept any part of the debt in settlement thereof, and to grant an extension of time for the payment of any such debt, and to abandon any debt which he in his sole discretion may deem to be irrecoverable.
7. The Liquidator be and is hereby authorised to dispose of any movable and immovable property of the company, whether in his possession or under his control now or to come into his possession or under his control in the future by public auction, private treaty or public tender upon such terms and conditions as he in his sole and absolute discretion shall determine and to abandon any such assets for which he can find no purchaser or abandon them to a secured

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creditor at the value placed thereon by such creditor or at such value as is agreed upon by the Liquidator and the creditor if such creditor's claim is secured by such assets and to sign all such documents as may be necessary to give effect to such disposition.

8. The Liquidator be and is hereby authorised and empowered in his sole discretion to compromise and admit any claim against the company of whatsoever nature and howsoever arising and whether disputed or not and whether actual, contingent, prospective, conditional, unconditional, assessed, unassessed, liquidated or unliquidated as a liquidated claim in terms of Section 78(3) of the Insolvency Act No 24 of 1936 as amended, read with Section 339 of the Companies Act No 61 of 1973, as amended, at such amount as may be agreed upon by the Liquidator, provided that proof thereof has been tendered at a meeting of creditors.
9. The Liquidator be and is hereby authorised to make application for the destruction of books and records of the estate six months after the confirmation of the Final Liquidation and Distribution Account.
10. The Liquidator be and is hereby authorised to perform any act or exercise any power for which he is not expressly required by the Companies Act No 61 of 1973, as amended, to obtain the leave of the Court.
11. The Liquidator be and is hereby authorised to submit to the determination of arbitrators any dispute concerning the company or any claim or demand by or upon the company.
12. The Liquidator be and is hereby authorised to carry on or discontinue any part of the business of the company insofar as may be necessary for the beneficial winding-up thereof.
13. The Liquidator be and is hereby authorised to exercise mutatis mutandis the powers conferred upon a Liquidator by Section 35 (uncompleted acquisition of immovable property before

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liquidation) and 37 (effect of liquidation upon a lease) of the Insolvency Act No 24 of 1936, as amended, read with Section 339 of the Companies Act No 61 of 1973, as amended.

14. The creditors hereby consent to the liquidator's remuneration ("the remuneration") being taxed by The Master of High Court in terms of section 384 of the Act **at the higher figure** of:

14.1. the prescribed tariff as is contained in Annexure CM 104 to the Winding Up regulations to the Act

14.2. the increased amount of work done by the liquidator in terms of the actual time spent by him or her and his or her staff in the discharge of their duties in the winding-up as is reflected on properly kept timesheets at the charge out tariff of the respective professional and administrative staff and which will be deemed to be good cause for the increase of such remuneration.

15. The remuneration referred to in 14 above may further be increased based on aspects such as:

15.1. the complexity of the estate in question,

15.2. the degree of difficulty encountered by the liquidator in the administration of the estate ,and

15.3. particular difficulties experienced by the liquidator because of the nature of the assets or some other similar feature connected with the winding-up,

16. The further administration of the affairs of the company be left entirely in the hands and at the discretion of the Liquidator.