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STUPEL & BERMAN INC.

(Reg. No. 2005/037663/21)
ATTORNEYS, NOTARIES AND CONVEYANCERS

Our Ref: M Berman/E Potgieter/
e-mail: elzaan@stupelberman.co.za
direct fax: 086 5300 648

Your Ref:

Date 18 March 2016

BEE COMPLIANT – LEVEL TWO CONTRIBUTOR

Germiston Office
70 Lambert Street,
(off President Street),
Germiston
Tel : 011 776-3000
P O Box 436, Germiston, 1400
DoceX 3, Germiston
Litigation Department
Fax : 011-873- 9983

To: THE BUSINESS RESCUE PRACTITIONER
THOMAS HENDRICK SAMONS
[thsamons@telkomsa.net]

And to: LE-RENDEZVOUS CAFÉ
T/A NEWS CAFÉ BEDFORDVIEW
Cnr VAN BUUREN AND HAWLEY ROADS
BEDFORDVIEW
[BY HAND]

Dear Mr Samons,

RE: KYTHERA COURT // LE-RENDEZVOUS CAFÉ T/A NEWS CAFÉ BEDFORDVIEW

1. We refer to the notice of cancellation dated 7 March 2016 in terms of which the lease agreement entered into between Kythera Court ("our client") and Le-Rendezvous Café t/a New Café Bedfordview (the "CC") was duly cancelled ("cancellation notice").
2. The CC has not vacated the premises after being afforded seven (7) days to do so in terms of the cancellation notice. As the matter stands, the CC has been in unlawful possession of the property since 14 March 2016.

DIRECTORS:

Professional Assistants:

Candidate Attorneys:

Consultant:

MICHAEL BERMAN, ANA JOÃO, MEERUSHINI GOVENDER, PALESA SEEMA, MONICA KATRAKILIS, EVAN STUPEL, JACQUES ROSSOUW, DARYL GELDENHUYS
JOHN KIDSON, SHAUN JACOBS, SASHA PILLAY
ELZAAN POTGIETER, JONATHAN HIPPERT
CYRIL WIDES

ALSO AT VEREENIGING AND PRETORIA

3. We wish to place the following on record:

3.1 There has been absolute radio silence from you since the meeting at our offices on 1 February 2016. We are unable to make telephonic contact with you and you do not answer our email correspondence. We, on behalf of our client, are prevented from exercising the entitlement to informally participate in the business rescue proceedings.

3.2 Not only has there been a total lack of communication on your part, but no rental and save for an amount of R15 000.00 no further municipal services have been paid by the CC since October 2015, notwithstanding your oral undertaking, on behalf of the CC, to make rental payments from February 2016. That undertaking has simply been ignored. The outstanding indebtedness has now escalated to R754 517.94.

3.3 There has also been a total disregard and failure by you to adhere to the business rescue procedures as set out in the Companies Act (the "Act"). In your capacity as a business rescue practitioner, you have *inter alia* -

3.3.1 not taken control of the management of the CC and thereby failed to investigate the affairs, business, property and financial situation the CC finds itself in (section 141 read with section 140(a) of the Act).

3.3.2 failed to prepare a business rescue plan despite our written demand to do so on 16 February 2016 (section 150(1), read with section 150(5) of the Act).


3.3.3 failed to exercise a degree of skill and diligence that may be reasonably expected of a person having the general knowledge, skill and expertise of a business rescue practitioner (section 76(3)(c)(i) and (ii) read with section 140(3)(b) of the Act).

4 We remind you that you can be held liable for any acts or omissions which amount to gross

section 140(c) of the Act. In this regard:-

- 4.1 We hereby reserve our client's rights to seek any damages against you which may arise from the fatally flawed business rescue proceedings or the CC's refusal to vacate the premises (which is legally under your management and control).
- 4.2 We wish to further inform you that our client is in the process of negotiating a lease with a new tenant for the premises and will suffer further damages should the CC refuse to vacate the premises.
5. We are well aware of the general moratorium on legal proceedings against a company in business rescue as provided in section 133 of the Act. That moratorium will not apply where the CC is in the unlawful possession of the premises. Alternatively, we will seek leave from the court to bring such eviction proceedings, especially in light of the fatally defective business rescue proceedings.
6. We have instructed counsel to start drafting the papers for the eviction application. Should it be necessary to bring such an application, our client will seek a punitive costs order you and the CC.
7. Our client's rights are reserved.

Kind regards,



Stupel & Berman