

Good Day,

The trustees have obtained sanction by the court, as per the court order of 25 January 2013 (attached for ease of reference), and the distribution is taking place per the sanctioned calculation (as calculated by a registered accountant and tax practitioner). Please be assured that the trustees have taken the best approach possible, with the interests of the beneficiaries being of paramount concern.

Please be advised that although there is currently litigation in process, the trustees cannot guarantee the success of the litigation and hence no further expectation is being created in terms of informing beneficiaries that there may/not be a possible further distribution. Hence, this distribution is being deemed and treated as the only distribution.

The trust on a whole (and therefore each individual trust) suffered a loss of about 75%, as apportioned by the curators, not the trustees. . This, however, does not mean that beneficiaries will receive 25% of the initial capital amount due to potential *ad hoc* payments that had been made to beneficiaries prior to the current trustees dealing with the matter. The trust (as one of 4 major contributors to the initial trust funds that were stolen) only have what is distributed to it by the curators. You will appreciate that the exercise of explaining calculations and the processes involved to each beneficiary will be most burdensome and time consuming.

Be that as it may, the trustees have taken into account what the trust has at its disposal, being the amount of approximately R 56 million available for distribution (expenses for litigation, administration and any other miscellaneous trust related costs having been taken into account), as well as the number of beneficiaries that must be paid (approx. 66 000) and have calculated the fairest and most practical way to distribute something to every beneficiary (taking into account that no interest is available, and beneficiaries initial capital ranged from thousands to hundreds of thousands of rand). Not every beneficiary's situation is the same and thus a generic approach and calculation had to be adopted. Consequently, all beneficiaries have received the equivalent of 5.8 months stipends.

As the LHUT is a discretionary trust, there is no dispute, there is no dispute process in place, and with respect there will not be as this will defeat the purpose of distributing available money to beneficiaries. If such a process would be in place, it will cost money, from the trust itself (in other words the beneficiaries), which will merely diminish the already diminished available funds.

I trust the above to be of assistance.

Yours Faithfully,

## **LIVING HANDS UMBRELLA TRUST**

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