COMBINED SUMMONS

Case No.: 95/8724

In the Supreme Court of South Africa

(WITWATERSRAND LOCAL DIVISION)

in the matter between :

FSI CORPORATE SERVICES (PTY) LIMITED	First Plaintiff
FORWARD CORPORATION LIMITED	Second Plaintiff
FSI CORPORATION LIMITED	Third Plaintiff
HUNTS LIMITED	Fourth Plaintiff
HUNTS MANUFACTURING COMPANY (PTY) LIMITED	Fifth Plaintiff

and

JEFFREY MICHAEL LIEBESMAN	First Defendant
NEVILLE COHEN	Second Defendant
CONFOR INVESTMENTS ONE (PTY) LIMITED	Third Defendant
KESSEL FEINSTEIN	Fourth Defendant
C K HERMAN	Fifth Defendant

To the sheriff or his deputy:

INFORM

1. **JEFFREY MICHAEL LIEBESMAN**, an adult male businessman of 53 Harrow Road, Sandhurst, Johannesburg.

2. **NEVILLE COHEN**, an adult male businessman of 819 Gail Road, Morningside Extension 83, Sandton.

3. **CONFOR INVESTMENTS ONE (PTY) LIMITED** (formerly CONFOR INVESTMENTS LIMITED), a company duly incorporated in accordance with the company laws of the Republic of South Africa and having its registered office at 53 Harrow Road, Sandhurst, Johannesburg.

4. **KESSEL FEINSTEIN**, a partnership of chartered accountants having its principal place of business within this court's area of jurisdiction at 12th Floor, Penmore Tower, 1 Rissik Street, Johannesburg.

5. **C K HERMAN**, an aduit male chartered accountant and partner in Kessel Feinstein at its Johannesburg office.

(hereinafter called the Defendant(s)) that

Received 11 30 hrs.
17/11/1995 at
Sheriffs Office
131 Marshall Street

1. **FSI CORPORATE SERVICES (PTY) LIMITED**, a company duly incorporated in accordance with the company laws of the Republic of South Africa and having its registered office and principal place of business at 6th Floor, 35 Siemert Road, Doornfontein, Johannesburg.

2. **FORWARD CORPORATION LIMITED**, a company duly incorporated in accordance with the company laws of the Republic of South Africa and having its registered office and principal place of business at the address referred to in paragraph 1. above.

3. **FSI CORPORATION LTD**, a company duly incorporated in accordance with the company laws of the Republic of South Africa and having its registered office and principal place of business at the address referred to in paragraph 1. above.

4. **HUNTS LIMITED**, a company duly incorporated in accordance with the company laws of the Republic of South Africa and having its registered office and principal place of business at the address referred to in paragraph 1. above.

5. **HUNTS MANUFACTURING COMPANY (PTY) LIMITED**, a company duly incorporated in accordance with the company laws of the Republic of South Africa and having its registered office and principal place of business at the address referred to in paragraph 1. above.

(hereinafter called the Plaintiff(s)), hereby institutes action against the Defendant(s) in which action the Plaintiff(s) claim the relief and on the grounds set out in the particulars annexed hereto.

INFORM the Defendant(s) further that if Defendant(s) disputes/dispute the claim and wishes/wish to defend the action, the Defendant(s) shall-

(i) Within TEN days of the service upon the Defendant(s) of this summons, file with the registrar of this Court at **Von Brandis Square, cnr. Pritchard & Von Brandis Streets, Johannesburg** Notice of Defendant(s) intention to defend and serve a copy thereof on the Attorneys of the Plaintiff(s), which notice shall give an address (not being a post office or poste restante) referred to in rule 19(3) for the service upon the Defendant(s) of all notices and documents in the action.

(ii) Thereafter and within twenty days after filing and serving notice of intention to defend as aforesaid, file with the registrar and serve upon the Plaintiff(s) a Plea, Exception, Notice to strike out, with or without a Counter-claim.

INFORM the Defendant(s) further that if the Defendant(s) fails/fail to file and serve notice as aforesaid, Judgment as claimed may be given against the Defendant(s) without further notice to the Defendant(s), or if having filed and served such notice, the Defendant(s) fails/fail to plead, except, make application to strike out or counter-claim, Judgment may be given against the Defendant(s)

AND immediately thereafter serve on the Defendant(s) copy of this Summons and return the same to the Registrar with whatsoever you have done thereupon.

DATED at Johannesburg this 12 day of NOVEMBER 1995.

Registrar of the Supreme Court

SONNENBERG HOFFMANN & GALOMBIK
Plaintiffs' Attorneys
9th Floor, Norwich on St. George's
9 St. George's Mall
CAPE TOWN
Tel. 419 2360
(Ref. Mr J M Zieff/163039)

c/o BELL DEWAR & HALL

per:_____

20th Floor, 78 Fox Street
JOHANNESBURG
(Ref: Mr E van den Berg) /107926

2.5 The fifth defendant is **C K HERMAN** ("Herman"), an adult male chartered accountant and partner in Kessel Feinstein at its Johannesburg office.

3. 3.1 Save where otherwise indicated, the phrase "at all material times" in these particulars of claim means from 1988 to 1994 (both years inclusive).

3.2 All references to "the Act" or to "the Companies Act" are to the Companies Act No 61 of 1973 (as amended).

4. 4.1 At all material times:

4.1.1 FS Group Limited ("FSG") was the holding company of FSI, which was the holding company of Waicor Limited ("Waicor"), which was the holding company of W & A;

4.1.2 FSI and its subsidiaries carried on diverse business operations in the automotive, consumer and industrial spheres and in the field of maintenance and site services;

4.1.3 FSI's subsidiaries included Teamcor Limited ("Teamcor") (formerly known as Natbolt Group Limited), Hunts Manufacturing, W & A Manufacturing (Pty) Ltd ("W & A Manufacturing"), John Craig (Pty) Ltd ("John Craig") and Homemakers Group Limited ("Homemakers") (the latter company as from 15 March 1990).

IN THE SUPREME COURT OF SOUTH AFRICA
(WITWATERSRAND LOCAL DIVISION)

CASE NO.

In the matter between:

FSI CORPORATE SERVICES (PTY) LIMITED	First Plaintiff
FORWARD CORPORATION LIMITED	Second Plaintiff
FSI CORPORATION LIMITED	Third Plaintiff
HUNTS LIMITED	Fourth Plaintiff
HUNTS MANUFACTURING COMPANY (PTY) LIMITED	Fifth Plaintiff

and

JEFFREY MICHAEL LIEBESMAN	First Defendant
NEVILLE COHEN	Second Defendant
CONFOR INVESTMENTS ONE (PTY) LIMITED	Third Defendant
KESSEL FEINSTEIN	Fourth Defendant
C K HERMAN	Fifth Defendant

PLAINTIFFS' PARTICULARS OF CLAIM

THE PARTIES

1. 1.1 The first plaintiff is **FSI CORPORATE SERVICES (PTY) LIMITED** ("Corporate Services"), a company duly incorporated in accordance with the company laws of the Republic of South Africa and having its registered office and principal place of business at 6th Floor, 35 Siemert Road, Doornfontein, Johannesburg.

1.2 The second plaintiff is **FORWARD CORPORATION LIMITED**, a company duly incorporated in accordance with the company laws of the Republic of South Africa and having its registered office and principal place of business at the address referred to in paragraph 1.1 above. At all material times to this action, the name of the second plaintiff was W & A Investment Corporation Limited, and for convenience it will be referred to herein as "W & A".

1.3 The third plaintiff is **FSI CORPORATION LTD** ("FSI"), a company duly incorporated in accordance with the company laws of the Republic of South Africa and having its registered office and principal place of business at the address referred to in paragraph 1.1 above.

1.4 The fourth plaintiff is **HUNTS LIMITED** ("Hunts"), a company duly incorporated in accordance with the company laws of the Republic of South Africa and having its registered office and principal place of business at the address referred to in paragraph 1.1 above.

1.5 The fifth plaintiff is **HUNTS MANUFACTURING COMPANY (PTY) LIMITED** ("Hunts Manufacturing"), a company duly incorporated in accordance with the company laws of the Republic of South Africa and having its registered office and principal place of business at the address referred to in paragraph 1.1 above.

2. 2.1 The first defendant is **JEFFREY MICHAEL LIEBESMAN** ("Liebesman"), an adult male businessman of 53 Harrow Road, Sandhurst, Johannesburg.

2.2 The second defendant is **NEVILLE COHEN** ("Cohen"), an adult male businessman of 819 Gail Road, Morningside Extension 83, Sandton.

2.3 The third defendant is **CONFOR INVESTMENTS ONE (PTY) LIMITED** (formerly CONFOR INVESTMENTS LIMITED) ("Confor"), a company duly incorporated in accordance with the company laws of the Republic of South Africa and having its registered office at 53 Harrow Road, Sandhurst, Johannesburg.

2.4 The fourth defendant is **KESSEL FEINSTEIN**, a partnership of chartered accountants having its principal place of business within this court's area of jurisdiction at 12th Floor, Penmore Tower, 1 Rissik Street, Johannesburg.

4.1.4 FSG, FSI, Waicor, W & A and certain of W & A's subsidiaries were public companies whose shares were listed on the Johannesburg Stock Exchange ("the JSE").

4.1.5 Confor was a wholly owned subsidiary of Confor Holdings (Pty) Limited ("Confor Holdings").

4.2 FSG and its subsidiaries will be referred to herein as "the group".

5. 5.1 Corporate Services was at all material times until 1 January 1993 a wholly-owned subsidiary of FSI.

5.2 With effect from 1 January 1993 the shares in Corporate Services were transferred from FSI to W & A, and Corporate Services thereupon became a wholly-owned subsidiary of W & A.

5.3 At all material times the business of Corporate Services was to provide managerial, administrative and secretarial services to other companies in the group.

6. 6.1 Liebesman became a director of Confor on 1 April 1981 and is still a director of that company.

6.2 Liebesman was also, until 23 February 1994, the executive chairman of the group and a director of (among others) the following companies :

6.2.1 FSG (from 6 February 1987);

6.2.2 FSI (from 19 December 1983);

6.2.3 Waicor (from 14 September 1987);

6.2.4 W & A (from 17 September 1987);

6.2.5 Corporate Services (from 6 February 1987);

6.2.6 Teamcor (from 19 December 1983);

6.2.7 Hunts (from 14 September 1987);

6.2.8 Hunts Manufacturing (from 1 March 1991);

6.2.9 Homemakers (from 28 February 1991).

7. 7.1 Cohen became a director of Confor on 1 May 1985 and is still a director of that company.

7.2 Cohen was, until 23 February 1994, the group financial director and a director of (among others) the following companies:

7.2.1 FSG (from 6 February 1987);

7.2.2 FSI (from 1 May 1985);

7.2.3 Waicor (from 20 May 1988);

7.2.4 W & A (from 5 November 1987);

7.2.5 Corporate Services (from 30 October 1987);

7.2.6 Teamcor (from 1 May 1985);

7.2.7 Hunts (from 5 November 1987);

7.2.8 Hunts Manufacturing (from 2 November 1988);

7.2.9 W & A Manufacturing (from 9 May 1988);

7.2.10 John Craig (from 1 February 1989);

7.2.11 Homemakers (from 30 November 1989).

8. 8.1 At all material times until and including the financial year ending 31 December 1992, Kessel Feinstein were the sole auditors of FSG, FSI, Waicor, W & A, Corporate Services and the companies referred to in paragraph 4.1.3 above.

8.2 For the financial year ending 31 December 1993 Kessel Feinstein and Arthur Andersen & Co ("Arthur Andersen") were the joint auditors of the said companies.

8.3 Kessel Feinstein were also at all material times the sole auditors of Confor.

8.4 The partner who at all material times represented Kessel Feinstein in its performance of the audit of the said companies in the group and of Confor, and in the rendering of other professional services to them, was Herman, the engagement partner.

9. 9.1 Until April 1993 FSG and the group were, through the medium of various private companies and trusts, controlled by Liebesman, and in which companies and trusts Cohen also held interests.

9.2 Confor was (through Confor Holdings) one of the companies through which Liebesman exercised control over the group.

9.3 By virtue of the shares held collectively by Confor Holdings and its subsidiaries in FSG, Confor Holdings was, until April 1993, the

holding company of FSG (as envisaged in section 1(3)(a)(iii) of the Act), and thus also of FSG's subsidiaries.

10. 10.1 During December 1992 negotiations commenced between Trencor Limited ("Trencor") and Liebesman and the group with a view to Trencor making a substantial investment in the group and acquiring joint control thereof together with a consortium headed and controlled by Liebesman.

10.2 These negotiations culminated in the conclusion of agreements between Trencor, Liebesman and certain other parties on 31 January 1993 and 29 April 1993, pursuant to which Trencor during April 1993 made a substantial investment in the group and acquired joint control thereof with the Liebesman consortium.

11. As directors of the companies referred to in paragraphs 6.2 and 7.2 above, Liebesman and Cohen owed each of those companies all the duties imposed by law on directors, including the duty:

11.1 to act with due skill, care and diligence;

11.2 to act *bona fide* in the best interests of the company;

11.3 to exercise their powers for the purpose for which such powers were conferred;

11.4 not to place themselves in a position where there was a conflict between their duties to the company and their personal interests.

12. In the various instances referred to in the paragraphs which follow, Liebesman and Cohen wrongfully breached the aforegoing duties, and such breach caused the relevant company loss.

13. Although the companies also had other directors, the influence *de facto* wielded by Liebesman and Cohen within the group was, to their knowledge, such that had either of them, in any of the instances referred to below, acted in compliance with their duties, the company involved would not have suffered the loss in question.

53 HARROW ROAD

14. Since at least 1988:

14.1 Liebesman's wife, Merle, has been the registered owner of certain immovable property situated at 53 Harrow Road, Sandhurst, Johannesburg ("the house" or "the property");

14.2 Liebesman and his wife have resided at the house.

15. Over the period February 1989 to April 1993 Liebesman and his wife:

15.1 made extensive improvements to the house;

15.2 purchased numerous antiques, ornaments, works of art and other fittings, furniture and appliances for the house;

15.3 engaged a security firm to provide security services to the property;

15.4 had various repair and maintenance work done at the property;

15.5 had flowers regularly delivered to the house.

16. Liebesman and Cohen caused Corporate Services' funds to be used to pay for the improvements, acquisitions and services referred to in paragraph 15 above.

17. 17.1 The total amount thus paid from Corporate Services' funds was R1 914 475.

17.2 Annexed marked "A" is a schedule showing how the said amount of R1 914 475 is computed, and containing particulars as to the cheque numbers of the cheques issued by Corporate Services, the recipients of the payments and the amounts in question.

17.3 In all but four instances, the recipients of the cheques were the parties who had performed the work or rendered the service or supplied the goods in question.

17.4 In three instances (cheques 453, 522 and 4905, totalling R483 328), Liebesman and Cohen caused the cheques to be made out to Liebesman himself, and Liebesman then used the proceeds of the cheques to pay for the work, services or goods in question.

17.5 In the remaining instance (cheque 4562 for R150 000) Liebesman and Cohen caused the cheque to be made out to Confor, and that company (represented by Liebesman and Cohen) then used the proceeds of the cheque to pay for the work, services or goods in question.

18. 18.1 Liebesman and Cohen had no authority to make the said payment, and deliberately refrained from disclosing the relevant facts to Corporate Services' board or from obtaining the board's authority for the payments in question.

18.2 In order to conceal the improper use of Corporate Services' funds as aforesaid, Liebesman and Cohen caused the payments to be falsely recorded in the company's books of account, more particularly:

18.2.1 by causing a portion of the expenditure (amounting to R1 313 790) to be reflected as an asset of the company, described as "Study - JML" and "Executive Office situated at 53 Harrow Road, Sandhurst, Sandton";

18.2.2 by causing the balance of the expenditure (amounting to R600 685) to be allocated to various expense accounts, such as "salaries", "repairs and maintenance", "entertainment - JML" and so forth.

18.3 Particulars as to how the various amounts were described in the books of Corporate Services appear from the last column of annexure "A".

19. 19.1 By causing Corporate Services' funds to be used to pay the said amount of R1 914 475 and in acting as described in paragraph 18 above, Liebesman and Cohen were not acting *bona fide* in the best interests of Corporate Services, but intended rather to benefit Liebesman and his wife at the company's expense.

19.2 Moreover, Liebesman knowingly placed himself in a position where there was a manifest conflict between his personal interests and his duties to the company.

19.3 In consequence of their conduct as aforesaid, Corporate Services has suffered a loss of R1 914 475.

19.4 In the premises, Liebesman and Cohen are jointly and severally liable to pay to Corporate Services R1 914 475.

20. 20.1 Confor (represented by Liebesman and Cohen) accepted payment of the amount of R150 000 referred to in paragraph 17.5

above, despite knowing (represented as aforesaid) that Liebesman and Cohen were acting wrongfully and in breach of their fiduciary duties in causing the payment to be made.

20.2 In the premises, Confor is, to the extent of R150 000, jointly and severally liable with Liebesman and Cohen.

BRIAN LIEBESMAN - PERSONAL DEBTS AND LOANS

21. 21.1 As at 19 April 1993 Brian (Liebesman's brother) was personally indebted to:

21.1.1 First National Bank, in the amount of R121 698,80;

21.1.2 Standard Bank, in the amount of R139 163,14;

21.1.3 ABSA, in the amount of R439 052;

21.1.4 Nedbank, in the amount of R259 616,88;

21.1.5 various other creditors, in amounts totalling R58 231,83 (particulars of which appear from the schedule annexed marked "B").

21.2 During August 1993 Liebesman and Cohen caused Corporate Services' funds to be used to discharge Brian's aforesaid personal debts (totalling R1 017 762,65), in the following manner:

21.2.1 On 14 August 1993 they caused a Corporate Services' cheque to be issued in favour of Confor in the amount of R1 017 762,65.

21.2.2 On 19 and 20 August 1993 Confor then paid Brian's said debts from the proceeds of Corporate Services' cheque of 14 August 1993.

21.3 At the time the said payments were made, Liebesman and Cohen were aware that Brian would be unable to repay the amount of R1 017 762,65, alternatively they foresaw that he might well be unable to repay that amount.

21.4 In any event, their intention was that Corporate Services would not seek to recover the amount of R1 017 762,65.

22. Liebesman and Cohen had no authority to make the said payment, and deliberately refrained from disclosing the relevant facts to Corporate Services' board or from obtaining the board's authority for the payments in question.

23. 23.1 In causing Corporate Services to pay the said amount of R1 017 762,65 to Confor and in acting as described in paragraph

22 above, Liebesman and Cohen were not acting *bona fide* in the best interests of Corporate Services, but intended rather to benefit a member of Liebesman's family at the company's expense.

23.2 Moreover, Liebesman knowingly placed himself in a position where there was a manifest conflict between his own interests (as Brian's brother) and those of the company.

23.3 In consequence of their conduct as aforesaid, Corporate Services has suffered a loss of R1 017 762,65.

23.4 In the premises, Liebesman and Cohen are jointly and severally liable to pay to Corporate Services R1 017 762,65.

24. 24.1 Confor (represented by Liebesman and Cohen) accepted payment of the amount of R1 017 762,65, despite knowing (represented as aforesaid) that Liebesman and Cohen were acting wrongfully and in breach of their fiduciary duties in causing the payment to be made.

24.2 In the premises, Confor is jointly and severally liable with them to pay to Corporate Services R1 017 762,65.

EXECUTIVE CARS

25. 25.1 Liebesman and Cohen caused Corporate Services and other companies in the group to acquire (by way of financial lease agreements) certain cars for use by executives employed within the group, and caused Corporate Services to bear various costs in relation to such cars.

these cars are very valuable did any of the auditors query their usage etc

25.2 The cars in question included:

25.2.1 a Rolls Royce (NHF089T), used by Liebesman;

25.2.2 a Mercedes Benz 500 SL (PTW592T), used by Liebesman;

Recoup costs direct from Merle Liebesman?

25.2.3 a Mercedes Benz 560 SEC (PNW731T), used by Merle Liebesman.

25.3 The said cars were over and above the vehicles forming part of Liebesman's approved remuneration package.

26. The expenses thus borne by Corporate Services, totalling R720 159,87, were the following:

26.1 in respect of vehicle NHF089T, R382 021,18 as follows:

26.1.1 R16 554,50 in respect of a Siemens carphone (11 December 1989), which carphone is now worthless;

26.1.2 R184 707,80 in respect of leasing costs for 1991 (paid to the leasing company, Budget Autolease);

26.1.3 R1 117,12 in respect of fuel and repairs during 1991;

26.1.4 R174 349,90 in respect of leasing costs for 1992;

26.1.5 R5 291,86 in respect of fuel and repairs during 1992.

26.2 in respect of vehicle PTW592T, R18 609,72 as follows:

26.2.1 R4 087,52 in respect of fuel and repairs during 1991;

26.2.2 R7 038,68 in respect of fuel and repairs during 1992;

26.2.3 R7 483,52 in respect of fuel and repairs during 1993;

26.3 in respect of vehicle PNW731T, R319 528,97 as follows:

26.3.1 R316 443,60 in respect of leasing costs for 1991 (paid to the leasing company, Budget Autolease);

26.3.2 R443,58 in respect of fuel during 1991;

26.3.3 R2 641,79 in respect of insurance during 1992.

27. Moreover, the cars were, during the first half of 1994, sold or returned to the relevant leasing company, and in respect of two of the cars Corporate Services sustained further losses totalling R401 186,51, made up as follows:

27.1 vehicle NHF089T, R389 838,22;

27.2 vehicle PNW731T, R11 348,29.

28. Liebesman and Cohen knew, or should (if acting reasonably and honestly) have known:

28.1 that the said cars were not reasonably required by the group;

28.2 that the company and the group would derive no benefit whatsoever from the use of these cars by Liebesman and his wife;

28.3 that the use of these cars by Liebesman and his wife at Corporate Services' expense constituted unauthorised and grossly excessive additional remuneration to Liebesman;

28.4 that the expenditure on these cars had not been disclosed to nor authorised by Corporate Services' board.

29. 29.1 In causing Corporate Services to pay the amounts referred to in paragraph 26 above and in acting as described in paragraph 28 above, Liebesman and Cohen were not acting *bona fide* in the best interests of Corporate Services, but intended rather to benefit Liebesman and his wife at the company's expense.

29.2 Alternatively, and if it is found that Liebesman and Cohen *bona fide* thought that they were acting in the best interests of the company, then in forming that view and in acting thereon they failed to display and exercise the skill, care and diligence of reasonable directors, in that no reasonable director acting honestly could have thought the acquisition of the cars and the payments made in respect thereof by Corporate Services to be in the best interests of that company or the group.

29.3 Moreover, Liebesman placed himself in a position where there was a manifest conflict between his personal interests and those of the company.

29.4 In consequence of their conduct as aforesaid, Corporate Services has suffered a loss of R1 121 346,30 (being the sum of the figures mentioned in paragraphs 26 and 27 above).

29.5 In the premises, Liebesman and Cohen are jointly and severally liable to pay to Corporate Services R1 121 346,30.

C & G INTERNATIONAL

30. 30.1 C & G International (Pty) Limited ("C & G") was a commodity trading company, the shares of which were directly or indirectly owned by Confor and Ernest Leibowitz ("Leibowitz"), Liebesman's cousin. (The latter held his shares through a company called ECL Investments (Pty) Limited - "ECL".)

30.2 During 1989 or 1990 C & G acquired a substantial interest in a coal mining enterprise known as Maggies' Mines.

30.3 In order to provide finance for Maggies' Mines, C & G borrowed money on overdraft from Nedbank.

30.4 Confor furnished a suretyship in favour of Nedbank in respect of C & G's overdraft.

30.5 As at March 1992 C & G's indebtedness to Nedbank on overdraft exceeded R6 million, which amount C & G had no prospect of being able to repay, due to the failure of its investment in Maggies' Mines.

31. 31.1 During March and April 1992 and with a view to placing C & G in funds to meet its obligations to Nedbank and thus protecting Confor from any claim under the suretyship furnished by it,

Liebesman and Cohen caused R7 million to be paid to C & G as follows:

31.1.1 from Teamcor's funds, R6,6 million by way of two cheques (for R6 million and R600 000 respectively) dated 31 March 1992;

31.1.2 from W & A's funds, R400 000 by way of a cheque dated 24 April 1992.

31.2 In order to provide an ostensible basis for the said payments, Liebesman and Cohen caused a purported marketing agreement between Teamcor and C & G to be executed in Johannesburg on 31 March 1992, a copy of which document is annexed hereto marked "C".

31.3 Annexure "C" was signed on behalf of Teamcor by Cohen and on behalf of C & G by Leibowitz.

31.4 Annexure "C" was not a genuine agreement, in that the supposed marketing fee of R6 million for the first two years of the purported agreement (see clause 4.2 of annexure "C") was not intended to bear any relationship to marketing services to be provided by C & G but had been determined solely by the extent of C & G's indebtedness to Nedbank.

32. 32.1 Shortly after the execution of annexure "C", Liebesman and Cohen decided that it would be preferable for the said payment of R7 million to be reflected as an investment made by W & A in C & G rather than as a marketing fee paid by Teamcor to C & G.

32.2 Accordingly, and during April or May 1992:

32.2.1 they caused the supposed marketing agreement (annexure "C") to be cancelled;

32.2.2 they caused entries to be made in the books of Teamcor and W & A, alternatively Hunts, the effect of which was to reimburse Teamcor in the amount it had paid (R6,6 million) and to reflect W & A, alternatively Hunts, as having a supposed investment of R7 million in C & G.

32.3 Attorneys Werksmans were thereupon instructed to draft an agreement to regulate the nature and terms of the group's investment in C & G.

32.4 However, no enforceable agreement (whether written or otherwise) was ever concluded with Leibowitz or C & G, and the nature and terms of the group's supposed investment in C & G accordingly remained throughout notional, uncertain and undefined.

32.5 In any event, and due to the failure of C & G's investment in Maggies' Mines, Liebesman and Cohen knew, at the time the amount of R7 million was paid to C & G, that there was no commercial justification for such an investment.

33. Liebesman and Cohen deliberately refrained from disclosing all relevant facts to the boards of Teamcor, W & A and Hunts or from obtaining the authority of those boards for the payments and transactions referred to above.

34. 34.1 On 22 August 1994 and in order to extricate itself on the best available terms from its investment in C & G, W & A and Hunts agreed to accept an amount of R1,35 million from C & G in full and final settlement of all claims which they might have had against C & G, ECL or Leibowitz arising from the payment of R7 million;

34.2 W & A has, in the circumstances, suffered a loss of not less than R5,65 million arising from the aforegoing.

35. 35.1 In causing Teamcor and W & A to pay the amount of R7 million to C & G and in acting as described in paragraphs 31 to 33 above, Liebesman and Cohen were not acting *bona fide* in the best interests of Teamcor, W & A or Hunts, but intended rather to benefit Leibowitz, C & G and Confor at the expense of those companies.

35.2 Moreover, both Liebesman and Cohen placed themselves in a position where there was a manifest conflict between their personal interests (in the case of Liebesman, arising from his relationship to Leibowitz, and in the case of both Liebesman and Cohen, arising from their interest in Confor) and their duties to Teamcor, W & A and Hunts.

35.3 In consequence of their conduct as aforesaid, W & A has suffered a loss of R5,65 million.

35.4 Alternatively, and if it is found that the said loss or any part thereof was suffered by either Teamcor or Hunts, the latter companies have ceded to W & A all their rights to claim damages from the defendants arising from the payments made to C & G.

35.5 In the premises, Liebesman and Cohen are jointly and severally liable to pay to W & A R5,65 million.

BARMITZVAH PARTY (LIEBESMAN'S SON)

36. 36.1 On 4 September 1992 Liebesman and Cohen caused Corporate Services to pay an amount of R37 460 to the Sandton Sun Hotel in respect of the barmitzvah party of Liebesman's son.

36.2 Copies of the Sandton Sun Hotel invoice and the cheque are annexed marked "D" and "E" respectively.

37. Liebesman and Cohen did not have the authority to make the said payment, and deliberately refrained from disclosing the relevant facts to Corporate Services' board or from obtaining the board's authority for the payment in question.

38. 38.1 In causing Corporate Services to pay the said amount of R37 460 and in acting as described in paragraph 37 above Liebesman and Cohen were not acting *bona fide* in the best interests of Corporate Services, but intended rather to benefit Liebesman at the company's expense.

38.2 Moreover, Liebesman knowingly placed himself in a position where there was a manifest conflict between his own interests and those of the company.

39. In consequence of their conduct as aforesaid, Corporate Services has suffered a loss of R37 460.

40. In the premises, Liebesman and Cohen are jointly and severally liable to pay Corporate Services R37 460.

CONFOR PAYMENTS

41. 41.1 During the period 1989 to 1993 Liebesman and Cohen caused numerous other payments to be made from the funds of Corporate Services, FSI, W & A and Hunts to or for the benefit of Confor and themselves.

41.2 For convenience, the plaintiffs group these payments into two categories, namely :-

41.2.1 payments of the aforegoing nature which Liebesman and Cohen caused to be recorded in the group's books as debits to supposed loan accounts maintained by Confor with one or other company in the group;

41.2.2 payments made to Confor but which were not debited to any such supposed loan account.

42. 42.1 The payments of the kind referred to in paragraph 41.2.1 above were made in the following amounts :

42.1.1 by Corporate Services, R40 544 091;

42.1.2 by FSI, R17 823 392;

42.1.3 by W & A, R11 197 001;

42.1.4 by Hunts, R2 915 802.

42.2 The amount of R40 544 091 referred to in paragraph 42.1.1 above is made up as follows :-

42.2.1 cheque payments totalling R26 728 998 as per the schedule attached marked "F", in respect of which payments the plaintiffs have identified and have in their possession the paid cheques;

42.2.2 further cheque payments totalling R903 088 as per the schedule attached marked "G", in respect of which payments the plaintiffs have identified the relevant cheque numbers but have been unable to locate the paid cheques;

42.2.3 further payments totalling R12 912 005 as per the schedule attached marked "H", which payments are recorded in the journal of Corporate Services but in respect of which the plaintiffs are unable to state whether they were effected by cheque, direct transfer or otherwise.

42.3 The amount of R17 823 392 referred to in paragraph 42.1.2 above is made up as follows :

42.3.1 cheque payments totalling R17 170 902 as per the schedule attached marked "I", in respect of which

payments the plaintiffs have identified and have in their possession the paid cheques;

42.3.2 further payments totalling R652 490 as per the schedule attached marked "J", which payments are recorded in the journal of FSI but in respect of which the plaintiffs are unable to state whether they were effected by cheque, direct transfer or otherwise.

42.4 The amount of R11 197 001 referred to in paragraph 42.1.3 above is made up of cheque payments as per the schedule attached marked "K", in respect of which payments the plaintiffs have identified and have in their possession the paid cheques.

42.5 The amount of R2 915 802 referred to in paragraph 42.1.4 above is made up of cheque payments as per the schedule attached marked "L", in respect of which payments the plaintiffs have identified the relevant cheque numbers but have been unable to locate the paid cheques.

43. 43.1 Payments of the kind referred to in paragraph 41.2.2 above were made in the following amounts :

43.1.1 by Corporate Services, R10 789 654 as per the schedule attached marked "M";

43.1.2 by FSI, R252 757 as per the schedule attached marked "N";

43.1.3 by W & A, R9 573 578 as per the schedule attached marked "O".

43.2 In respect of all the aforegoing payments, the plaintiffs have the paid cheques in their possession.

44. 44.1 To the knowledge of Liebesman and Cohen, the said payments :

44.1.1 were not authorised by Corporate Services, FSI, W & A and Hunts;

44.1.2 did not (in the case of the payments referred to in paragraph 42 above) in truth constitute loans made by Corporate Services, FSI, W & A, Hunts or any other company in the group to Confor.

44.2 In causing the said payments to be made, Liebesman and Cohen were not acting *bona fide* in the best interests of Corporate Services, FSI, W & A or Hunts, but with a view to benefiting Confor and themselves.

44.3 Confor, represented by Liebesman and Cohen :

44.3.1 accepted the benefit of those payments made to itself;

44.3.2 allowed its name to be lent to a scheme whereby certain of the payments in question (whether made to itself or to others) would be reflected in the books of the group as loans made to itself, despite being aware (represented as aforesaid) of the facts alleged in paragraphs 44.1 and 44.2 above.

44.4 In the premises, the amounts referred to in paragraphs 42 and 43 above represent monies paid wrongfully and in consequence of a breach of fiduciary duty committed by Liebesman and Cohen and in which breach Confor participated;

44.5 Furthermore, to the knowledge of Liebesman and Cohen a number of the said payments made by Corporate Services and FSI were, in contravention of section 38 of the Companies Act, made to assist Confor and other entities controlled by Liebesman and Cohen to acquire shares in group companies. (Particulars of such payments and the shares acquired pursuant thereto appear on schedules "F" and "I".)

45. 45.1 Corporate Services, FSI and W & A have recovered no more than R346 343, R5 million and R1,8 million respectively in respect of the said amounts while Hunts has recovered nothing.

45.2 Particulars of such recoveries are furnished in the schedule annexed marked "P", "Q" and "R" respectively.

46. 46.1 Confor's supposed loan accounts with companies in the group (as contemplated in paragraph 41.2.1 above) were, at the behest of Liebesman and Cohen, conducted in the following way :

46.1.1 The companies which supposedly maintained loan accounts with Confor were Corporate Services, FSI and FSG.

46.1.2 In those cases where Corporate Services and FSI made the payments referred to in paragraph 42 above, the payments were in certain instances debited directly to the supposed loan account maintained by Confor with the paying company.

46.1.3 The remaining payments made by Corporate Services and FSI, as also the payments made by W & A and Hunts, were debited to loan accounts maintained between the paying company on the one hand and other companies in the group on the other.

46.1.4 In the cases referred to in paragraph 46.1.3 above, the companies debited in the first instance with the payments were :

46.1.4.1 on some occasions, Corporate Services, FSI and FSG;

46.1.4.2 on other occasions, other companies in the group.

46.1.5 Where the course referred to in 46.1.4.1 above was followed, Corporate Services or FSI or FSG (as the case might be) would in turn debit the supposed loan account maintained with it by Confor.

46.1.6 Where the course referred to in 46.1.4.2 above was followed, the group company to which the payment had in the first instance been debited would in turn debit some other group company, and the payment would in this way (through one or more such inter-company entries) ultimately be debited to Corporate Services or FSI or FSG, which would then debit the supposed loan account maintained with them by Confor.

46.1.7 Furthermore, debits reflected in the supposed loan accounts maintained by Confor with Corporate Services, FSI and FSG were from time to time transferred (either directly or by one or more inter-company entries) to another of those companies (so that, for example, a debit initially entered against Confor's supposed loan account with Corporate Services might later be transferred to Confor's supposed loan account with FSI).

46.1.8 The group companies which featured in the inter-company entries referred to above were Corporate Services, FSI, W & A and Hunts, as also the following further companies :

46.1.8.1 FSG;

46.1.8.2 W & A Manufacturing;

46.1.8.3 Hunts Manufacturing;

46.1.8.4 Teamcor;

46.1.8.5 John Craig;

46.1.8.6 Homemakers.

46.2 Each of the companies in the group involved in the aforegoing inter-company entries has ceded to the paying company (that is, to Corporate Services, FSI, W & A or Hunts as the case may be) such claims as that company might have against the defendants arising from any particular payment having been debited to that company.

46.3 Accordingly, and if it is found that some or all of the losses arising from the payments referred to in paragraph 42 above were ultimately borne not by the paying companies but by some other

group company, then the paying companies in any event have standing to recover such losses as cessionaries.

47. In the premises, Liebesman, Cohen and Confor are jointly and severally liable to pay :

47.1 to Corporate Services, R50 987 402;

47.2 to FSI, R13 076 149;

47.3 to W & A, R18 970 579;

47.4 to Hunts, R2 915 802.

ALTERNATIVE CLAIM : LOAN

Confor's loan liability

48. Alternatively, and if it is found that the payments referred to in paragraphs 42 and 43 above represent amounts lent to Confor by Corporate Services, FSI, W & A and Hunts, alternatively by one or more other group companies, then the plaintiffs plead as set out below.

49. 49.1 In making the said loans, the group companies on the one hand and Confor on the other were represented by Liebesman and Cohen.

49.2 Save to state that the loans were not governed by any written contract but arose from actual payments made by Corporate Services, FSI, W & A and Hunts from time to time (as set out in paragraph 42 above), the plaintiffs are unable to furnish further particularity concerning the conclusion of the loans.

49.3 It was an implied alternatively tacit term of the loans that they were repayable on demand.

50. 50.1 As at 31 December 1993, Confor's indebtedness in respect of the said loans was :

50.1.1 R50 987 402 in respect of payments made by Corporate Services;

50.1.2 R13 076 149 in respect of payments made by FSI;

50.1.3 R18 970 579 in respect of payments made by W & A;

50.1.4 R2 915 802 in respect of payments made by Hunts.

50.2 The manner in which the said amounts have been computed appears from paragraphs 42 to 45 above.

50.3 The cession referred to in paragraph 46.2 above includes such loan claims as any of the group companies concerned may have against Confor, and such claims as they may have against the other defendants in consequence of the loans having been made.

50.4 Accordingly, and if it is found that some or all of the loan claims ultimately vested in some group company other than the paying company, then the paying companies (that is, Corporate Services, FSI, W & A and Hunts) in any event have standing to recover such loans as cessionaries.

51. Confor is, in the premises, liable to pay :-

51.1 to Corporate Services, R50 987 402;

51.2 to FSI, R13 076 149;

51.3 to W & A, R18 970 579;

51.4 to Hunts, R2 915 802.

Liebesman and Cohen - breach of duty

52. Liebesman and Cohen, in causing the loans in question to be made from the funds of Corporate Services, FSI, W & A and Hunts, were not acting

bona fide in the best interests of those companies but intended rather to benefit Confor and themselves at the expense of Corporate Services, FSI, W & A and Hunts.

53. Moreover, they placed themselves in a position where there was a manifest conflict between their personal interests (through their indirect shareholding in Confor) and their duties to the companies.

54. Confor is insolvent and is unable to repay its loan indebtedness to Corporate Services, FSI, W & A and Hunts.

55. Accordingly, in consequence of the breach of duty committed by Liebesman and Cohen, Corporate Services, FSI, W & A and Hunts have suffered losses in the amounts of R50 987 402, R13 076 149, R18 970 579 and R2 915 802 respectively.

56. In the premises, Liebesman and Cohen are jointly and severally liable to pay to Corporate Services, FSI, W & A and Hunts the said amounts.

LIEBESMAN AND COHEN - SECTION 424

57. 57.1 Confor's business was at all material times carried on recklessly and with the intention to defraud creditors (particularly Corporate Services, FSI, W & A and Hunts), and Liebesman and Cohen were knowingly parties thereto.

57.2 The respects in which Confor's business was conducted recklessly and fraudulently are set cut in paragraphs 41 to 47 and in paragraphs 58 to 61 below.

58. Liebesman and Cohen caused Confor to accept the benefit of the payments referred to in paragraph 41 above :

58.1 despite being aware that Confor's ability to reimburse Corporate Services, FSI, W & A and Hunts was dependent on the financial wellbeing of those companies, given that its principal assets were shares in group companies;

58.2 despite the fact that by at least July 1990 they knew that there was a material risk that Confor would be unable to reimburse those companies for payments made to it.

59. Furthermore, they caused Confor to participate in at least two fraudulent schemes, the purpose of which was to create an ostensible but false basis for Confor's supposed loan indebtedness to group companies to be supposedly reduced.

60. Particulars of the first of these schemes are as follows:

60.1 Corporate Services was at all material times the company in the group which rendered such managerial, administrative and secretarial services ("managerial services") as the other companies in the group required.

60.2 On 2 July 1990 and in Johannesburg a written agreement was purportedly concluded between Corporate Services and Confor, a copy of which is attached marked "S".

60.3 Liebesman signed annexure "S" on behalf of Confor and one Chonowitz signed that document purportedly on behalf of Corporate Services.

60.4 Annexure "S" recorded (in clause 1.2) that Confor had in the past provided considerable managerial services to the group on behalf of Corporate Services, and would be continuing to do so.

60.5 Annexure "S" went on to record:

60.5.1 that Confor would render certain managerial services to the group on behalf of Corporate Services in return for the fees specified in clause 4;

60.5.2 that the purported agreement had commenced on 1 January 1988 and would endure indefinitely until terminated by either party on six months' notice.

60.6 Pursuant to the terms of annexure "S", Liebesman and Cohen caused the following fictitious credits (totalling R17.1 million) to be entered in the books of the group in favour of Confor:

60.6.1 supposedly in respect of 1988, R100 000 (on 2 July 1990);

60.6.2 supposedly in respect of 1989, R900 000 (on 2 July 1990);

60.6.3 supposedly in respect of 1990, R4 million (R2 million on 2 July 1990 and R2 million on 5 December 1990);

60.6.4 supposedly in respect of 1991, R4 million (R1 million on each of 4 July 1991, 5 July 1991, 9 July 1991 and 27 September 1991);

60.6.5 supposedly in respect of 1992, R4 million (R1 million on each of 5 February 1992, 30 June 1992, 30 November 1992 and 31 December 1992); and

60.6.6 supposedly in respect of 1993, R4,1 million (R1,1 million on 31 March 1993; and R1 million on each of 30 June 1993, 30 September 1993 and 31 December 1993).

60.7 Annexure "S" was not a genuine agreement but a sham devised by Liebesman and Cohen (and by Confor, represented by them) as part of a scheme which arose as follows:

60.7.1 During 1988 and thereafter, Liebesman, Cohen and certain others had, through various companies ("the

Liebesman companies"), raised finance to enable them to acquire shares in the group through the medium of the Liebesman companies.

60.7.2 The said finance had been raised through certain financial institutions, and involved the issue of redeemable preference shares by the Liebesman companies to investors introduced by the institution in question.

60.7.3 The dividends payable in respect of the preference shares issued by the Liebesman companies were intended by Liebesman and Cohen to be funded primarily from dividends paid in respect of shares held by the consortium in the group.

60.7.4 However, when during 1990 the profits earned by the group fell, the Liebesman companies were unable to pay the dividends owing on the preference shares which they had issued.

60.7.5 The non-payment of the preference share dividends would have exposed Liebesman and Cohen to personal liability, in that such non-payment would have entitled the holders of the preference shares to put them to the relevant institution, which would in turn then have become entitled to put them to (among others) Liebesman and Cohen.

60.7.6 Liebesman and Cohen accordingly caused substantial payments to be made to Confor from the funds of Corporate Services, FSI, W & A and Hunts so as to place the Liebesman companies in funds to pay the dividends on the preference shares.

60.7.7 At the same time as embarking upon the course referred to in the preceding subparagraph, and with a view to ensuring that Confor did not actually have to repay the said amounts, Liebesman and Cohen caused annexure "S" to be executed so as to provide an ostensible basis for Confor's loan indebtedness in the group's books to be credited.

60.7.8 As at July 1990, Confor had never in the past provided managerial services to the group on behalf of Corporate Services nor was there any intention that it should do so in the future.

60.7.9 Confor did not as a fact provide any managerial services to the group after July 1990.

60.8 Liebesman and Cohen deliberately refrained from disclosing the relevant facts to Corporate Services' board or to the board of any other group company or from obtaining the authority of such boards for the execution and implementation of annexure "S".

60.9 Notwithstanding the aforegoing, they caused a purported resolution of Corporate Services' board to be prepared supposedly authorising the execution of annexure "S", which purported resolution Cohen signed as being a true extract from the board's minutes, whereas in truth no such resolution had ever been passed by Corporate Services' board. (A copy of the purported resolution is attached marked "T".)

60.10 Furthermore, in breach of the provisions of chapter XI of the Act as read with paragraphs 42(h), 68(e) and 69(b) of the Fourth Schedule to the Act, and in order to conceal their improper conduct, Liebesman and Cohen deliberately refrained from making separate and specific disclosure of the supposed management fees paid to Confor:

60.10.1 in the financial statements of Corporate Services;

60.10.2 in the consolidated financial statements of FSI;

60.10.3 in the directors' reports accompanying those financial statements.

61. Particulars of the other scheme referred to in paragraph 59 above are as follows:

61.1 Liebesman and Cohen, together with three others, were partners in an enterprise known as Corporate Charter Services ("the partnership").

61.2 The partnership was the owner of an executive jet (a Cessna Citation ZS MBX - "the jet"), purchased during the latter half of 1988.

61.3 During 1989 Liebesman and Cohen (and Confor, represented by them) devised a scheme whereby, in order supposedly to reduce Confor's supposed loan indebtedness to group companies from time to time, false credits would be entered in the group's books, ostensibly in respect of fees payable by the group for the exclusive or preferential use of the jet.

61.4 Pursuant to this scheme, the following fictitious credits were passed in favour of Confor:

61.4.1	1989	-	R 390 000
61.4.2	1990	-	R 600 000
61.4.3	1991	-	R 600 000
61.4.4	1992	-	R 660 000
61.4.5	1993	-	R 495 000
			R2 745 000

61.5 Neither the board of Corporate Services nor of any other group company authorised the payment of the supposed fees.

62. In the premises, Corporate Services, FSI, W & A and Hunts seek orders under section 424(1) of the Act declaring Liebesman and Cohen to be personally responsible, without limitation, for all debts and liabilities owed by Confor to them.

KESSEL FEINSTEIN - SECTION 424

63. 63.1 Kessel Feinstein, represented by Herman, knowingly made itself a party to the fraudulent or reckless conduct of Confor's business.

63.2 The plaintiffs rely, in this regard, on the facts pleaded in paragraphs 64 to 67 below.

64. 64.1 The scheme described in subparagraphs 60.7.6 and 60.7.7 above was devised at a meeting between Liebesman, Cohen and Herman held at the head office of the group in Doornfontein on or about 29 June 1990.

64.2 Herman was, at that time, aware of the facts and circumstances set out in paragraph 60.7.

64.3 Thereafter, Herman assisted Liebesman and Cohen to conceal the true facts:

64.3.1 by accepting, during the course of Kessel Feinstein's audits of Corporate Services and FSI in respect of the 1990 to 1993 financial years of those companies, that the credits in respect of management fees supposedly payable to Confor were valid and sustainable;

64.3.2 by not insisting, during the course of those audits, on the disclosures referred to in paragraph 60.10 above.

65. 65.1 If the payments referred to in paragraph 42.1 above were in truth loans, then section 37(1)(a) of the Act required particulars of such loans to be stated in the annual financial statements of Corporate Services, FSI, W & A, Hunts and (on consolidation) FSG inasmuch as Confor was a subsidiary of Confor Holdings, the holding company of FSG and thus of Corporate Services, FSI, W & A and Hunts.

65.2 In order to conceal the fact that substantial funds belonging to Corporate Services, FSI, W & A and Hunts had been improperly applied by the making of the said payments, Liebesman and Cohen caused the financial statements of Corporate Services, FSI, W & A, Hunts and (on consolidation) FSG for the financial years ending 31 December 1989 to 1992 to omit the disclosure required by section 37(1)(a) (save that no financial statements

were produced for Corporate Services in respect of the years 1990 to 1992).

65.3 In order to assist Liebesman and Cohen (and Confor represented by them) to conceal the fact that substantial funds belonging to Corporate Services, FSI, W & A and Hunts had been thus applied and in order to protect Confor, Herman did not, in the course of Kessel Feinstein's audits of those companies and of FSG, in respect of the financial years in question, require such disclosure to be made (notwithstanding his knowledge that the payments referred to in paragraph 42.1 above had been reflected in the group's books as loans to Confor), and instead permitted Confor's loan indebtedness to be concealed under the general heading "DEBTORS".

66. 66.1 Included in the payments referred to in paragraphs 42 and 43 above were amounts entered in the books of Corporate Services, FSI, W & A and Hunts as money on "call" with Confor.

66.2 These entries reflected payments in the total sum of R16 758 000 made by Corporate Services, FSI, W & A and Hunts to Confor at the instance of Liebesman and/or Cohen. (The payments are identified as supposed call moneys on annexures "F" to "O").

66.3 Herman well knew that Confor was not a bank, that it could not lawfully receive call money in the ordinary course of its business, that it had not the financial resources to repay any such sums as it

received, and that its sole source of income (in order to fund interest on the supposed call money) was generated by dividends received on shareholdings in the group.

66.4 Herman knew, in the circumstances, that the said monies had been wrongfully diverted from Corporate Services, FSI, W & A and Hunts to Confor and that the *causa* attributed to such a diversion was a mere fiction.

66.5 Herman, nonetheless, did not query or object to such diversion nor to the entries in the books of Confor relating to same, which failure was a consequence of his desire to assist Liebesman and Cohen (and Confor represented by them) to conceal the fact of such diversion.

67. Further and in regard to the assistance rendered by Herman to Liebesman and Cohen and to Confor, the plaintiffs will also rely upon the fact that Herman was under a duty, in respect of the matters particularised above, to take action as set out in section 26(5) of the Public Accountants and Auditors Act No. 51 of 1951 and section 20(5) of the Public Accountants and Auditors Act No. 80 of 1991 and, with the intention of serving the interests of Liebesman, Cohen and Confor, declined to do so.

68. In the premises, Corporate Services, FSI, W & A and Hunts seek orders under section 424(1) of the Act declaring Kessel Feinstein, alternatively Herman, to be personally responsible, without limitation, for all debts and

liabilities owed by Confor to them (including, in particular, those debts and liabilities identified in paragraphs 20.2, 24.2 and 47 alternatively 51 above).

KESSEL FEINSTEIN - LIABILITY AS JOINT WRONGDOER

69. 69.1 Pursuant to the sham management agreement (annexure "S"), Liebesman and Cohen caused the following payments to be made to Confor from the funds of Corporate Services:

69.1.1	On 2 July 1990,	R3 million
69.1.2	On 5 December 1990,	R2 million
69.1.3	On 2 July 1991,	R1 million
69.1.4	On 9 July 1991,	R1 million
69.1.5	On 27 September 1991,	R1 Million
69.1.6	On 5 February 1992	R1 million
		R9 million

69.2 The said payments form part of the payments listed in annexure "F".

70. 70.1 The plaintiffs repeat, in relation to the said payments totalling R9 million, the allegations made in paragraphs 41 to 47, 60 and 64 above.

70.2 In the premises, Kessel Feinstein (represented by Herman), alternatively Herman, knowingly and wrongfully assisted Liebesman, Cohen and Confor to commit, in relation to the said payments totalling R9 million, the wrong referred to in paragraph 44.4 above.

70.3 Kessel Feinstein, alternatively Herman, is accordingly, to the extent of R9 million, jointly and severally liable with Liebesman, Cohen and Confor to pay to Corporate Services the amount referred to in paragraph 47.1 above.

KESSEL FEINSTEIN - LIABILITY IN NEGLIGENCE

71. As auditors to the companies referred to in paragraph 8.1 above, Kessel Feinstein at all material times during 1989 to 1992 :

71.1 owed to those companies the duties stated in section 300 of the Companies Act read together with the requirements of the Public Accountants and Auditors Acts (No. 51 of 1951 and No. 80 of 1991) ("the PAA Acts");

71.2 was bound to discharge such duties with due care and skill and further to render the reports required by section 301 of the Act.

72. During the years aforesaid, Kessel Feinstein purported to discharge all the said duties incumbent upon it in respect of those companies and purported to make the statutory reports envisaged by section 301.

73. In the respects identified in paragraphs 74 to 76 below, Kessel Feinstein negligently breached its duties by :

73.1 failing to comply with the duties imposed upon it under section 300 of the Companies Act;

73.2 failing to comply with the duties imposed upon it under the PAA Acts;

73.3 failing to render a report in compliance with the provisions of section 301.

74. 74.1 The plaintiffs repeat paragraphs 14 to 20 above.

74.2 A proper discharge by Kessel Feinstein of its duties as auditors of Corporate Services and FSI would have revealed:

74.2.1 that the expenditure referred to in paragraphs 14 to 20 was to a substantial degree unrelated to the study at the house;

74.2.2 that the house was owned by Merle Liebesman;

74.2.3 that there existed no agreement whereby the group was assured of the continued use of the study.

74.3 In the circumstances, there was no justification for treating the expenditure referred to in paragraph 18.2.1 above (amounting to R1 313 790) as representing an asset of Corporate Services.

74.4 Similarly, there existed no justification for allocating the expenditure referred to in paragraph 18.2.2 above (amounting to R600 685) to the expenditure accounts indicated in annexure "A".

74.5 Notwithstanding the aforegoing, in the financial statements of Corporate Services and (upon consolidation) FSI for the year ending 31 December 1989, those portions of the amounts of R1 313 790 and R620 446 already expended as at 31 December 1989 were reflected respectively as a fixed asset and as legitimate expenditure of Corporate Services.

74.6 In negligent breach of its duties, Kessel Feinstein:

74.6.1 furnished an unqualified report in respect of the said financial statements in terms of section 301 of the Companies Act;

74.6.2 failed to take the steps required by section 26(3) of the PAA Act of 1951.

74.7 Had Kessel Feinstein complied with its duties:

74.7.1 Liebesman would, by March 1990, have been required, and would have been able, to restore to Corporate Services the amounts thus far expended on the house from Corporate Services' funds;

74.7.2 Liebesman and Cohen would then have been made to understand that no such use of Corporate Services' funds would be tolerated in the future;

74.7.3 Liebesman and Cohen would henceforth have refrained from causing Corporate Services' funds to be misused as set out in paragraphs 14 to 20 above.

74.8 In the premises, Kessel Feinstein's breach of duty has resulted in Corporate Services suffering damages in the amount of R1 914 475, for which damages Kessel Feinstein is liable (such liability being joint and several with that of Liebesman and Cohen as referred to in paragraph 19.5 above).

75. 75.1 The plaintiffs repeat paragraphs 41 to 72 above.

75.2 The conduct alleged in paragraphs 64 to 67 above amounted to deliberate breaches by Kessel Feinstein (represented by Herman) of the duties owed by the firm to Corporate Services, FSI, W & A and Hunts.

75.3 In any event, had Kessel Feinstein discharged its duties properly, it would have been satisfied, or would at least have had reason to believe, that the payments which were being made by Corporate Services, FSI, W & A and Hunts as set out in paragraphs 42 and 43 above constituted a material irregularity in the conduct of the affairs of those companies, particularly in view of the following circumstances, namely:

75.3.1 the size, frequency and nature of the payments;

75.3.2 the fact that Confor was a non-listed company controlled exclusively by certain directors of the companies in the group making the payments;

75.3.3 that Confor's sole business was the holding of shares in group companies;

75.3.4 that in relation to certain of the payments, the group's books of account specifically recorded that such payments had been made in connection with the purchase of shares in group companies.

75.4 Kessel Feinstein should not, in the circumstances, have furnished, in any of the years 1989 to 1992, an unqualified report in respect of the financial statements of Corporate Services, FSI, FSG, W & A or Hunts without the disclosures referred to in paragraph 65 above.

75.5 Furthermore, Kessel Feinstein should not, in respect of those years, have furnished an unqualified report in respect of the financial statements of any of Corporate Services, FSI, FSG, W & A or Hunts without:

75.5.1 taking the steps referred to in section 26(3) of the PAA Act of 1951 or section 20(5) of the PAA Act of 1991;

75.5.2 satisfying themselves, by due enquiry, as to the propriety of the payments made by the said companies to Confor and/or debited to supposed loan accounts maintained by Confor with Corporate Services, FSI and FSG.

75.6 In breach of its duties, Kessel Feinstein failed to take the aforegoing steps and instead furnished an unqualified report (in terms of section 301 of the Companies Act) in respect of the financial statements of the companies in question for each of the years 1989 to 1992 (save that no audited financial statements were produced for Corporate Services in respect of the years 1990 to 1992).

75.6A Although no audited financial statements were produced for Corporate Services in respect of the years 1990 to 1992, Kessel Feinstein did conduct an audit of that company in respect of those years for purposes of the consolidated financial statements of FSI.

75.7 Had Kessel Feinstein complied with their duties:

75.7.1 the boards of Corporate Services, FSI, FSG, W & A and Hunts would have been apprised of the misuse of those companies' funds by not later than March 1990 (that is, pursuant to the performance by Kessel Feinstein of the 1989 audit);

75.7.2 Confor, Liebesman and Cohen would have been required, and would at that time have been able, to restore to Corporate Services, FSI, W & A and Hunts (alternatively, to such other group companies as may be found ultimately to have borne the loss in question) the amounts thus far paid from the funds of Corporate Services, FSI, W & A and Hunts;

75.7.3 Liebesman and Cohen would then have been made to understand that no such misuse of group funds would be tolerated in the future;

75.7.4 Liebesman and Cohen would thereafter have refrained from causing group funds to be misused as set out in paragraphs 41 to 72 above.

75.8 In the premises, Kessel Feinstein's breach of duty has resulted in Corporate Services, FSI, W & A and Hunts suffering damages in the amounts of R50 987 402, R13 076 149, R18 970 579 and

R2 915 802 respectively (the said companies being either the parties which suffered the loss or cessionaries of the claims of the group companies which did suffer the loss - see paragraph 46.2 above), for which damages Kessel Feinstein is liable (such liability in each case being joint and several with that of Liebesman, Cohen and Confor as referred to in paragraph 47 above).

76. 76.1 Kessel Feinstein's breaches of duty as set out above, and in particular its supine failure to query, during the course of the 1989 audit of Corporate Services, FSI, W & A, Hunts and FSG, the misuse of group funds as set out above, created in the minds of Liebesman and Cohen a well-grounded perception that continued misuse of group funds by them would not be referred by Kessel Feinstein to the full boards of directors of the companies in question.

76.2 Had Kessel Feinstein not breached their duties as aforesaid but instead complied with those duties, Liebesman, Cohen and Confor (represented by them) would have refrained from the further misuse of group funds as identified in paragraphs 21 to 40 above.

76.3 In the premises, and as a consequence of the breaches of duty referred to in paragraphs 74 and 75 above:

76.3.1 Corporate Services has suffered damages in the amount of R1 017 762 (paragraphs 21 to 24 above), for which

damages Kessel Feinstein is liable (such liability being joint and several with that of Liebesman, Cohen and Confor as referred to in paragraphs 23.4 and 24 above);

76.3.2 Corporate Services has suffered damages in the further amount of R1 121 346,30 (paragraphs 25 to 29 above), for which damages Kessel Feinstein is liable (such liability being joint and several with that of Liebesman and Cohen as referred to in paragraph 29.6 above);

76.3.3 W & A and/or Teamcor and/or Hunts have suffered damages in the amount of R5,65 million (paragraphs 30 to 35 above), for which damages Kessel Feinstein is liable to W & A (the latter either as the party which suffered the loss or as the cessionary of the claims of Teamcor and Hunts - see paragraph 35.5 above), which liability is joint and several with that of Liebesman and Cohen as referred to in paragraph 35.6 above;

76.3.4 Corporate Services has suffered damages in the further amount of R37 460 (paragraphs 36 to 40 above), for which damages Kessel Feinstein is liable (such liability being joint and several with that of Liebesman and Cohen as referred to in paragraph 40 above).

77. Although the plaintiffs intend pursuing the present proceeding against Liebesman, Cohen and Confor to judgment, the latter do not now have the financial resources to pay any part of the claims against them.

78. 78.1 In the premises, Kessel Feinstein is liable to pay to the various plaintiffs the damages referred to in paragraphs 74.8, 75.8 and 76.3 above.

78.2 Alternatively, and if it is found that Liebesman and/or Cohen and/or Confor do have resources from which some part of the plaintiffs' claims can be satisfied and if it is found that the plaintiffs are required to bring such possible recoveries into account in computing their claim against Kessel Feinstein, then the plaintiffs state that they are unable at present to determine the likely extent of recoveries from Liebesman, Cohen and Confor, and seek in the circumstances a declaratory order that Kessel Feinstein is liable to the companies referred to in paragraphs 74.8, 75.8 and 76.3 above in a figure arrived at in each instance by subtracting from the sum of the amounts owing to the company in question as set out in paragraphs 74.8, 75.8 and 76.3, such amount as that plaintiff may succeed in recovering from Liebesman, Cohen and Confor.

SLCRB

79. 79.1 During 1992 and 1993 Liebesman and Cohen held (together with others) an interest in an enterprise known as SLCRB.

79.2 SLCRB was based in the USA and was involved in selling retrenchment insurance packages internationally.

79.3 Save as aforesaid, the plaintiffs have no knowledge concerning the nature and organisation of the said enterprise.

80. 80.1 During the period February 1992 to September 1993 Liebesman and Cohen caused Hunts Manufacturing to pay the following amounts to or for the benefit of SLCRB :

80.1.1 on 9 February 1992	US$ 69 000;
80.1.2 on 12 April 1992	US$ 70 000;
80.1.3 on 23 July 1992	US$ 25 000;
80.1.4 on 29 September 1993	US$ 25 000;
	US$ 189 000

80.2 The said payments were made by using foreign subsidiaries (Homestead BV [a company registered in the Netherlands] and

Waco Development Corporation [a company registered in the USA]) as conduits.

80.3 Liebesman and Cohen deliberately refrained from disclosing the relevant facts to Hunts Manufacturing's board or from obtaining the board's authority for the payments in question.

81. 81.1 In causing Hunts Manufacturing to pay the said amounts totalling US$189 000 to SLCRB and in acting as described in paragraph 80.3 above, Liebesman and Cohen were not acting *bona fide* in the best interests of Hunts Manufacturing but intended rather to benefit themselves (as parties interested in SLCRB) at the company's expense.

81.2 Moreover, Liebesman and Cohen placed themselves in a position where there was a manifest conflict between their own interests and those of the company.

82. 82.1 Hunts Manufacturing is unable to recover any part of the said amount of US$189 000 from SLCRB.

82.2 Thus, in consequence of the conduct of Liebesman and Cohen as aforesaid, Hunts Manufacturing has suffered a loss of US$189 000.

82.3 In the premises, Liebesman and Cohen are jointly and severally liable to pay Hunts Manufacturing US$189 000.

WHEREFORE THE VARIOUS PLAINTIFFS CLAIM FROM THE VARIOUS DEFENDANTS AS FOLLOWS :

A. THE FIRST PLAINTIFF

(1) As against the first, second, third and fourth defendants jointly and severally (and the fifth defendant, in relation to the alternative in prayer (a)(iii) below):

(a) payment in the amounts of

(i) R1 914 475, but limited to R150 000 in the case of the third defendant (particulars paras 19.4, 20.2 and 74.8);

(ii) R1 017 762 (particulars paras 23.4, 24.2 and 76.3.1);

(iii) R50 987 402 (particulars paras 47.1 alternatively paras 51.1 and 56, and para 75.8), alternatively (in the case of the fourth alternatively fifth defendant) limited to the amount of R9 million (particulars para 70.3);

(b) alternatively (in the case of the fourth defendant) a declaratory order that the fourth defendant is liable to pay to the first plaintiff as damages a figure arrived at by subtracting, from the aforesaid amounts, such amounts as the first plaintiff is able to recover in

respect thereof from the first, second and third defendants (particulars para 78.2);

(c) interest on the said amounts at the prescribed rate, from date of service of summons, alternatively from date of judgment, to date of payment;

(d) further and/or alternative relief;

(e) costs of suit;

(2) <u>As against the first, second and fourth defendants jointly and severally:</u>

(a) payment in the amounts of

(i) R1 121 346,30 (particulars paras 29.5 and 76.3.2);

(ii) R37 460 (particulars paras 40 and 76.3.4);

(b) alternatively (in the case of the fourth defendant) a declaratory order that the fourth defendant is liable to pay to the first plaintiff as damages a figure arrived at by subtracting, from the aforesaid amount, such amounts as the first plaintiff is able to recover in respect thereof from the first and second defendants (particulars para 78.2);

(c) interest on the said amounts at the prescribed rate, from date of service of summons, alternatively from date of judgment, to date of payment;

(d) further and/or alternative relief;

(e) costs of suit.

(3) As against the first, second and fourth (alternatively fifth) defendants:

(a) an order in terms of section 424(1) of the Companies Act No. 61 of 1973 ("the Act"), declaring them to be personally responsible, without limitation, for all debts and liabilities owed by Confor Investments One (Pty) Ltd ("Confor") to the first plaintiff (particulars paras 62 and 68);

(b) further and/or alternative relief;

(c) costs of suit.

B. THE SECOND PLAINTIFF

(1) As against the first, second, third and fourth defendants jointly and severally:

(a) payment in the amount of R18 970 579 (particulars para 47.3, alternatively paras 51.3 and 56 and 75.8);

(b) alternatively (in the case of the fourth defendant) a declaratory order that the fourth defendant is liable to pay to the second plaintiff as damages a figure arrived at by subtracting, from the aforesaid amounts, such amounts as the second plaintiff is able to recover in respect thereof from the first, second and third defendants (particulars para 78.2);

(c) interest on the said amount at the prescribed rate, from date of service of summons, alternatively from date of judgment, to date of payment;

(d) further and/or alternative relief;

(e) costs of suit.

(2) <u>As against the first, second and fourth defendants jointly and severally:</u>

(a) payment in the amount of R5 650 000 (particulars paras 35.3 and 76.3.3);

(b) alternatively (in the case of the fourth defendant) a declaratory order that the fourth defendant is liable to pay to the second

plaintiff as damages a figure arrived at by subtracting, from the aforesaid amount, such amount as the second plaintiff is able to recover in respect thereof from the first and second defendants (particulars para 78.2);

(c) interest on the said amount at the prescribed rate, from date of service of summons, alternatively from date of judgment, to date of payment;

(d) further and/or alternative relief;

(e) costs of suit.

(3) As against the first, second and fourth (alternatively fifth) defendants:

(a) an order in terms of section 424(1) of the Act, declaring them to be personally responsible, without limitation, for all debts and liabilities owed by Confor to the second plaintiff (particulars paras 62 and 68);

(b) further and/or alternative relief;

(c) costs of suit.

C. THE THIRD PLAINTIFF

(1) As against the first, second, third and fourth defendants jointly and severally:

(a) payment in the amount of R13 076 149 (particulars para 47.2, alternatively paras 51.2 and 56 and para 75.8);

(b) alternatively (in the case of the fourth defendant) a declaratory order that the fourth defendant is liable to pay to the third plaintiff as damages a figure arrived at by subtracting, from the aforesaid amount, such amounts as the third plaintiff is able to recover in respect thereof from the other first, second and third defendants (particulars para 78.2);

(c) interest on the said amount at the prescribed rate, from date of service of summons, alternatively from date of judgment, to date of payment;

(d) further and/or alternative relief;

(e) costs of suit.

(2) As against the first, second and fourth (alternatively fifth) defendants:

(a) an order in terms of section 424(1) of the Act, declaring them to be personally responsible, without limitation, for all debts and liabilities owed by Confor to the third plaintiff (particulars paras 62 and 68);

(b) further and/or alternative relief;

(c) costs of suit.

D. THE FOURTH PLAINTIFF

(1) As against the first, second, third and fourth defendants jointly and severally:

(a) payment in the amount of R2 915 802 (particulars para 47.4, alternatively paras 51.4 and 56, and para 75.8);

(b) alternatively (in the case of the fourth defendant) a declaratory order that the fourth defendant is liable to pay to the fourth plaintiff as damages a figure arrived at by subtracting, from the aforesaid amount, such amounts as the fourth plaintiff is able to recover in respect thereof from the other first, second and third defendants (particulars para 78.2);

(c) interest on the said amount at the prescribed rate, from date of service of summons, alternatively from date of judgment, to date of payment;

(d) further and/or alternative relief;

(e) costs of suit.

(2) <u>As against the first, second and fourth (alternatively fifth) defendants:</u>

(a) an order in terms of section 424(1) of the Act, declaring them to be personally responsible, without limitation, for all debts and liabilities owed by Confor to the fourth plaintiff (particulars paras 62 and 68);

(b) further and/or alternative relief;

(c) costs of suit.

E. <u>THE FIFTH PLAINTIFF</u>

<u>As against the first and second defendants jointly and severally:</u>

(a) payment in the amount of US$189 000 (particulars para 82.3);

(b) interest on the said amount at the prescribed rate, from date of service of summons, alternatively from date of judgment, to date of payment;

(c) further and/or alternative relief;

(d) costs of suit.

DATED AT JOHANNESBURG THIS 15th DAY OF NOVEMBER 1995.

MD KUPER SC

O ROGERS

Counsel for Plaintiffs

14-Jun-95

COMPANY	DATE	CHEQUE #	PAYEE	AMOUNT	ACCOUNT DEBITED
FSI CORP SERVICES	89/02/08	453	JM LIEBESMAN	356,955.95	STUDY - JML
FSI CORP SERVICES	89/02/23	511	LOUIS LOUW, ETC	11,860.34	SUNDRY EXPENSES
FSI CORP SERVICES	89/02/24	522	JM LIEBESMAN	100,000.00	STUDY - JML
	NOTE 1	565	S FALCKE INTERIOR DESIGN	2,352.00	FURNITURE & FITTINGS
FSI CORP SERVICES	89/03/31	685	DISEGNO FORMA	18,318.72	STUDY - JML
FSI CORP SERVICES	89/03/31	686	PETITE UPHOLSTERERS	1,503.04	STUDY - JML
FSI CORP SERVICES	89/04/03	705	DISEGNO FORMA	3,128.61	STUDY - JML
FSI CORP SERVICES	89/04/04	709	DISEGNO FORMA	760.98	STUDY - JML
FSI CORP SERVICES	89/05/12	960	F CARVIGGIA & SON	20,250.00	STUDY - JML
		1099	SECURITY CENTRE	1,604.60	
FSI CORP SERVICES	90/08/01	3435	JB SECURITY	3,150.00	SECURITY SERVICES
FSI CORP SERVICES	90/08/31	3671	JB SECURITY	2,790.00	SALARIES
FSI CORP SERVICES	90/10/13	3860	JB SECURITY	720.00	SALARIES
FSI CORP SERVICES	90/11/14	4056	ENVY COMMUNICATIONS	3,384.35	OFFICE EQUIPMENT
FSI CORP SERVICES	91/01/15	4267	SANDTON SENTRY	3,166.00	SALARIES
FSI CORP SERVICES	91/02/26	4473	S FALCKE INTERIOR DESIGN	110,033.22	STUDY - JML
FSI CORP SERVICES	91/03/01	4503	B PAGNONSIN BUILDING CONTRACTOR	138,776.85	STUDY - JML
FSI CORP SERVICES	91/09/10	4532	GRAY SECURITY SERVICES	19,090.62	SECURITY SERVICES
FSI CORP SERVICES	91/03/15	4562	CONFOR NO 2	150,000.00	STUDY - JML
FSI CORP SERVICES	91/03/15	4564	GRAY SECURITY SERVICES	31,194.90	SECURITY SERVICES
		4728	GRAY SECURITY SERVICES	42,840.00	SECURITY SERVICES
FSI CORP SERVICES	91/04/16	4800	GRAY SECURITY SERVICES	21,420.00	SECURITY SERVICES
FSI CORP SERVICES	91/05/06	4824	S FALCKE INTERIOR DESIGN	144,040.97	STUDY - JML
FSI CORP SERVICES	91/05/07	4832	ARMOURPLATE GLASS	6,271.00	STUDY - JML
FSI CORP SERVICES	91/05/20	4905	JM LIEBESMAN	26,373.00	STUDY - JML
FSI CORP SERVICES	91/05/20	4911	PHILLIPS TELECOMMUNICATION	25,165.10	OFFICE EQUIPMENT
FSI CORP SERVICES	91/06/06	5011	INVESTMENT SURVEYS SA	38,162.40	SALARIES
FSI CORP SERVICES	91/06/18	5064	GRAY SECURITY SERVICES	3,728.67	SECURITY SERVICES
FSI CORP SERVICES	91/07/01	5132	RADEON CONSTRUCTION	27,000.00	SALARIES
FSI CORP SERVICES	91/07/10	5177	GRAY SECURITY SERVICES	19,050.00	SALARIES
FSI CORP SERVICES	91/07/10	5178	S FALCKE INTERIOR DESIGN	5,146.02	SALARIES
FSI CORP SERVICES	91/07/24	5288	LOUIS LOUW, ETC	17,346.56	SALARIES
FSI CORP SERVICES	91/07/31	5330	GRAY SECURITY SERVICES	19,050.00	SECURITY SERVICES
FSI CORP SERVICES	91/08/09	5373	GRAY SECURITY SERVICES	270.86	SECURITY SERVICES
FSI CORP SERVICES	91/08/15	5389	S FALCKE INTERIOR DESIGN	6,646.24	REPAIRS & MAINTENANCE
FSI CORP SERVICES	91/08/19	5403	LIVING TERRACOTTA	7,000.00	REPAIRS & MAINTENANCE

A

COMPANY	DATE	CHEQUE #	PAYEE	AMOUNT	ACCOUNT DEBITED
FSI CORP SERVICES	91/08/26	5438	B PAGNONSIN BUILDING CONTRACTOR	84,615.83	STUDY - JML
FSI CORP SERVICES	91/08/21	5465	RADEON CONSTRUCTION	27,000.00	RECRUITING & TRAINING
FSI CORP SERVICES	91/10/01	5509	LOUIS LOUW, ETC	810.00	STUDY - JML
FSI CORP SERVICES	91/10/15	5583	S FALCKE INTERIOR DESIGN	35,070.44	REPAIRS & MAINTENANCE
FSI CORP SERVICES	91/10/28	5634	RADEON CONSTRUCTION	42,122.70	STUDY - JML
FSI CORP SERVICES	91/10/28	5635	AQUA & ENVIRONMENT	4,400.00	STUDY - JML
FSI CORP SERVICES	91/10/28	5637	SIGNAL ENGINEERING	14,570.91	STUDY - JML
FSI CORP SERVICES	91/10/28	5638	GUARDING ASSIGNMENTS	12,384.00	STUDY - JML
FSI CORP SERVICES	91/11/08	5686	S FALCKE INTERIOR DESIGN	1,316.85	STUDY - JML
FSI CORP SERVICES	91/11/05	5689	PHILLIPS TELECOMMUNICATION	169.00	STUDY - JML
FSI CORP SERVICES	91/11/28	5878	S FALCKE INTERIOR DESIGN	12,529.00	STUDY - JML
FSI CORP SERVICES	91/11/28	5879	BARRIER ACCESS CONTROLS	1,545.00	STUDY - JML
FSI CORP SERVICES	91/11/28	5880	SIGNAL ENGINEERING	1,256.36	STUDY - JML
FSI CORP SERVICES	91/12/09	5937	S FALCKE INTERIOR DESIGN	538.75	STUDY - JML
FSI CORP SERVICES	92/01/10	6078	PHILLIPS TELECOMMUNICATION	159.50	REPAIRS & MAINTENANCE
FSI CORP SERVICES	92/01/13	6081	S FALCKE INTERIOR DESIGN	1,852.51	REPAIRS & MAINTENANCE
FSI CORP SERVICES	92/01/30	6193	PADDY GIBB FLEURS IMAGINAIRES	825.00	ENTERTAINMENT - JML
FSI CORP SERVICES	92/01/31	6201	GUARDING ASSIGNMENTS	13,781.90	SECURITY SERVICES
FSI CORP SERVICES	92/02/03	6234	PHILLIPS TELECOMMUNICATION	1,047.61	REPAIRS & MAINTENANCE
FSI CORP SERVICES	92/02/17	6294	GUARDING ASSIGNMENTS	13,781.90	SECURITY SERVICES
FSI CORP SERVICES	92/02/28	6343	PREPLAN FIRE CONSULTANTS	1,297.45	REPAIRS & MAINTENANCE
FSI CORP SERVICES	92/02/28	6344	BENMORE ELECTRICAL & PLUMBING	275.00	REPAIRS & MAINTENANCE
FSI CORP SERVICES	92/02/28	6345	PANASONIC BUSINESS SYSTEMS	7,002.60	REPAIRS & MAINTENANCE
FSI CORP SERVICES	92/02/28	6346	AQUA & ENVIRO SYSTEMS	1,045.00	REPAIRS & MAINTENANCE
FSI CORP SERVICES	92/02/28	6347	SIGNAL ENGINEERING	1,104.40	REPAIRS & MAINTENANCE
FSI CORP SERVICES	92/03/03	6365	PADDY GIBB FLEURS IMAGINAIRES	1,409.10	ENTERTAINMENT - JML
FSI CORP SERVICES	92/03/16	6425	IAN CORRIGAN ELECTRICAL	793.00	REPAIRS & MAINTENANCE
FSI CORP SERVICES	92/03/20	6473	GUARDING ASSIGNMENTS	13,781.90	SECURITY SERVICES
FSI CORP SERVICES	92/03/31	6512	PADDY GIBB FLEURS IMAGINAIRES	1,171.45	ENTERTAINMENT - JML
FSI CORP SERVICES	92/04/27	6618	GUARDING ASSIGNMENTS	13,781.90	SECURITY SERVICES
FSI CORP SERVICES	92/05/05	6654	PADDY GIBB FLEURS IMAGINAIRES	738.65	ENTERTAINMENT - JML
FSI CORP SERVICES	92/06/03	6764	GUARDING ASSIGNMENTS	13,691.90	SECURITY SERVICES
FSI CORP SERVICES	92/06/29	6870	GUARDING ASSIGNMENTS	13,781.90	SECURITY SERVICES
FSI CORP SERVICES	92/07/06	6907	S FALCKE INTERIOR DESIGN	798.60	STUDY - JML
FSI CORP SERVICES	92/07/06	6921	S FALCKE INTERIOR DESIGN	7,906.14	STUDY - JML
FSI CORP SERVICES	92/08/03	7024	S FALCKE INTERIOR DESIGN	8,640.17	STUDY - JML
FSI CORP SERVICES	92/08/05	7042	PADDY GIBB FLEURS IMAGINAIRES	2,937.25	ENTERTAINMENT - JML
FSI CORP SERVICES	92/08/05	7051	GUARDING ASSIGNMENTS	20,683.42	SECURITY SERVICES
FSI CORP SERVICES	92/08/11	7068	ENVY COMMUNICATIONS	198.00	REPAIRS & MAINTENANCE

COMPANY	DATE	CHEQUE #	PAYEE	AMOUNT	ACCOUNT DEBITED
FSI CORP SERVICES	92/08/14	7091	S FALCKE INTERIOR DESIGN	24,600.67	STUDY - JML
FSI CORP SERVICES	92/05/31	7153	GUARDING ASSIGNMENTS	15,738.92	SECURITY SERVICES
FSI CORP SERVICES	92/09/19	7227	PADDY GIBB FLEURS IMAGINAIRES	1,659.60	ENTERTAINMENT - JML
FSI CORP SERVICES	92/09/19	7230	S FALCKE INTERIOR DESIGN	6,787.91	FSI CORPORATION
FSI CORP SERVICES	92/09/28	7297	GUARDING ASSIGNMENTS	15,738.92	SECURITY SERVICES
FSI CORP SERVICES	92/10/15	7366	S FALCKE INTERIOR DESIGN	10,787.39	FSI CORPORATION
FSI CORP SERVICES	92/10/16	7386	PADDY GIBB FLEURS IMAGINAIRES	1,444.30	ENTERTAINMENT - JML
FSI CORP SERVICES	92/10/26	7413	AQUA & ENVIRO SYSTEMS	6,524.10	SECURITY SERVICES
FSI CORP SERVICES	92/10/26	7419	GUARDING ASSIGNMENTS	15,738.92	SECURITY SERVICES
FSI CORP SERVICES	92/10/26	7420	S FALCKE INTERIOR DESIGN	12,320.00	STUDY - JML
FSI CORP SERVICES	92/11/12	7563	S FALCKE INTERIOR DESIGN	3,581.60	STUDY - JML
FSI CORP SERVICES	92/11/13	7569	PADDY GIBB FLEURS IMAGINAIRES	2,422.75	ENTERTAINMENT - JML
FSI CORP SERVICES	92/11/16	7621	ENVY COMMUNICATIONS	150.00	REPAIRS & MAINTENANCE
FSI CORP SERVICES	92/12/02	7686	GUARDING ASSIGNMENTS	15,738.92	SECURITY SERVICES
FSI CORP SERVICES	92/12/02	7688	ENVY COMMUNICATIONS	82.00	REPAIRS & MAINTENANCE
FSI CORP SERVICES	92/12/07	7714	PADDY GIBB FLEURS IMAGINAIRES	1,246.30	ENTERTAINMENT - JML
FSI CORP SERVICES	93/01/25	7815	PADDY GIBB FLEURS IMAGINAIRES	597.15	ENTERTAINMENT - JML
FSI CORP SERVICES	93/02/11	7877	PADDY GIBB FLEURS IMAGINAIRES	1,215.00	ENTERTAINMENT - JML
FSI CORP SERVICES	93/03/09	7991	PADDY GIBB FLEURS IMAGINAIRES	1,855.00	ENTERTAINMENT - JML
FSI CORP SERVICES	93/03/17	8016	PADDY GIBB FLEURS IMAGINAIRES	620.00	ENTERTAINMENT - JML
FSI CORP SERVICES	93/04/16	8064	AQUA & ENVIRO SYSTEMS	2,101.00	SECURITY SERVICES
FSI CORP SERVICES	93/04/25	8096	PADDY GIBB FLEURS IMAGINAIRES	658.75	ENTERTAINMENT - JML
FSI CORP SERVICES	93/05/17	8159	S FALCKE INTERIOR DESIGN	3,272.11	STUDY - JML
FSI CORP SERVICES	93/05/25	8192	SANDTON SENTRY	228.00	SECURITY SERVICES
				1,914,475.40	

10547

NOTE 1:

This returned paid cheque cannot be found.

"B"

Accounts received

Spoor & Fisher re Greengrass Recreation Centre	274,46
Kessel Feinstein	660,00
Deans	1 412,84
Dr Roland Goldberg	1 387,06
Time Life Books (J.J. van Wyngaard & Partners)	91,25
Housewares	416,46
Association of Corporate Treasurers	275,00
SA Jewish Board of Education	2 910,00
Swanks	3 141,05
Bakabung Share Block	885,00
Hoskens	7 714,68
Receiver of Revenue	39 064,03
	58 231,83

ANNEXURE F

PAYING COMPANY: FSI CORPORATE SERVICES
BENEFICIARY: CONFOR INVESTMENTS

CHEQUE NUMBER	CHEQUE DATE	PAYEE	PORTION OF CHEQUE ATTRIBUTED TO CONFOR	CHEQUE AMOUNT	PURPORTED REASON FOR PORTION OF PAYMENT ATTRIBUTED TO CONFOR AS PER BOOKS AND RECORDS	NOTES
35	89/02/07	JSA DESIGN INTERNATIONAL (PTY) LTD	669.00	5,649.64	JSA DESIGN INTERNATIONAL LETTERHEADS	
507	89/02/20	KESSEL FEINSTEIN	330.00	122,763.00	KESSEL SECRETARIAL FEE	
512	89/02/20	CHATZ MASERATI	100,000.00	100,000.00	MASERATI DEPOSIT	
150	89/04/19	TURBO TRAVEL (PTY) LTD	998.13	19,204.46	TRAVEL EXPENSES	
823	89/04/21	LA MONTAGNE	823.00	6,225.69	LEVY FOR 12 UNITS AT LA MONTAGNE	
914	89/05/05	MAX POLLACK & FREEMANTLE	482,891.93	482,891.93	PRESSED NUT SYNDICATE (SHARE ACQUISITION)	1
1061	89/06/01	DINERS CLUB INTERNATIONAL	17,902.86	17,902.86	CORPORATE CHARTER FEES PAID TO DINERS CLUB	
202	89/06/09	CENTRAL OFFICE FURNISHERS	752.64	752.64	OFFICE FURNITURE DELIVERED TO R BLACKWELL AT LANSERIA	
212	89/06/09	NORMAN GOODFELLOWS	1,950.72	2,471.72	NORMAN GOODFELLOWS LIQUOR PURCHASES	
1362	89/07/19	TURBO TRAVEL	31,471.58	31,471.58	CYPRUS HOTEL – JML AND FAMILY	
1457	89/08/03	CONFOR INVESTMENTS	160,000.00	160,000.00	PARAGUAIN PASSPORTS	
1504	89/08/10	DINERS CLUB INTERNATIONAL	64,614.00	84,232.70	AIRTICKETS BEL, TWR, BK, JML	
352	89/08/18	NORMAN GOODFELLOWS	5,254.24	5,254.24	NORMAN GOODFELLOWS LIQUOR PURCHASES	
1543	89/08/18	DINERS CLUB INTERNATIONAL	1,566.20	1,566.20	TW ROLFE LOAN	
1566	89/08/22	VAN NIMWEGEN INTERNATIONAL	30,014.00	30,014.00	FURNITURE REMOVAL EL KOCH	
1581	89/08/23	NATIONAL FLAG	700.71	700.71	CORPORATE FLAGS	
1597	89/08/25	TAROW INTERNATIONAL	500,000.00	500,000.00		
1938	89/10/13	C&G INTERNATIONAL	10,000.00	10,000.00	LOAN TO CEREAL & GENERAL	
1942	89/10/13	DINERS CLUB INTERNATIONAL	991.00	58,639.20	AIRTICKET TW ROLFE	
506	89/11/25	IMPERIAL CAR RENTAL	751.74	1,532.74	IMPERIAL CAR RENTAL	
525	89/11/25	NORMAN GOODFELLOWS	5,366.21	5,366.21	NORMAN GOODFELLOWS LIQUOR PURCHASES	
2310	89/12/12	TW ROLFE	32.70	32.70	TW ROLFE TRAVELLERS CHEQUE REFUND	
2353	89/12/18	DINERS CLUB INTERNATIONAL	34,156.00	67,805.40	AIRTICKETS B KAMINER, TW ROLFE	
2378	89/12/22	FRANKEL KRUGER VINDERINE	186,780.55	186,780.55	ACQUISITION OF 20 300 FSI CORPORATION SHARES	2

ANNEXURE F

PAYING COMPANY: FSI CORPORATE SERVICES
BENEFICIARY: CONFOR INVESTMENTS

CHEQUE NUMBER	CHEQUE DATE	PAYEE	PORTION OF CHEQUE ATTRIBUTED TO CONFOR	CHEQUE AMOUNT	PURPORTED REASON FOR PORTION OF PAYMENT ATTRIBUTED TO CONFOR AS PER BOOKS AND RECORDS	NOTES
2381	89/12/27	FRANKEL KRUGER VINDERINE	142,434.21	142,434.21	AQUISITION OF 32 600 FS GROUP SHARES	3
2383	89/12/28	FRANKEL KRUGER VINDERINE	23,058.75	23,058.75	AQUISITION OF 5 000 FS GROUP SHARES	4
2384	89/12/29	FRANKEL KRUGER VINDERINE	22,165.00	22,165.00	ACQUISITION OF 2 400 FSI CORPORATION SHARES	5
592	89/12/31	IMPERIAL CAR RENTAL	1,152.00	2,300.24	IMPERIAL CAR RENTAL	
2401	90/01/02	FRANKEL KRUGER VINDERINE	100,647.43	100,647.43	PURCHASE OF SHARES	6
2402	90/01/03	FRANKEL KRUGER VINDERINE	50,666.25	50,666.25	PURCHASE OF SHARES	7
2415	90/01/04	FRANKEL KRUGER VINDERINE	1,451.80	1,451.80	PURCHASE OF SHARES	
2636	90/02/08	CONFOR	6,026,686.81	6,026,686.81	LOANS	
2679	90/02/22	CONFOR	500,000.00	500,000.00		
2697	90/02/27	CONFOR	48,177.00	48,177.00	LOANS	
2919	90/04/18	FRANKEL KRUGER VINDERINE	200,880.49	200,880.49	PURCHASE OF SHARES	8
2937	90/04/20	FRANKEL KRUGER VINDERINE	155,323.32	155,323.32	PURCHASE OF SHARES	9
2960	90/04/24	FRANKEL KRUGER VINDERINE	11,424.70	11,424.70	PURCHASE OF SHARES	10
2967	90/04/25	FRANKEL KRUGER VINDERINE	124,888.49	124,888.49	PURCHASE OF SHARES	11
746	90/05/09	JM LIEBESMAN	850,000.00	850,000.00	JML	
3042	90/05/09	CONFOR	619,523.81	619,523.81	LOANS	
3136	90/05/29	CONFOR	50,000.00	50,000.00	LOANS	
3147	90/05/30	FRANKEL KRUGER VINDERINE	128,551.45	128,551.45	PURCHASE OF SHARES	12
3148	90/05/30	FRANKEL KRUGER VINDERINE	8,629.90	8,629.90	PURCHASE OF SHARES	
3303	90/07/02	CONFOR	3,000,000.00	3,000,000.00	admin fee	
3686	90/09/04	CONFOR	2,000,000.00	2,000,000.00	LOANS	
4030	90/11/09	COMAIR JET CENTRE	2,243.00	2,243.00	HANGARAGE	
4076	90/11/16	PRIDE CONSULTANTS	103,582.42	103,582.42		
4077	90/11/16	EDWARD NATHAN	155.00	155.00		
4078	90/11/16	EDWARD NATHAN	1,056.00	1,056.00		
4032	90/12/05	CONFOR	2,000,000.00	2,000,000.00	ADMINISTRATION FEE	
4245	91/01/17	DR A KRAWITZ	4,000.00	4,000.00	CONSULTANTS FEES	
1317	91/01/31	NORMAN GOODFELLOWS	2,241.90	2,241.90	NORMAN GOODFELLOWS (BOTTLE STORE)	
4350	91/02/05	DR A KRAWITZ	4,000.00	4,000.00	CONSULTANTS FEES	
4402	91/02/15	CONFOR	250,000.00	250,000.00	PURCHASE OF REPUBLIC SHUTTERING	
1321	91/02/27	NORMAN GOODFELLOWS	414.20	414.20	NORMAN GOODFELLOWS (BOTTLE STORE)	
1390	91/03/25	NORMAN GOODFELLOWS	2,486.02	2,486.02	NORMAN GOODFELLOWS (BOTTLE STORE)	
4636	91/03/25	DR A KRAWITZ	4,000.00	4,000.00	CONSULTANTS FEES	
4700	91/04/12	DR A KRAWITZ	4,000.00	4,000.00	CONSULTANTS FEES	
1482	91/04/25	NORMAN GOODFELLOWS	3,532.43	3,532.43	NORMAN GOODFELLOWS (BOTTLE STORE)	
4791	91/04/29	M BERCOWITZ	1,497.11	1,497.11	M BERCOWITZ MOTOR REPAIRS	
4738	91/04/30	DR A KRAWITZ	4,000.00	4,000.00	CONSULTANTS FEES	
4855	91/05/08	MERCANTILE REGISTRARS	1,979.20	1,979.20	MST FSI	

ANNEXURE F

PAYING COMPANY: FSI CORPORATE SERVICES
BENEFICIARY: CONFOR INVESTMENTS

CHEQUE NUMBER	CHEQUE DATE	PAYEE	PORTION OF CHEQUE ATTRIBUTED TO CONFOR	CHEQUE AMOUNT	PURPORTED REASON FOR PORTION OF PAYMENT ATTRIBUTED TO CONFOR AS PER BOOKS AND RECORDS	NOTES
1490	91/05/25	NORMAN GOODFELLOWS	3,225.49	3,225.49	NORMAN GOODFELLOWS (BOTTLE STORE)	
1556	91/06/28	NORMAN GOODFELLOWS	3,479.47	3,479.47	NORMAN GOODFELLOWS (BOTTLE STORE)	
5135	91/07/02	CONFOR INVESTMENTS (PTY) LTD	1,000,000.00	1,000,000.00	ADMINISTRATION FEE	
5136	91/07/02	GINSBERG HIRING	668.70	668.70	PETTY CASH	
5152	91/07/08	P PANANOWITZ	8,000.00	8,000.00	PETTY CASH	
5155	91/07/09	CONFOR INVESTMENTS	1,000,000.00	1,000,000.00	ADMINISTRATION FEE	
5241	91/07/18	CASH	2,000.00	2,000.00	PETTY CASH	
5325	91/07/30	FRANKEL MAX POLLOCK	66,174.69	66,174.69	PURCHASE OF SHARES	
1628	91/07/31	NORMAN GOODFELLOWS	2,719.14	2,719.14	NORMAN GOODFELLOWS (BOTTLE STORE)	
4856	91/08/08	SENREG	3,045.60	3,045.60	MST W&A	
5376	91/08/14	CASH	2,000.00	2,000.00	PETTY CASH	
5434	91/08/23	CASH	2,000.00	2,000.00	PETTY CASH	
5443	91/08/26	DENNIS JANKELOW & ASSOCIATES	29,300.24	29,300.24	DENNIS JANKELOW CORPORATE CHARTER SERVICES	
4546	91/09/19	CASH	1,598.84	1,598.84	PETTY CASH EXPENSES	
4607	91/09/26	CASH	2,000.00	2,000.00	PETTY CASH EXPENSES	
4611	91/09/27	CASH	2,000.00	2,000.00	PETTY CASH EXPENSES	
4616	91/09/27	CONFOR INVESTMENTS (PTY) LTD	1,000,000.00	1,000,000.00	ADMINISTRATION FEE	
5527	91/10/02	CASH	3,000.00	3,000.00	PETTY CASH REIMBURSEMENT	
5529	91/10/03	S SLOM	120,000.00	120,000.00	S SLOM LOAN REPAID	
5533	91/10/04	CASH	3,000.00	3,000.00	PETTY CASH REIMBURSEMENT	
5550	91/10/09	CASH	2,000.00	2,000.00	PETTY CASH REIMBURSEMENT	
5595	91/10/18	CASH	2,000.00	2,000.00	PETTY CASH REIMBURSEMENT	
5657	91/10/31	McCARTHY LEASING	17,357.76	282,687.84	LEASING MMN184T	
1778	91/11/25	NORMAN GOODFELLOWS	4,138.20	4,138.20		
5930	91/12/06	CONFOR INVESTMENTS NO 2 ACCOUNT	250,000.00	250,000.00		
5964	91/12/11	CASH	3,500.00	7,000.00	PETTY CASH	
5988	91/12/12	BP BERNSTEIN	85,585.00	85,585.00	PURCHASE OF SHARES	
6016	91/12/18	BP BERNSTEIN	5,547.40	5,547.40	PURCHASE OF SHARES	13
6018	91/12/18	CASH	1,000.00	1,000.00	PETTY CASH	
6053	91/12/23	JM LIEBESMAN	30,000.00	30,000.00		
6083	92/01/13	DINERS CLUB INTERNATIONAL	7,885.10	146,605.53	AIRTICKETS N COHEN, J LIEBESMAN	
6102	92/01/13	CASH	2,000.00	2,000.00	PETTY CASH	
6199	92/01/31	CASH	2,000.00	2,000.00	PETTY CASH	
6253	92/02/05	CONFOR INVESTMENTS	1,000,000.00	1,000,000.00	ADMINISTRATION FEE	
6276	92/02/13	DINERS CLUB INTERNATIONAL	1,018.00	66,797.53	R BLACKWELL - DINERS CLUB	
6311	92/02/20	CASH	2,500.00	2,500.00	PETTY CASH	
6375	92/03/03	CASH	2,500.00	2,500.00	PETTY CASH	

ANNEXURE F

PAYING COMPANY: FSI CORPORATE SERVICES
BENEFICIARY: CONFOR INVESTMENTS

CHEQUE NUMBER	CHEQUE DATE	PAYEE	PORTION OF CHEQUE ATTRIBUTED TO CONFOR	CHEQUE AMOUNT	PURPORTED REASON FOR PORTION OF PAYMENT ATTRIBUTED TO CONFOR AS PER BOOKS AND RECORDS	NOTES
6404	92/03/05	CASH	3,000.00	3,000.00	PETTY CASH	
6418	92/03/13	CASH	2,500.00	2,500.00	PETTY CASH	
6422	92/03/16	POSTMASTER	938.41	6,323.04	CORPORATE CHARTER SERVICES – TELEPHONE & TELEX	
6472	92/03/20	CASH	2,500.00	2,500.00	PETTY CASH	
6570	92/04/13	CASH	2,500.00	2,500.00	PETTY CASH	
1977	92/04/25	NORMAN GOODFELLOWS	3,273.73	3,273.73	NORMAN GOODFELLOWS (BOTTLE STORE)	
6665	92/05/06	DINERS CLUB INTERNATIONAL	11,272.20	152,713.07	AIRTICKETS R BLACKWELL, M THOMPSON	
6678	92/05/08	CASH	2,500.00	2,500.00	PETTY CASH	
6708	92/05/20	HOSKEN INSURANCE BROKERS	40,635.62	40,635.62	JML PERSONAL INSURANCE	
2016	92/05/22	TURBO TRAVEL (PTY) LTD	3,434.40	6,724.50	M LIEBESMAN – TURBO TRAVEL	
6714	92/05/25	CASH	1,000.00	1,000.00	PETTY CASH	
6760	92/06/03	CASH	1,000.00	1,000.00	PETTY CASH	
6777	92/06/05	CASH	2,500.00	2,500.00	PETTY CASH	
6798	92/06/09	BMW FINANZ	3,083.41	3,083.41	R BLACKWELL LEASE	
6807	92/06/12	CASH	1,000.00	1,000.00	PETTY CASH	
6808	92/06/15	TURBO TRAVEL	20,453.00	20,453.00	M LIEBESMAN – TURBO TRAVEL	
6850	92/06/23	DINERS CLUB INTERNATIONAL	30,883.70	143,415.20	M LIEBESMAN, COHEN FAMILY AIRTICKETS	
2056	92/06/25	NORMAN GOODFELLOWS	3,645.42	3,645.42	NORMAN GOODFELLOWS (BOTTLE STORE)	
6892	92/06/30	CASH	1,000.00	1,000.00	PETTY CASH	
6913	92/07/08	CASH	2,500.00	2,500.00	PETTY CASH	
7021	92/07/30	CASH	4,000.00	4,000.00	PETTY CASH	
2104	92/07/31	WILLIAMS HUNT DELTA	228.81	228.81	MOTOR EXPENSES MMZ566T	
7085	92/08/11	CASH	2,000.00	2,000.00	PETTY CASH	
2143	92/08/31	NORMAN GOODFELLOWS	1,589.58	1,589.58	NORMAN GOODFELLOWS (BOTTLE STORE)	
7186	92/09/10	DINERS CLUB INTERNATIONAL	10,616.25	49,582.08	R LIEBESMAN	
7231	92/09/19	POSTMASTER	158.40	158.40	JM LIEBESMAN TV LICENSE	
2210	92/09/30	NORMAN GOODFELLOWS	1,854.18	1,854.18	NORMAN GOODFELLOWS (BOTTLE STORE)	
7316	92/10/02	CASH	1,000.00	1,000.00	JM LIEBESMAN CASH	
7332	92/10/09	PRO–FITNESS INTERNATIONAL CC	3,015.00	3,015.00		
7341	92/10/14	PAPACHRISTOS	20,000.00	20,000.00	N COHEN	
7414	92/10/26	DINERS CLUB INTERNATIONAL	6,301.00	153,579.31	DINERS CLUB – JM LIEBESMAN	
7476	92/11/03	CASH	2,000.00	2,000.00	PETTY CASH	
7629	92/11/17	CASH	2,000.00	2,000.00	JM LIEBESMAN CASH	
7634	92/11/20	DINERS CLUB INTERNATIONAL	3,309.30	48,895.12	JML & NC'S DINERS CLUB	
7655	92/11/23	McCARTHY LEASING	6,049.22	135,539.64	LEASING CHARGES	
2276	92/11/30	TRIPOS TRAVEL AGENCY (PTY) LTD	261.80	289.30	JML TRIPOS	
2299	92/11/30	NORMAN GOODFELLOWS	6,721.67	6,721.67	NORMAN GOODFELLOWS (BOTTLE STORE)	
7830	93/01/28	DINERS CLUB INTERNATIONAL	17,900.00	90,470.87	AIRTICKETS I COHEN, R BLACKWELL, M THOMPSON	
7862	93/02/05	DINERS CLUB	35,093.78	35,093.78		
7863	93/02/05	TELKOM SA LTD	22,111.33	22,111.33	CORPORATE CHARTER SERVICES TELEPHONE	

ANNEXURE F

PAYING COMPANY: FSI CORPORATE SERVICES
BENEFICIARY: CONFOR INVESTMENTS

CHEQUE NUMBER	CHEQUE DATE	PAYEE	PORTION OF CHEQUE ATTRIBUTED TO CONFOR	CHEQUE AMOUNT	PURPORTED REASON FOR PORTION OF PAYMENT ATTRIBUTED TO CONFOR AS PER BOOKS AND RECORDS	NOTES
7891	93/02/05	TELKOM SA LTD	2,361.06	2,361.06	CORPORATE CHARTER SERVICES TELEPHONE	
7908	93/02/05	McCARTHY LEASING	29,436.62	112,489.53	TW ROLFE PORSCHE	
7893	93/02/12	NATIONAL VEHICLE LEASING	956.86	1,859.50	STEPHAN RGN 817 T	
7947	93/02/25	POSTMASTER	26.00	26.00	TELEPHONE	
2544	93/02/26	IMPERIAL CAR RENTAL	206.30	206.30	IMPERIAL CAR HIRE FOR CORPORATE CHARTER SERVICES	
7995	93/03/09	CONTAX INVESTMENTS	157,460.08	157,460.08	DIVIDENDS PAID ON BEHALF OF BURSAR	
7996	93/03/09	CONTAX INVESTMENTS	144,380.58	144,380.58	DIVIDENDS PAID ON BEHALF OF BURSAR	
3003	93/03/16	SOUTHERN SUN	420.00	420.00		
8005	93/03/16	McCARTHY LEASING	28,297.07	104,267.77	VEHICLE LEASING CHARGES – McCARTHY	
8042	93/03/26	CASH	2,500.00	2,500.00	PETTY CASH	
2625	93/03/31	IMPERIAL CAR RENTAL	115.33	115.33	IMPERIAL CAR HIRE	
8052	93/03/31	CASH	750.00	750.00	PETTY CASH	
8062	93/04/14	CASH	1,000.00	1,000.00	PETTY CASH	
8093	93/04/28	CASH	1,000.00	1,000.00	PETTY CASH	
2713	93/04/30	TELECALL (PTY) LTD	137.50	137.50	CORPORATE CHARTER SERVICES TELECALL	
2761	93/04/30	DINERS CLUB INTERNATIONAL	13,225.27	62,629.56	M LIEBESMAN, TW ROLFE EXPENSES	
8103	93/04/31	CONTAX INVESTMENTS	133,150.48	133,150.48		
8127	93/05/05	NEDBANK CARD DIVISION	2,346.47	2,750.23	JML PERSONAL EXPENSES – NEDCARD	
8128	93/05/05	NEDBANK AMERICAN EXPRESS CARD DIV.	9,219.91	10,724.35	NEDCARD – JML'S LONDOLOZI GAME RESERVE EXPENSES	
8129	93/05/05	CORPORATE CHARTER SERVICES	12,451.73	12,451.73	JML EXPENSES CORPORATE CHARTER SERVICES	
8134	93/05/07	CASH	2,000.00	2,000.00	PETTY CASH REIMBURSEMENT	
8135	93/05/07	CASH	500.00	500.00	JM LIEBESMAN LOAN ACCOUNT – CASH	
8147	93/05/11	THE PALACE OF THE LOST CITY – SUN INT.	11,405.33	11,405.33	THE PALACE (LOST CITY) ACCOMMODATION – JML	
8177	93/05/26	CASH	2,000.00	2,000.00	PETTY CASH REIMBURSEMENT	
8194	93/05/28	DINERS CLUB INTERNATIONAL	12,343.15	138,382.55	M LIEBESMAN – AIR TICKETS	
8217	93/06/15	DENEYS REITZ ATTORNEYS	57.00	57.00	DENEYS REITZ – AIRCRAFT CHARTER AGREEMENT	
2885	93/06/18	THE CHIEF LICENSING OFFICER	172.00	172.00	LICENSE PTW 592T	
8249	93/06/23	CASH	2,000.00	2,000.00	PETTY CASH	
2892	93/06/30	NORMAN GOODFELLOWS	912.67	3,650.68	NORMAN GOODFELLOWS (BOTTLE STORE)	
8284	93/07/09	TRIPOS TRAVEL	11,299.36	11,299.36	NEDCARD – JML	
8304	93/07/13	DENEYS REITZ	1,143.64	1,625.64	DENEYS REITZ – RENEWAL OF CCS OP CERT	
8308	93/07/13	CONFOR INVESTMENTS	3,010,000.00	3,010,000.00	CALL	
8319	93/07/22	CASH	2,000.00	2,000.00	PETTY CASH	
8356	93/07/27	KESSEL FEINSTEIN	18,750.00	134,520.00	KESSEL FEINSTEIN	
8383	93/08/10	CASH	2,500.00	2,500.00	PETTY CASH	
8404	93/08/13	NEDCOR BANK LTD CARD DIV.	32,081.34	35,403.57	JML	
8416	93/08/23	CASH	2,500.00	2,500.00	PETTY CASH	
3106	93/08/31	NORMAN GOODFELLOWS LIQUORS	4,544.32	4,544.32		
8474	93/09/06	CASH	2,500.00	2,500.00	PETTY CASH	
8528	93/09/28	CASH	1,783.77	1,783.77	PETTY CASH	
8565	93/10/07	DANMAR AUTO BODY 2	2,654.23	2,654.23	R ISRAELITE CAR REPAIRS	
8685	93/11/30	DINERS CLUB INTERNATIONAL	11,324.25	58,810.18	M LIEBESMAN	
8731	93/12/13	FIRST NATIONAL BANK AUTO CARD	3,146.08	21,485.55	LEASING	
			26,728,998.14			

See narrations to notes overleaf

ANNEXURE G

The following cheques were accounted for in the Confor intercompany account in the books of either FSI Corporate Services or FSI Corporation. The [illegible] paid cheques were missing.

These cheques have NOT been included in the claim schedules.

PAYING COMPANY	CHEQUE NUMBER	CHEQUE DATE	CHEQUE AMOUNT	PURPORTED REASON FOR PORTION OF PAYMENT ATTRIBUTED TO CONFOR AS PER BOOKS AND RECORDS
FSI CORPORATE SERVICES	126	89/12/31	1,910.00	ACQUISITION OF SHARES
FSI CORPORATE SERVICES	966	91/04/22	241,352.62	ACQUISITION OF SHARES
FSI CORPORATE SERVICES	975	91/05/07	25,240.63	ACQUISITION OF SHARES
FSI CORPORATE SERVICES	978	91/05/13	553,382.50	ACQUISITION OF SHARES
FSI CORPORATE SERVICES	976	91/05/14	42,792.50	ACQUISITION OF SHARES
FSI CORPORATE SERVICES	979	91/05/21	17,906.22	ACQUISITION OF SHARES
FSI CORPORATE SERVICES	6199	92/02/14	2,000.00	CASH
FSI CORPORATE SERVICES	6379	92/11/01	17,367.60	AIRTICKETS R BLACKWELL, M THOMPSON
FSI CORPORATE SERVICES	3016	93/08/31	1,136.08	NORMAN GOODFELLOWS
			903,088.15	

ANNEXURE H

JOURNALS IN FSI CORPORATATE SERVICES NOT TRACED TO CHEQUES

(ALL JOURNALS ARE BETWEEN FSI CORPORATE SERVICES AND CONFOR)

DATE	JOURNAL NUMBER	JOURNAL AMOUNT	PURPORTED REASON FOR JOURNAL AS PER BOOKS AND RECORDS	COMMENTARY
89/01/31	42	12,000.00	CORPORATE CHARTER SERVICES SALARY	JOURNAL VOUCHER COPIED
89/02/28	45	12,000.00	CORPORATE CHARTER SERVICES SALARY	BREAKDOWN OF PAYROLL NOT FOUND
89/03/31	49	12,000.00	CORPORATE CHARTER SERVICES SALARY	BREAKDOWN OF PAYROLL NOT FOUND
89/04/19	69	12,000.00	CORPORATE CHARTER SERVICES SALARY	BREAKDOWN OF PAYROLL NOT FOUND
89/05/19	70	12,000.00	CORPORATE CHARTER SERVICES SALARY	JOURNAL VOUCHER COPIED
89/06/19	70	12,000.00	CORPORATE CHARTER SERVICES SALARY	JOURNAL VOUCHER COPIED
89/06/30	90	33,283.75	SHARES PAID FOR BY FSI CORPORATE SERVICES (21 700 ELGRO 142	FROM FSI OR FSTEAM – BOOKS NOT FOUND
89/06/30	90	31,156.95	SHARES PAID FOR BY FSI CORPORATE SERVICES (11 700 ELGRO 211	FROM FSI OR FSTEAM – BOOKS NOT FOUND
89/06/30	90	17,537.25	SHARES PAID FOR BY FSI CORPORATE SERVICES (11 400 ELGRO 29)	FROM FSI OR FSTEAM – BOOKS NOT FOUND
89/06/30	90	92,385.63	SHARES PAID FOR BY FSI CORPORATE SERVICES (60 500 ELGRO 27)	FROM FSI OR FSTEAM – BOOKS NOT FOUND
89/06/30	101	140,000.00	ADMIN FEE FROM J CRAIG DEPOSITED INTO NO 2 ACCOUNT	FROM JOHN CRAIG – BOOKS NOT FOUND
89/07/31	105	13,450.00	CORPORATE CHARTER SERVICES SALARY	JOURNAL VOUCHER COPIED
89/08/31	104	13,350.00	CORPORATE CHARTER SERVICES SALARY	JOURNAL VOUCHER COPIED
89/09/30	88	700.00	DONATIONS GALIL	CANNOT TRACE JOURNAL FURTHER
89/09/30	107	13,350.00	CORPORATE CHARTER SERVICES SALARY	JOURNAL VOUCHER COPIED
89/09/30	111	610.88	LOCAL TRAVEL REGARDING KAPPA	REFUND FROM CORPORATE CHARTER SERVICES
89/09/30	113	669.81	STANNIC 8	CANNOT TRACE JOURNAL FURTHER
89/09/30	113	149,925.00	SALARUES	RELATES TO DEC 1988 – NO RECORDS FOUND
89/09/30	121	66,807.65	SALARIES	SEE NOTE 1 BELOW
89/09/30	130	2,099.60	LEASING TRUST 563	FROM FSI – RECORDS NOT FOUND
89/10/30	127	15,350.00	CORPORATE CHARTER SERVICES SALARY	JOURNAL VOUCHER COPIED
89/11/30	128	15,350.00	CORPORATE CHARTER SERVICES SALARY	JOURNAL VOUCHER COPIED
89/12/08	134	27,700.00	CORPORATE CHARTER SERVICES SALARY	JOURNAL VOUCHER COPIED
89/12/31	142	1,910.00	EXPENSES DUE TO FSICS FROM HUNTS PROPERTIES	JOURNAL VOUCHER COPIED
90/06/30	?	11,500.00	DIVIDENDS AM SCHLESINGER	CANNOT TRACE JOURNAL FURTHER
90/06/30	?	4,704.00	W&A CGS	CANNOT TRACE JOURNAL FURTHER
90/06/30	?	818,884.11	EXPENSES PAID BY FSI CORPORATE SERVICES	CANNOT TRACE JOURNAL FURTHER
90/06/30	?	400.00	MEDS	CANNOT TRACE JOURNAL FURTHER
90/06/30	?	20,900.00	DIVIDENDS AM SCHLESINGER	CANNOT TRACE JOURNAL FURTHER
90/06/30	?	13,680.00	DIVIDENDS AM SCHLESINGER	CANNOT TRACE JOURNAL FURTHER
90/06/30	?	2,880.00	DIVIDENDS AM SCHLESINGER	CANNOT TRACE JOURNAL FURTHER
90/06/30	?	673.29	STANNIC 8	CANNOT TRACE JOURNAL FURTHER
90/06/30	?	34,395.00	DIVIDENDS AM SCHLESINGER	CANNOT TRACE JOURNAL FURTHER
90/06/30	?	664,961.65	EXPENSES PAID BY FSI CORPORATE SERVICES	CANNOT TRACE JOURNAL FURTHER
90/06/30	?	22,688.30	EXPENSES PAID BY FSI CORPORATE SERVICES	CANNOT TRACE JOURNAL FURTHER
90/06/30	51	550.00	NEDINFORM SERVICE FEE	CANNOT TRACE JOURNAL FURTHER

ANNEXURE H

JOURNALS IN FSI CORPORATATE SERVICES NOT TRACED TO CHEQUES

(ALL JOURNALS ARE BETWEEN FSI CORPORATE SERVICES AND CONFOR)

DATE	JOURNAL NUMBER	JOURNAL AMOUNT	PURPORTED REASON FOR JOURNAL AS PER BOOKS AND RECORDS	COMMENTARY
90/09/30	?	41,174.03	EXPENSES PAID BY FSI CORPORATE SERVICES	CANNOT TRACE JOURNAL FURTHER
90/12/03	?	127,546.50	EXPENSES PAID BY FSI CORPORATE SERVICES	CANNOT TRACE JOURNAL FURTHER
90/12/31	?	7,334.20	EXPENSES PAID BY FSI CORPORATE SERVICES	CANNOT TRACE JOURNAL FURTHER
90/12/31	?	50,940.00	DIVIDENDS AM SCHLESINGER	CANNOT TRACE JOURNAL FURTHER
91/01/25	1	19,650.00	SALARY CORPORATE CHARTER SERVICES	JOURNAL VOUCHER COPIED
91/01/31	141	1,859.00	L KOCH CALLGUARD SECURITY	CANNOT TRACE JOURNAL FURTHER
91/01/31	141	1,859.00	L KOCH CALLGUARD SECURITY	CANNOT TRACE JOURNAL FURTHER
91/02/25	4	19,650.00	SALARY CORPORATE CHARTER SERVICES	JOURNAL VOUCHER COPIED
91/02/28	141	2,183.50	L KOCH CALLGUARD SECURITY	CANNOT TRACE JOURNAL FURTHER
91/03/25	6	19,650.00	SALARY CORPORATE CHARTER SERVICES	JOURNAL VOUCHER COPIED
91/04/30	24	19,650.00	SALARY CORPORATE CHARTER SERVICES	JOURNAL VOUCHER COPIED
91/04/30	145	1,859.00	L KOCH CALLGUARD SECURITY	CANNOT TRACE JOURNAL FURTHER
91/04/30	159	1,859.00	L KOCH CALLGUARD SECURITY	CANNOT TRACE JOURNAL FURTHER
91/05/31	26	19,650.00	SALARY CORPORATE CHARTER SERVICES	JOURNAL VOUCHER COPIED
91/05/31	159	1,859.00	L KOCH CALLGUARD SECURITY	CANNOT TRACE JOURNAL FURTHER
91/06/25	55	19,650.00	SALARY CORPORATE CHARTER SERVICES	JOURNAL VOUCHER COPIED
91/06/30	158	1,859.00	L KOCH CALLGUARD SECURITY	CANNOT TRACE JOURNAL FURTHER
91/06/30	158	75.00	DINERS CLUB R BLACKWELL/ M THOMPSON	CANNOT TRACE JOURNAL FURTHER
91/06/30	158	60.00	L KOCH ENGINEERS COUNCIL	CANNOT TRACE JOURNAL FURTHER
91/07/01	178	21,925.00	SALARY CORPORATE CHARTER SERVICES	JOURNAL VOUCHER COPIED
91/07/01	178	21,925.00	SALARY CORPORATE CHARTER SERVICES	JOURNAL VOUCHER COPIED
91/07/01	178	21,925.00	SALARY CORPORATE CHARTER SERVICES	JOURNAL VOUCHER COPIED
91/07/31	97	21,925.00	SALARY CORPORATE CHARTER SERVICES	JOURNAL VOUCHER COPIED
91/08/30	97	21,925.00	SALARY CORPORATE CHARTER SERVICES	JOURNAL VOUCHER COPIED
91/09/30	114	21,925.00	SALARY CORPORATE CHARTER SERVICES	JOURNAL VOUCHER COPIED
91/10/31	134	21,925.00	SALARY CORPORATE CHARTER SERVICES	JOURNAL VOUCHER COPIED
91/11/01	47	17,367.60	AIRTICKETS R BLACKWELL	CANNOT TRACE JOURNAL FURTHER
91/12/31	184	8,589.75	EXPENSES PAID BY FSICS FOR CONFOR	CANNOT TRACE JOURNAL FURTHER
91/12/31	188	4,879.28	L KOCH CALLGUARD SECURITY	CANNOT TRACE JOURNAL FURTHER
91/12/31	188	250.66	DINERS CLUB CORPORATE CHARTER SERVICES M THOMPSON	CANNOT TRACE JOURNAL FURTHER
91/12/31	189	106,961.51	ARCADIA SPONSORSHIP	CANNOT TRACE JOURNAL FURTHER
91/12/31	189	8,635.82	REICHMANS	CANNOT TRACE JOURNAL FURTHER
91/12/31	189	37,640.00	TRANSFER NEDBANK ACCOUNT TO FSI CORPORATE SERVICES	CANNOT TRACE JOURNAL FURTHER
91/12/31	190	42,150.00	SALARY CORPORATE CHARTER SERVICES	JOURNAL VOUCHER COPIED
91/12/31	190	2,990,642.46	EXPENSES PAID FOR CONFOR	CANNOT TRACE JOURNAL FURTHER
91/12/31	191	266,946.02	TRANSFER GBP ADVANCE ACCOUNT	CANNOT TRACE JOURNAL FURTHER
91/12/31	192	5,211.04	WAICOR DIVIDENDS	CANNOT TRACE JOURNAL FURTHER
91/12/31	192	12,363.38	LEASING	CANNOT TRACE JOURNAL FURTHER
91/12/31	193	10,544.44	R BLACKWELL EXPENSES NKM447T	CANNOT TRACE JOURNAL FURTHER
91/12/31	193	17,442.70	TW ROLFE EXPENSES	CANNOT TRACE JOURNAL FURTHER
91/12/31	193	10,066.34	R BLACKWELL EXPENSES	CANNOT TRACE JOURNAL FURTHER
91/12/31	193	60,509.43	TW ROLFE EXPENSES	CANNOT TRACE JOURNAL FURTHER
91/12/31	201	203,992.00	DIVIDENDS RECEIVED RE PENSION FUND SHARES TRANSFERRED	CANNOT TRACE JOURNAL FURTHER
92/01/31	7	21,862.30	SALARY CORPORATE CHARTER SERVICES	JOURNAL VOUCHER COPIED

see Confo ie back up left.

ANNEXURE H

JOURNALS IN FSI CORPORATATE SERVICES NOT TRACED TO CHEQUES

(ALL JOURNALS ARE BETWEEN FSI CORPORATE SERVICES AND CONFOR)

DATE	JOURNAL NUMBER	JOURNAL AMOUNT	PURPORTED REASON FOR JOURNAL AS PER BOOKS AND RECORDS	COMMENTARY
92/02/28	7	21,862.30	SALARY CORPORATE CHARTER SERVICES	JOURNAL VOUCHER COPIED
92/03/31	8	21,862.30	SALARY CORPORATE CHARTER SERVICES	JOURNAL VOUCHER COPIED
92/03/31	18	287.94	DATAQUIP FINANCE	CANNOT TRACE JOURNAL FURTHER
92/04/30	8	25,170.88	SALARY CORPORATE CHARTER SERVICES	JOURNAL VOUCHER COPIED
92/04/30	13	10,845.93	R BLACKWELL LEASE	CANNOT TRACE JOURNAL FURTHER
92/04/30	18	226.24	DATAQUIP FINANCE	CANNOT TRACE JOURNAL FURTHER
92/05/29	14	25,170.88	SALARY CORPORATE CHARTER SERVICES	JOURNAL VOUCHER COPIED
92/06/30	14	25,170.88	SALARY CORPORATE CHARTER SERVICES	JOURNAL VOUCHER COPIED
92/06/30	29	2,286.21	EXPENSES PAID FOR CONFOR	CANNOT TRACE JOURNAL FURTHER
92/07/31	33	25,308.88	SALARY CORPORATE CHARTER SERVICES	JOURNAL VOUCHER COPIED
92/08/31	36	25,308.88	SALARY CORPORATE CHARTER SERVICES	JOURNAL VOUCHER COPIED
92/08/31	38	12,706.01	N COHEN - EXPENSES PAID BY FSICS	CANNOT TRACE JOURNAL FURTHER
92/09/30	39	25,308.88	SALARY CORPORATE CHARTER SERVICES	JOURNAL VOUCHER COPIED
92/10/01	43	17,000.00	JM LIEBESMAN DEPOSIT EX NATBOLT	CANNOT TRACE JOURNAL FURTHER
92/10/26	45	25,308.88	SALARY CORPORATE CHARTER SERVICES	JOURNAL VOUCHER COPIED
92/11/01	47	30.13	N COHEN - PHOTOS	PETTY CASH VOUCHERS NOT FOUND
92/11/03	47	200.00	N COHEN	PETTY CASH VOUCHERS NOT FOUND
92/11/06	59	1,560,031.56	DIVIDENDS	CANNOT TRACE JOURNAL FURTHER
92/11/25	47	29,868.18	SALARY CORPORATE CHARTER SERVICES	JOURNAL VOUCHER COPIED
92/12/31	51	45,658.88	SALARY CORPORATE CHARTER SERVICES	JOURNAL VOUCHER COPIED
92/12/31	54	125,196.49	WAICOR DIVIDENDS DUE FROM BUILMA	CANNOT TRACE JOURNAL FURTHER
93/01/01	3	15,637.55	LEASING D SCHLESINGER 1992	CANNOT TRACE JOURNAL FURTHER
93/01/01	3	17,880.91	B COHEN LEASE	CANNOT TRACE JOURNAL FURTHER
93/01/01	3	24,497.43	SALARY CORPORATE CHARTER SERVICES	JOURNAL VOUCHER COPIED
93/01/01	3	7,749.95	R BLACKWELL ENTERTAINMENT	CANNOT TRACE JOURNAL FURTHER
93/02/28	8	30,627.95	SALARY CORPORATE CHARTER SERVICES	JOURNAL VOUCHER COPIED
93/03/31	13	12,564.81	SALARY CORPORATE CHARTER SERVICES	JOURNAL VOUCHER COPIED
93/03/31	17	8,500.00	GAI HARVEST SECURITY	CANNOT TRACE JOURNAL FURTHER
93/03/31	17	34,523.35	DIVIDENDS NEASREG	CANNOT TRACE JOURNAL FURTHER
93/03/31	17	280,000.00	SALARY CORPORATE CHARTER SERVICES	CANNOT TRACE JOURNAL FURTHER
93/03/31	17	200,000.00	RESTRAINT OF TRADE	CANNOT TRACE JOURNAL FURTHER
93/04/30	21	61,936.55	INTEREST RECEIVED	INTEREST TO BE RECALCULATED
93/04/30	21	11,233.99	SALARY CORPORATE CHARTER SERVICES	JOURNAL VOUCHER COPIED
93/04/30	22	26,397.00	VEKTRA DIVIDENDS RECEIVED FOR W&A	CANNOT TRACE JOURNAL FURTHER
93/04/30	22	67.66	N COHEN - PHOTOS	PETTY CASH VOUCHER NOT FOUND
93/04/30	22	876.38	LA MONTAGNE RECOVERED	CANNOT TRACE JOURNAL FURTHER
93/04/30	22	101.48	JM LIEBESMAN DOGFOOD	PETTY CASH VOUCHER NOT FOUND
93/04/30	22	1,090,206.14	EXPENSES PAID FOR CONFOR	CANNOT TRACE JOURNAL FURTHER
93/05/07	28	200.00	JONATHAN LIEBESMAN CLOTHING P/C 150	PETTY CASH VOUCHER NOT FOUND
93/05/14	28	69.38	JML'S SON'S SCHOOL BOOKS P/C 152	PETTY CASH VOUCHER NOT FOUND
93/05/21	28	1,000.00	PETTY CASH P/C 151	PETTY CASH VOUCHER NOT FOUND
93/05/21	28	60.00	JML'S SON'S AFRIKAANS LESSONS P/C 152	PETTY CASH VOUCHER NOT FOUND
93/05/21	28	150.28	JM LIEBESMAN POLISHER REPAIRS P/C 152	PETTY CASH VOUCHER NOT FOUND
93/05/31	29	10,526.00	SALARY CORPORATE CHARTER SERVICES	CANNOT TRACE JOURNAL FURTHER

ANNEXURE H

JOURNALS IN FSI CORPORATATE SERVICES NOT TRACED TO CHEQUES

(ALL JOURNALS ARE BETWEEN FSI CORPORATE SERVICES AND CONFOR)

DATE	JOURNAL NUMBER	JOURNAL AMOUNT	PURPORTED REASON FOR JOURNAL AS PER BOOKS AND RECORDS	COMMENTARY
93/06/01	34	9.00	JM LIEBESMAN BLAZER	CANNOT TRACE JOURNAL FURTHER
93/06/30	182	17,216.65	INTEREST RECEIVED FROM CONFOR	INTEREST TO BE RECALCULATED
93/07/01	39	778,149.64	INTEREST RECEIVED	INTEREST TO BE RECALCULATED
93/07/07	43	41,000.00	INTEREST ON 100 000 W&A DEBENTURES	INTEREST TO BE RECALCULATED
93/07/25	39	11,347.25	SALARY CORPORATE CHARTER SERVICES	JOURNAL VOUCHER COPIED
93/07/31	45	158,937.80	INTEREST ON CALL ACCOUNT	INTEREST TO BE RECALCULATED
93/08/01	57	107,777.19	LEASING CHARGE	CANNOT TRACE JOURNAL FURTHER
93/08/01	178	216,685.12	CORRECTION OF JOURNAL 179	INTEREST TO BE RECALCULATED
93/08/93	57	196,764.55	INTEREST RECEIVED	INTEREST TO BE RECALCULATED
93/09/01	58	5.99	INTEREST RECEIVED	INTEREST TO BE RECALCULATED
93/09/01	68	11,347.25	SALARY CORPORATE CHARTER SERVICES	JOURNAL VOUCHER COPIED
93/09/01	69	7,405.27	JML AND NC – WIFE'S TELEPHONE CHARGE	CANNOT TRACE JOURNAL FURTHER
93/09/30	66	196,745.77	INTEREST ON LOAN AT PRIME	INTEREST TO BE RECALCULATED
93/09/30	68	9,750.00	SALARY CORPORATE CHARTER SERVICES	JOURNAL VOUCHER COPIED
93/10/01	70	13,170.50	LEASING CHARGE	CANNOT TRACE JOURNAL FURTHER
93/10/25	70	9,750.00	SALARY CORPORATE CHARTER SERVICES	JOURNAL VOUCHER COPIED
93/10/31	74	203,408.48	INTEREST ON LOAN ACCOUNT	INTEREST TO BE RECALCULATED
93/10/31	75	10.89	INTEREST ADJUSTMENT ON LOAN ACCOUNT	INTEREST TO BE RECALCULATED
93/11/11	47	60.00	N COHEN – PHOTOS	CANNOT TRACE JOURNAL FURTHER
93/11/25	80	9,750.00	SALARY CORPORATE CHARTER SERVICES	JOURNAL VOUCHER COPIED
93/11/29	80	50.00	JM LIEBESMAN POLISHER	PETTY CASH VOUCHER NOT FOUND
93/11/30	81	178,249.11	INTEREST ON LOAN ACCOUNT	INTEREST TO BE RECALCULATED
93/12/01	89	135.55	N COHEN – PHOTOS	CANNOT TRACE JOURNAL FURTHER
93/12/01	89	93.73	JM LIEBESMAN PETTY CASH	CANNOT TRACE JOURNAL FURTHER
93/12/13	89	197.21	JM LIEBESMAN POLISHER REPAIRED	PETTY CASH VOUCHER NOT FOUND
93/12/30	89	18,100.00	SALARY CORPORATE CHARTER SERVICES	JOURNAL VOUCHER COPIED
93/12/31	50	38,267.25	INTEREST EARNED AND BANK CHARGES	INTEREST TO BE RECALCULATED
93/12/31	87	186,254.41	INTEREST ON LOAN ACCOUNT	INTEREST TO BE RECALCULATED
		12,912,005.58		

NOTE 1:
This debit of R66 807,65 is made up as follows:
R500 000,00 paid to Toran International with cheque 1597 on 30/09/89.
R433 192,65 salaries paid by Confor. We are unable to verify whether Confor paid this amount.

ANNEXURE I

FSI CORPORATION LIMITED

DETAILS OF SHARES ACQUIRED PURSUANT TO PAYMENTS IDENTIFIED IN "NOTE COLUMN" ABOVE

NOTE NUMBER	QUANTITY AND IDENTITY OF SHARES PURCHASED
1	20 400 FSI CORPORATION

FSI CORPORATE SERVICES (PROPRIETARY) LIMITED

DETAILS OF SHARES ACQUIRED PURSUANT TO PAYMENTS IDENTIFIED IN "NOTE COLUMN" ABOVE

NOTE NUMBER	QUANTITY AND IDENTITY OF SHARES PURCHASED
1	157 500 FS GROUP LIMITED
2	53 900 FSI CORPORATION LIMITED
3	32 600 FS GROUP LIMITED
4	5 000 FS GROUP LIMITED
5	2 400 FSI CORPORATION LIMITED
6	10 800 FSI CORPORATION LIMITED
7	5 500 FSI CORPORATION LIMITED
8	38 200 FS GROUP LIMITED 2 800 FSI CORPORATION LIMITED
9	16 800 FS GROUP LIMITED 8 700 FSI CORPORATION LIMITED
10	2 500 FS GROUP LIMITED
11	12 000 FSI CORPORATION LIMITED 3 500 FS GROUP LIMITED
12	INCLUDES 21 300 FS GROUP LIMITED FOR R95 881,20
13	1 200 FSI CORPORATION LIMITED

PAYING COMPANY	CHEQUE NUMBER	CHEQUE DATE	CHEQUE AMOUNT	OSTENSIBLE REASON FOR PAYMENT
HUNTS LIMITED	677	90/12/18	200,000.00	
HUNTS LIMITED	680	90/12/31	500,000.00	
HUNTS LIMITED	70	91/11/13	15,802.92	BURSAR INVESTMENT INTEREST ON CALL
HUNTS LIMITED	223	92/04/10	600,000.00	CALL
HUNTS LIMITED	240	92/04/14	600,000.00	CALL
HUNTS LIMITED	246	92/04/15	1,000,000.00	CALL
			2,915,802.92	

- No Corfor loan a/c
- No record of above payments in Bank Rec

these are duplicated on Annexure "O" R2200000.

"M"

PAYING COMPANY: FSI CORPORATE SERVICES
BENEFICIARY: CONFOR INVESTMENTS

CHEQUE NUMBER	CHEQUE DATE	PAYEE	CHEQUE AMOUNT
522	89/02/24	J M LIEBESMAN	100,000.00
934	89/05/09	CONFOR INVESTMENTS	154,229.70
1402	89/07/26	CONFOR NO 2 ACCOUNT	184,475.00
1450	89/08/03	CONFOR INVESTMENTS	1,329,787.69
1463	89/08/04	CONFOR NO 2 ACCOUNT	48,836.00
1464	89/08/04	CONFOR NO 2 ACCOUNT	865,918.16
1640	89/09/04	CONFOR INVESTMENTS	3,835.62
1702	89/09/11	CONFOR INVESTMENTS	12,954.07
1796	89/09/29	CONFOR NO 2	238,725.00
2020	89/10/25	CONFOR NO 2 ACCOUNT	215,670.00
2095	89/11/07	CONFOR	3,235.00
2201	89/11/24	CONFOR	215,670.00
2216	89/11/24	CONFOR	40,000.00
2325	89/12/13	CONFOR	175,670.00
2326	89/12/13	CONFOR	40,000.00
2327	89/12/28	CONFOR	0.00
2515	90/01/19	CONFOR INVESTMENTS (PTY) LTD	1,185,715.00
2568	90/01/26	CONFOR	215,670.00
2689	90/02/26	CONFOR	211,670.00
2766	90/03/13	CONFOR	4,895.69
2830	90/03/26	CONFOR	227,420.00
2844	90/03/26	CONFOR NO 2 ACCOUNT	2,500.00
2866	90/04/02	CONFOR NO 2 ACCOUNT	39,450.00
2909	90/04/26	CONFOR NO 2 ACCOUNT	249,645.00
3110	90/05/25	CONFOR NO 2	252,895.00
3247	90/06/20	J LIEBESMAN	9,825.00
3268	90/06/26	CONFOR NO 2 ACCOUNT	252,895.00
3429	90/07/31	CONFOR NO 2 ACCOUNT	252,895.00
3628	90/08/24	CONFOR	252,895.00
3811	90/09/25	CONFOR	252,895.00
3963	90/10/26	CONFOR	251,090.74
4134	90/11/26	CONFOR	258,370.00
4037	90/12/06	CONFOR	250,000.00
4054	90/12/10	CONFOR	1,387,699.24
4290	91/01/25	CONFOR	244,699.24

PAYING COMPANY: CONFOR INVESTMENTS
BENEFICIARY: FSI CORPORATE SERVICES

DATE	RECEIPT NUMBER	AMOUNT RECEIVED FROM	RECEIPT AMOUNT	OSTENSIBLE REASON FOR RECEIPT
89/03/28	9	CONFOR INVESTMENTS	(19,985.83)	CONFOR INVESTMENTS LOAN
89/12/20	51	TW ROLFE	(10,107.61)	TW ROLFE REFUND
93/03/10	50	DENNIS JANKELOW	(304,000.00)	LOSS OF CCS INCOME
93/06/23		P BAILEY	(12,250.00)	PURCHASE OF W&A SHARES
			(346,343.44)	

PAYING COMPANY: FSI CORPORATE SERVICES
BENEFICIARY: CONFOR INVESTMENTS

CHEQUE NUMBER	CHEQUE DATE	PAYEE	CHEQUE AMOUNT
4295	91/01/28	CONFOR	60,000.00
4477	91/02/26	CONFOR INVESTMENTS (PTY) LTD	244,699.24
4496	91/02/28	CONFOR	120,000.00
4516	91/03/05	CONFOR	286,345.21
4520	91/03/06	CONFOR	110,551.65
4640	91/03/25	CONFOR	11,856.49
4883	91/05/14	CONFOR	12,522.29
5425	91/08/21	CONFOR INVESTMENTS (PTY) LTD	25,000.00
4515	91/09/06	CONFOR	2,000.00
4526	91/09/16	CONFOR INVESTMENTS (PTY) LTD	12,332.00
5518	91/10/02	CONFOR INVESTMENTS (PTY) LTD	18,131.07
5526	91/10/02	CONFOR INVESTMENTS	5,000.00
5926	91/12/05	CONFOR NO 2 ACCOUNT	203,900.00
5927	91/12/05	CONFOR	169,941.00
6014	91/12/17	CONFOR INVESTMENTS	6,181.69
6220	92/01/31	CONFOR NO 2 ACCOUNT	8,547.62
6250	92/02/05	CONFOR NO 2 ACCOUNT	5,940.00
7045	92/08/05	CONFOR INVESTMENTS – NO 2 ACCOUNT	19,575.00
8549	93/10/05	CONFOR INVESTMENTS – NO 2 ACCOUNT	35,000.00
			10,789,654.41

See attached

PAYING COMPANY: CONFOR
BENEFICIARY: FSI CORPORATION

DATE	RECEIPT NUMBER	AMOUNT RECEIVED FROM	RECEIPT AMOUNT	OSTENSIBLE REASON FOR RECEIPT
93/10/29	66	CONFOR INVESTMENTS	(1,000,000.00)	ADVANCE FROM CONFOR
91/07/16		CONFOR INVESTMENTS	(800,000.00)	
			(1,800,000.00)	