

QUICKVEST SUPPLIES AND SERVICES (PTY) LIMITED (IN LIQUIDATION) - *"the Company"*

MASTER'S REFERENCE NUMBER : C640/2010

LIQUIDATORS REPORT TO BE SUBMITTED AT A SECOND MEETING OF CREDITORS AND CONTRIBUTORIES TO BE HELD BEFORE MAGISTRATE, STELLENBOSCH, ON WEDNESDAY 3 NOVEMBER 2010 AT 10H00 IN TERMS OF SECTION 402 OF THE COMPANIES ACT NO 61 OF 1973, AS AMENDED.

ORDERS OF COURT AND MEETINGS

The Company was, at the instance of ABSA Bank Limited ("*ABSA*"), provisionally wound up by order of the Western Cape High Court, Cape Town, on 10 June 2010 which order was made final on 27 July 2010. The undersigned were appointed as Provisional Liquidators by the Master of the Western Cape High Court, Cape Town, on 25 June 2010.

11 Claims amounting to R75,590,375.38 were admitted to proof at the First Meeting of Creditors which was held before the Magistrate, Stellenbosch, on 22 September 2010. The undersigned were nominated for the appointment as Liquidators and duly appointed by the Master of the High Court on 6 October 2010.

FORMATION OF THE COMPANY

The Company was incorporated on 4 March 2005 under Certificate of Incorporation Number 2005/006934/07 as Leman Trading 22 (Pty) Limited. On 23 May 2005, it changed its name to Quickvest Supplies and Services (Pty) Limited.

CAPITAL STRUCTURE

The authorised share capital of the Company is 1,000 divided into 1,000 shares of One Rand each, of which 120 shares have been issued. The issued shares are held by Quickvest 229 (Pty) Limited ("*Quickvest 229*"), which company is currently in final liquidation.

REGISTERED OFFICE

The registered office of the Company is at De Waterkant Building, 10 Helderberg Street, Stellenbosch.

DIRECTORS AND AUDITORS

The sole director of the Company as at the date of Provisional Liquidation was Mr Paul Etienne Jean Mari Goddelieve Gorremans

The Auditors of the Company were Loubser Du Plessis Incorporated.

NATURE OF THE BUSINESS OF THE COMPANY

The Company carried on business as a manufacturer and supplier of bricks from premises situated at Cnr N2 and Broadlands Road, Helderberg Industrial, Strand.

CAUSES OF THE FAILURE OF THE COMPANY

According to the founding affidavit signed by Mr Ian Loubser, the Corporate and Business Banking Support and Recovery Manager of ABSA Bank, the following appears to have led to the failure of the Company:-

1. In November 2008, Gorremans as the sole director of the Company signed a limited Deed of Suretyship in favour of ABSA Bank in terms of which, the Company bound itself as surety and co-principal debtor jointly and severally with Quickvest 229 (Pty) Limited for repayment on demand of Quickvest 229's indebtedness to ABSA Bank.
2. On 27 November 2009, at the instance of Investec Bank Limited, Quickvest 229 was provisionally wound up by Order of the Western Cape High Court, Cape Town. Quickvest 229, was at date of winding up indebted to Investec for an amount of approximately R108,300,000.
3. In February 2010, ABSA Bank demanded that the Company repay the amount owed to it by Quickvest 229.
4. Notwithstanding the letter of demand, the Company failed to honour its obligations to ABSA Bank.
5. The above ultimately resulted in the application for the winding up of the Company by ABSA Bank Limited.

ASSETS AND LIABILITIES

The Statement of Affairs (Form CM 100) has not been lodged but from information made available to the undersigned it would appear as though the Company's financial position as at the date of its provisional liquidation was approximately as follows.

ASSETS

MOVABLE PROPERTIES	VALUATION / REALISATION
- Plant and machinery and office furniture and effects	R1,656,515

LIABILITIES

<u>Preferent Creditors</u>	
- Salaries and wages	25,435
<u>Concurrent Creditors</u>	
- Quickvest 229 (Pty) Limited (in Liquidation)	49,600,000
- ABSA Bank Limited	24,000,000
	R73,625,435

REPORT TO THE MASTER

The undersigned will, if necessary, in due course file a report to the Master of the High Court in terms of Section 400(2) of the Companies Act.

LIABILITY OF DIRECTORS AND OFFICERS

We are still investigation whether any director or officer of the Company could be held liable for damages or compensation to the Company or for any debts or liabilities of the Company as provided for in the Companies Act.

PROMOTION, FORMATION AND FAILURE OF THE COMPANY

Investigations are on-going regarding the promotion, formation and failure of the Company and the conduct of its business.

LEGAL PROCEEDINGS

Prior to liquidation various legal proceedings were instituted against the Company by Stone Market (Pty) Limited. However it would appear that the only incomplete legal proceeding as at date of winding-up was the following:-

Application for Ejectment – Case No 12342/08

On or about 31 October 2008 the Company and Quickvest 229 brought an urgent application for the ejectment of Stone Market (Pty) Limited ("*Stone Market*") from its premises on the grounds that the lease agreement between the parties had been cancelled due to non payment of rental by Stone Market. Stone Market defended the action and claimed that the rental forming the basis of the ejectment application had been set-off against monies owed to it by the Company resulting from a merger between the parties.

Other than the legal proceedings referred to, the undersigned are not aware of any other legal proceedings that were pending at date of liquidation.

BOOKS AND RECORDS

As no books and records have been made available to the undersigned, they are unable to state with any certainty whether the provisions of Section 284 of the Act has been complied with.

PROGRESS AND PROSPECTS OF WINDING-UP

The assets of the Company comprise plant and machinery and office furniture valued at approximately R1,656,515. Included in the plant and machinery are two major assets namely, a Kerbstone Plant and a brick making plant. It is not clear at this stage whether these assets have been installed as permanent fixtures to the improvements to the property owned by Quickvest 229. Legal advice is currently being sought in this regard.

The undersigned received a claim in the sum of R9,948,743 from Gorremans Engineering N.V., a Company registered in Belgium and which Company, is owned and controlled by Mr P E J M Gorremans. According to the affidavit for proof of claim, the creditor claimed a Special Notarial Bond over the assets of the Company as security for its debt. This claim was rejected by the presiding officer at the first meeting of creditors.

The undersigned is currently liaising with a potential buyer for the sale of the assets of the Company. Consideration will be given to acceptance of the offer once the undersigned are authorised by creditors at the second meeting.

LEASES

The Company occupied premises owned by Quickvest 229 (Pty) Limited. It is not clear at this stage whether a written lease agreement is in existence. The undersigned are not aware of any other lease agreements that were in existence as at the date of provisional liquidation.

ESTIMATED DIVIDEND

At this stage, the undersigned are unable to advise with any certainty whether a dividend will accrue to concurrent creditors as this would largely depend on the advice received relating to ownership of the Kerbstone Plant and the brick making machine. Employee preferences however, should be paid in full.

**DATED AT CAPE
TOWN THIS 26th
DAY OF OCTOBER
2010**



T P GLAUM

**DATED AT CAPE
TOWN THIS 26th
DAY OF OCTOBER
2010**



S WOODLIAR

**DATED AT CAPE
TOWN THIS
26th DAY OF
OCTOBER 2010**



G PHILANDER

**DATED AT
THIS
DAY OF
OCTOBER 2010**

HMM TERBLANCHE

**QUICKVEST SUPPLIES AND SERVICES
(PTY) LIMITED
(IN LIQUIDATION) - *"the Company"***

MASTER'S REFERENCE NO : C640/2010

**RESOLUTIONS TO BE SUBMITTED AT THE SECOND MEETING OF CREDITORS AND
CONTRIBUTORIES TO BE HELD BEFORE THE MAGISTRATE, STELLENBOSCH, ON
WEDNESDAY 3 NOVEMBER 2010 AT 10H00**

IT IS HEREBY RESOLVED :

1. That the report of the liquidator(s) and his/their actions as referred to therein be and are hereby approved, ratified and confirmed.
2. That the actions of the provisional liquidator(s) and liquidator(s) in engaging the services of attorneys and/or counsel on such matters as he/they found necessary in the administration of the Company in liquidation to date, are hereby approved, ratified and confirmed. That the costs thereof be paid out of the funds of the Company in liquidation as part of the costs of administration. That the liquidator(s) be authorised to conclude written agreements with their attorneys in terms of the provisions of Section 73 of the Insolvency Act No. 24 of 1936 (as amended) as read with the provisions of the Companies Act No. 61 of 1973 (as amended), dispensing with the need for preparation of bills and the taxation thereof, and that the actions of the provisional liquidator(s) and liquidator(s) in concluding such written agreements to date, are hereby approved, ratified and confirmed.
3. That the liquidator(s) be and is/are hereby authorised to engage whatever further legal assistance he/they may require in the interests of the Company in liquidation and that the costs thereof be paid out of the funds of the Company in liquidation as part of the costs of administration.
4. That the liquidator(s) be and is/are hereby authorised to institute or defend legal actions in order to collect debts owing to the Company or in respect of any other matter affecting the Company in liquidation including the holding of enquiries or examinations in terms of the Companies Act, 1973, as amended, or as read with the Insolvency Act, 1936, as amended, as he/they may deem fit, and for such purposes to employ the services of attorneys and/or counsel of his/their choice

and to pay the costs out of the funds of the Company in liquidation as part of the costs of administration.

5. That the liquidator(s) be and is/are hereby authorised to settle or compromise any legal proceedings whether instituted or to be instituted by or against the Company, on such terms and conditions and for such amount as he/they in his/their discretion may deem fit.
6. That the liquidator(s) be and is/are hereby authorised to sell any movable or immovable property of the Company in liquidation of whatsoever description and including outstanding debts by public auction, public tender or private treaty in such manner, upon such terms and conditions and for such amounts as he/they may deem fit.
7. That the liquidator(s) be and is/are hereby authorised to consent to the cancellation of any bond passed in favour of the Company.
8. That the liquidator(s) be and is/are hereby authorised to agree to any reasonable offer of composition made to the Company by any debtor, to accept payment of any part of any debt due to the Company in settlement thereof, to grant an extension of time for the payment of any debt and to abandon such amounts due to the Company as he/they has/have been unable to recover or dispose of as he/they may deem fit.
9. That the liquidator(s) be and is/are hereby authorised to engage the services of auctioneers or agents to sell the assets of the Company in liquidation and to determine the conditions of sale and manner of advertising in his/their discretion.
10. That the liquidator(s) be and is/are hereby authorised and empowered in his/their discretion to compromise or admit any claim against the Company, whether liquidated or unliquidated, arising from any guarantee or any other cause whatsoever, as a liquidated claim in terms of Section 78(3) of the Insolvency Act, as amended, at such amount as may be agreed upon between the creditor(s) concerned and the liquidator(s) provided that proof thereof has been tendered at a meeting of creditors.
11. That the liquidator(s) be and is/are hereby authorised to transfer to the purchaser thereof any immovable property sold by the Company prior to its liquidation or to agree to the cancellation of any such sale and to re-sell such property or to agree to the substitution of a new purchaser under any existing Deed of Sale.
12. That the liquidator(s) be and is/are hereby authorised to abandon any asset or assets of the Company where no purchaser for the asset(s) can be found.
13. That the liquidator(s) be and is/are hereby authorised to terminate leases in

respect of premises or of any other object entered into by the Company in liquidation.

14. That the liquidator(s) be and is/are hereby authorised to, if necessary, borrow moneys with or without providing security therefor and that the interest payable on such loans shall be paid as costs of administration of the Company in liquidation.
15. That the liquidator(s) be and is/are hereby authorised to engage the services of bookkeepers, accountants, auditors or any other person for any purpose in and about the affairs of the Company which he/they may require and the costs so incurred to be paid as costs of administration of the Company in liquidation.
16. That the future administration of the Company be left in the hands of and to the discretion of the liquidator(s).

qq CREDITORS

PRESIDING OFFICER

qq MEMBERS