Global Call Center Solutions Ltd.

Registration number 2004/020680/06.

EXECUTIVE SUMMARY REPORT
<table>
<thead>
<tr>
<th>Abbreviation</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>AFS</td>
<td>Annual Financial Statements</td>
</tr>
<tr>
<td>AGM</td>
<td>Annual General Meeting</td>
</tr>
<tr>
<td>BPI</td>
<td>Blue Platinum Investments</td>
</tr>
<tr>
<td>Companies Act</td>
<td>Companies Act 61 of 1973 as amended</td>
</tr>
<tr>
<td>CEO</td>
<td>Chief Executive Officer</td>
</tr>
<tr>
<td>CIPRO</td>
<td>Companies and Intellectual Property Office</td>
</tr>
<tr>
<td>CIPC</td>
<td>Companies and Intellectual Property Commission</td>
</tr>
<tr>
<td>Commissioner</td>
<td>Commissioner for the CIPC</td>
</tr>
<tr>
<td>FBMD</td>
<td>Frymer Bywater Mackay-Davidson</td>
</tr>
<tr>
<td>First Auditor</td>
<td>Frymer Bywater Mackay-Davidson</td>
</tr>
<tr>
<td>FSB</td>
<td>Financial Services Board</td>
</tr>
<tr>
<td>FSP</td>
<td>Financial Service Provider</td>
</tr>
<tr>
<td>HD</td>
<td>Hobbs David Incorporated</td>
</tr>
<tr>
<td>GCCS</td>
<td>Global Call Center Solutions Limited</td>
</tr>
</tbody>
</table>
| Inspectors   | Ms Baneka Dalasile  
               | Ms Prea Ramdhuny  
               | Ms Nomathemba Rubushe  
               | Mr Nkululeko Norman  
               | Mr Christo Pretorius  
               | Mr Praveck Geeanpersadh |
| IRBA         | Independent Regulatory Board for Auditors |
| ITC          | Information Trust Corporation |
| MD           | Managing Director |
| Minister     | Minister of Trade and Industry |
| OCIPE        | Office of Companies and Intellectual Property Enforcement |
| PAYE         | Pay As You Earn |
| RI           | Reportable Irregularity |
| SARS         | South African Revenue Service |
| SDL          | Skills Development Levy |
| Second Auditor| Hobbs Davids Incorporated |
| the dti      | Department of Trade and Industry |
| Y/E          | Year End |
1. EXECUTIVE SUMMARY

1.1 INTRODUCTION

1.1.1 On 1 November 2006 IRBA referred information to the dti as to possible reportable irregularities (RI's) in the conduct of the affairs of GCCS. The complaint by IRBA was occasioned by GCCS having received four RI's from its auditors. Due to the volume of the information, the alleged RI's will be dealt with in detail infra.

1.1.2 The above mentioned RI's were forwarded to IRBA by Herold Gie Attorneys on behalf of GCCS auditors ("the first auditor"), Frymer Bywater Mackay-Davidson.

1.1.3 The dti conducted preliminary investigations to establish whether there was substance into the allegations. The outcomes of the preliminary investigations suggested that a fully blown investigation was warranted.

1.1.4 An application was made to the Minister of Trade and Industry to exercise his powers in terms of Section 258(2) of the Companies Act 61 of 1973, which allows him to appoint inspectors. On 20 April 2009, the Minister duly appointed inspectors in terms of the Act.

1.1.5 Since 1 May 2011, the powers of the Minister in terms of investigations have been conferred to the Commissioner of Companies and Intellectual Property Commission in term of the Companies Act 71 of 2008.
2  MANDATE

2.1 In a letter dated 20 April 2009 the Minister mandated the inspectors to investigate the affairs of GCCS in terms of section 258(2) of the Act since its inception. The letter further stated,

"You are mandated to conduct the investigation in terms of section 258(2) of the Act to ascertain whether:

- The business of the company is being conducted with intent to defraud their creditors or the creditors of any other person or otherwise for a fraudulent or an unlawful purpose or in a manner oppressive or unfairly prejudicial or unjust or inequitable to any part of their members or that any of the companies were formed for any fraudulent or unlawful purpose; or

- Persons concerned with any of the companies formation or the management of any of the companies affairs have in connection therewith been guilty of any fraud, delict or other misconduct towards any of the companies or towards any of their members; or

- Any of the companies' members have not been given all the information with respect to any of the companies' affairs they might reasonably expect."

2.2 With effect from 1 May 2011, the powers of the Minister in terms of this investigation have been vested to the Commissioner by virtue of item 13 of schedule 5 of the Companies Act 71 of 2008.
3. PROCEDURES PERFORMED

3.1 Summons

3.1.1 Inspectors issued summons to Mr Roland Buhler in his capacity as MD of GCCS. The summons sought documentation relating to:

- Finances
- Accounting
- Payments
- Legal matters such as contracts with BPI
- Meetings
- Compliance with statutory requirements
- Share registers
- Taxation

3.1.2 All documents relating to the auditing of GCCS were summoned from Ms Joanne Penfold from Frymer Bywater Mackay-Davidson (First Auditor) and Mr Neil Hobbs from Hobbs David Incorporated (Second Auditor).

3.1.3 Documentation relating to secretariat work of GCCS was summoned from Wendy Pulker.

3.1.4 It should be noted that the inspectors were not provided with all the summoned documentation.
3.2 Interviews

3.2.1 The following persons were interviewed:

<table>
<thead>
<tr>
<th>Name</th>
<th>Designation</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Joanne Penford and Stuart Mackay Davidson</td>
<td>First Auditors</td>
<td>8 March 2010</td>
</tr>
<tr>
<td>Neil Hobbs</td>
<td>Second Auditor</td>
<td>8 March 2010</td>
</tr>
<tr>
<td>Hendrik Geldenhys &amp; Eldre Küyler</td>
<td>Shareholder</td>
<td>8 March 2010</td>
</tr>
<tr>
<td>Glenn Bresler</td>
<td>MD/CEO/Consultant</td>
<td>9 March and 9 April 2010</td>
</tr>
<tr>
<td>Dealene McMaster</td>
<td>BPI Director</td>
<td>9 March 2010</td>
</tr>
<tr>
<td>Andre Vermaak</td>
<td>Shareholder</td>
<td>9 March 2010</td>
</tr>
<tr>
<td>Russell Crowley</td>
<td>Financial Director</td>
<td>10 March 2010</td>
</tr>
<tr>
<td>Ronnie de Kock</td>
<td>Shareholder</td>
<td>10 March 2010</td>
</tr>
<tr>
<td>Roland Buhler</td>
<td>Managing Director</td>
<td>11 March 2010</td>
</tr>
<tr>
<td>Kiffie Henderson</td>
<td>Shareholder</td>
<td>11 March 2010</td>
</tr>
<tr>
<td>Jeff Pulker</td>
<td>Company Secretary</td>
<td>8 April 2010</td>
</tr>
<tr>
<td>Greg Sinclair</td>
<td>Second Auditor</td>
<td>8 April 2010</td>
</tr>
<tr>
<td>Gerry Esterhyse</td>
<td>Shareholder</td>
<td>8 April 2010</td>
</tr>
<tr>
<td>Antoinette Beatie</td>
<td>BPI Employee</td>
<td>9 April 2010</td>
</tr>
</tbody>
</table>

3.3 Questionnaires

3.3.1 Questionnaires were sent out to a random selection of shareholders.

3.4 Inspectors' preliminary findings

3.4.1 Inspectors' preliminary finding were submitted to the attorneys of Messrs Buhler and Bresler for their representations, which were not received.
4. BACKGROUND

4.1 Two different auditors of GCCS reported four reportable irregularities to IRBA that they had identified during their audits. This reporting was in accordance with the requirements of section 45 of the Auditing Profession Act No.26 of 2005.

4.1.1 First Auditors :First Reportable Irregularity

4.1.1.1 The first auditors of GCCS, FBMD, reported the following major concerns to IRBA which were subsequently referred to the dti:

- GCCS was an unlisted public company. It issued a prospectus that expired on 15 June 2006. GCCS was selling shares during the existence of this prospectus. Although GCCS had not applied for a listing of the shares placed in terms of that prospectus or any other shares of the company, the auditors established that GCCS intended to apply for a listing on the market as soon as it qualified. Subsequent to the expiration of the first prospectus, GCCS drafted a second prospectus which was never registered.

- BPI were brokers of GCCS and were not registered with the FSB as required by law. It concerned the auditors that GCCS shares may be offered to the members of the public without a registered prospectus and using unregistered brokers thus contravening the Companies Act.

- BPI acted as agents for GCCS and sold shares to third parties prior and subsequent to the expiration of the prospectus. An allotment of fifteen (15) million shares seems to have occurred between July and September 2006. This is the period after the expiration of the prospectus.
• In October 2006, the period after the expiry of the prospectus, the auditors received calls from third parties indicating that they had been offered GCCS shares and had been faxed a part of the expired prospectus.

• When the first auditor made enquiries with GCCS, its’ transfer secretary (Mr Jeff Pulker) and BPI, provided inconsistent and unsatisfactory answers regarding the sale of shares without a valid prospectus. GCCS stated that BPI had ceased to be GCCS brokers and shares were transferred and sold in their (BPI) name. Jeff Pulker’s office, however, informed the auditors that GCCS shares issued by BPI prior to and after the prospectus period were issued directly to the purchasers.

• Although BPI and GCCS maintain that their relationship was a “marketing/agency relationship”, the auditors could not find sufficient documentary evidence to support this claim.

4.1.2 First Auditors: Second Reportable Irregularity

4.1.2.1 On 30 November 2006 the first auditor submitted a second RI to IRBA highlighting that:

• GCCS did not keep a formal and updated share register. The auditors were also concerned about the delay in the listing of GCCS shares as this would cause possible prejudice to the rights of shareholders.

• It will not be in the scope of their audit function if BPI contravened the Companies Act.

• They could not verify whether the amounts raised by GCCS between March and October 2006 were raised during the prospectus period or unlawfully in the post prospectus period.
4.1.2.2 GCCS dismissed these claims and sought legal opinion from Senior Counsel.

4.1.3 **Second Auditors: First Reportable Irregularity**

4.1.3.1 On 1 August 2008, Hobbs Davids Incorporated submitted a RI in terms of section 45 of the Auditing Profession Act No. 26 of 2005 to IRBA. The report highlighted the following issues that the auditors had established during their 28 February 2007 financial year end audit of GCCS:

- Commissions paid to BPI exceeded the amount stipulated in the agreement entered into between BPI and GCCS. As a result, a lawsuit ensued for the recovery of an amount of R9 524 781 by GCCS from BPI.

- At the time the audit was concluded GCCS had adequate cash reserves to continue trading for the foreseeable future. Furthermore the directors presented business plans and cash flow forecasts which confirmed their ability to continue trading as a going concern. However, it transpired from a discussion with the Financial Director that for the 2008 financial year GCCS did not have sufficient cash reserves to meet its liabilities. They traded recklessly.

- In July 2008 the auditors could not complete their audit for the February 2008 year end due to accounting records not finalised.

- Directors resigned and auditors were not provided with evidence of the resignation. The auditors could not therefore establish as to whether the resignation occurred in line with the prescripts of the Act.

- A representative of BPI informed the emergency meeting that he was in possession of agreements which supported the quantum that was retained
by BPI from funds raised from shareholders. The auditors were not furnished with this evidence during their 2007 year end audit.

- Minutes of all directors' meetings were not kept. The auditors were also concerned that the company had not sent an interim report on its business operations to its members as required by the Act.

4.1.4 Second Auditors: Second Reportable Irregularity

4.1.4.1 On 26 August 2008, the second auditor submitted a second RI to IRBA. The second RI highlighted that GCCS had outstanding PAYE, UIF and SDL liabilities due to SARS. The cumulative amount is R1, 269 214.73
5. FINDINGS

5.1 GCCS failed to keep proper accounting records after 1 March 2007 and therefore contravened section 284 of the Act.

Background to finding
- From the financial year ending 28 February 2007 onwards, no audit was performed on GCCS for the succeeding years. The auditors could not prepare any AFS after this date due to the fact that accounting records were not finalised.
- GCCS thus contravened section 284 of the Act which stipulates that a company must keep basic accounting records.

5.2 GCCS sold its shares to the public outside the valid period of the prospectus in contravention of section 145 of the Act.

Background to finding
- According to the minutes of a meeting of GCCS directors held on 11 July 2006, Mr Bresler suggested that the directors consider the registration of a new prospectus. This was after the first prospectus had expired on 15 June 2006.
- In the interview with the inspectors, Ms McMaster stated that Mr Bresler gave her a mandate for shares that she could sell until the envisaged new prospectus was registered.
- Ms McMaster further explained that the shares would be BPI’s own stock and would be received by BPI on a consignment basis from GCCS. At the end of each month she would deposit the proceeds of the sale of shares into the GCCS bank account and Mr Bresler would duly issue a share certificate.
- The inspectors observed that BPI did not purchase shares from GCCS for itself but rather for sale to the public. This is evident from the fact that BPI continued to receive commissions for shares acquired from GCCS and sold
to the public. This sale of shares by BPI in this manner contravened section 145 (1) of the Act since it was not accompanied by a prospectus registered with the Registrar of CIPRO.

5.3 BPI and GCCS contravened section 146 of the Act by selling shares without a prospectus, as the shares were sold to the public within 18 months of allotting shares.

**Background to finding**
- The inspectors also established that GCCS and BPI entered into a new agreement on 3 October 2006. BPI sold the shares that had been left over after the expiry of the prospectus.
- It is the inspectors' observation that Mr Bresler provided the mandates to BPI to continue to sell shares post prospectus period even before the new agreement was entered into. Eight mandates were signed over a period of eleven months, according to the documentation received.
- This continuation of the sale of shares to the public after the expiry of the prospectus was a direct contravention of section 146(2) of the Act.
- According to the mandates, the allotment of shares started from 7 July 2006 to 1 June 2007 and share register reflects that there were shares which were sold as early as 28 July 2006 onwards. This therefore means that the sale of share to the public took place within 18 months of the allotment of shares. This therefore is a contravention of section 146.

5.4 Although GCCS raised the minimum subscription in terms of its prospectus, it failed to raise sufficient net proceeds due to excessive expenses and commissions paid to BPI. The result of this was a misrepresentation to the public on the net proceeds raised and the expenses and commissions paid to BPI.
Background to finding

- In the prospectus that was registered with CIPRO on 20 April 2006, GCCS offered 24 000 000 no par value shares at 25 cents each for subscription to the public. This was in terms of section 146 of the Act.
- This offer opened on 28 April 2006 and closed on 30 June 2006. In terms of the offer in the prospectus, the targeted total amount to be raised was R6 000 000 with a minimum subscription of R800 000.
- The prospectus further represents that there will be a deductions of R30 000 expenses and R80 000 commissions. This would result in GCCS realising R690 000 in net proceeds.
- The inspectors established that BPI acted as an agent for GCCS. The total amount that was raised was R928 037.25. BPI retained R456 849.90 which was 60% of the total amount raised as marketing fees and commissions. This far exceeds the deductions of R30 000 and R80 000 in expenses and commissions respectively, that was represented to the public in the prospectus.

5.5 BPI was an unlicensed broker.

Background to finding

- According to information from the FSB, BPI had applied for registration in November 2005, but were never granted a license as a broker.
- However BPI and GCCS entered into two agreements wherein GCCS appointed BPI as their sole marketing agency.
- The first agreement was entered into on 1 June 2006, which was within the prospectus period.
- The second contract was entered into on 03 October 2006, a period outside the existence and validity of the GCCS prospectus.
- Ms McMaster, BPI MD, also informed inspectors during interviews that GCCS was the first company with a prospectus for which she marketed shares and that she did this while she was awaiting approval as a Financial Service Provider from the FSB.
5.6 The commission retained by BPI for the sale of GCCS shares was irregular and unlawful in that:

- It exceeded the quantum stipulated in the agreement between GCCS and BPI and/or
- It exceeded the amount stipulated in the prospectus for commission payments and/or
- It contravened section 80(1) which states that
  (a) "...a company may pay commission to any person in consideration of his subscribing or agreeing to subscribe whether absolutely or conditional for any shares of the company or his procuring or agreeing to procure subscriptions whether absolute or conditional for any shares of the company if there is
  (b) the commission paid or agreed to be paid does not exceed 10% of the price at which shares are issued or any lesser rate fixed by the article”.

Background to finding

- The agreement entered into between Ms McMaster and Mr Glen Bresler in their capacity as representatives of BPI and GCCS respectively stipulated that BPI would be entitled to a 10% commission on shares raised.
- Marketing fees were to be recovered from GCCS. However BPI retained 60% of the proceeds of the sale of GCCS shares, that being 20% commissions and 40% marketing fees.
- According to Ms McMaster’s testimony to the inspectors, the agreement did not reflect exactly what she had discussed with Mr Bresler. Marketing fees were deliberately undefined because the law prescribed that commissions could only be 10%.
- The registered prospectus represented to the public that commissions to the marketing agent would be R80 000. However it has been established by the inspectors that BPI retained R456 849.90 in commissions and expenses.
• This contravened section 80 of the companies Act which stipulates that commissions for shares offered to the public should not exceed 10%.

5.7 BPI did not remit to GCCS all the share capital raised from marketing the GCCS shares.

Background to finding
• An amount of R9 524 781 which had been raised by BPI from the sale of shares was not paid over to GCCS. This amount was recorded as a contingent asset in the GCCS financial statements of the 2007 financial year end.
• Legal action against BPI commenced in an attempt to recover the outstanding money.

5.8 GCCS utilised its share capital to meet operating costs and did not utilise the share capital for the purpose stated in its prospectus.

Background to finding
• According to the prospectus the money that was raised from the sale of shares was going to be used for the expansion of business activities. Instead, it was utilised for operational expenses and salaries.
5.9 The directors of GCCS benefited high emoluments relative to revenue earned.

Background to finding

- The table below depicts the benefits that were received by the directors of GCCS.

<table>
<thead>
<tr>
<th>Year</th>
<th>Revenue</th>
<th>R Buhler</th>
<th>P Hewlett</th>
<th>P W Van Wyk</th>
<th>G Bresler</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Remuneration (R)</td>
<td>Consulting Fees (R)</td>
<td>Remuneration (R)</td>
<td>Consulting Fees (R)</td>
<td>Remuneration (R)</td>
</tr>
<tr>
<td>06</td>
<td>2 519 241</td>
<td>164 300</td>
<td>nil</td>
<td>152 500</td>
<td>nil</td>
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<tr>
<td>07</td>
<td>2 870 121</td>
<td>769 716</td>
<td>nil</td>
<td>386 688</td>
<td>nil</td>
</tr>
<tr>
<td>Total</td>
<td>934 016</td>
<td>539 188</td>
<td>628 492</td>
<td>895 52</td>
<td></td>
</tr>
</tbody>
</table>

5.10 GCCS traded recklessly in terms of section 424 of the Companies Act in that it:

- failed to keep proper statutory records at all times
- failed to honour its liabilities and expenses
- utilised its share capital to meet operating expenses

Background to finding

- After the financial year ended 28 February 2007, no audit was done for the succeeding years. No AFS could be obtained after the said date. GCCS was therefore not in compliance with the statutory duty to keep accounting records in terms of section 284 of the Companies Act.
- The second RI highlighted that GCCS had outstanding PAYE, UIF and SDL liabilities due to SARS to the cumulative amount of R1, 269 214.73.
- GCCS used share capital to finance their business activities, expenses and remuneration. This is evident from the very small turnover of R3 011 and
R179 308 for the financial year ended February 2006 and February 2007 respectively. GCCS was established to provide computer and information technology to call centres.

5.11 GCCS misrepresented the following to shareholders and/or potential shareholders:
- That GCCS would list on the JSE within a specific timeframe whereas it failed to do so;
- That the share price would reach specific values within specific timeframes whereas GCCS never listed on the JSE at all;
- That shareholders’ funds would be utilised to further the business as stipulated in the prospectus whereas the funds were used for operational expenses;
- That GCCS would pay prescribed commissions whereas it allowed excessive amounts to be to be retained by BPI.

Background to finding
- The promise to the public that GCCS shares would reach R1.50 was not achieved.
- At their initial meeting Mr Bresler also explained to Ms McMaster that there was a new prospectus at 35c and thereafter there would be one at R1, 50.
- According to Dealene McMaster, the major selling point that BPI used to attract investors was based on the representation that the share price in the ensuing prospectuses would increase to R1.50.
- According to the prospectus the money that was raised from the sale of shares was going to be used for the expansion of business activities. Instead it was utilised for operational expenses and salaries.
- BPI was the sole agent to GCCS and sold shares for R0.25 each to the public. However, BPI retained a 60% marketing and commission fee. The following is the Inspectors’ calculation of net proceeds based on the shares sold per the share during the prospectus period;
<table>
<thead>
<tr>
<th>Description</th>
<th>Shares</th>
<th>Price per share</th>
<th>Share Value</th>
<th>Commission 60%</th>
<th>Share value after commission</th>
</tr>
</thead>
<tbody>
<tr>
<td>GCCS sales</td>
<td>1110805</td>
<td>R0.15</td>
<td>R166620.75</td>
<td>R0</td>
<td>R166620.75</td>
</tr>
<tr>
<td>BPI sales</td>
<td>3045666</td>
<td>R0.25</td>
<td>R761416.50</td>
<td>R456849.90</td>
<td>304566.60</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td></td>
<td><strong>R928037.25</strong></td>
<td><strong>R456849.90</strong></td>
<td><strong>R471187.35</strong></td>
</tr>
</tbody>
</table>

- The prospectus represented to the public that R800 000.00 would be raised as a minimum subscription. The prospectus further represents to the public that net proceeds from the offer (on minimum subscription) would be R690 000, this after deducting expenses of R30 000 and commissions of R80 000.
6 CONCLUSION

6.1 The mandate required the inspectors to ascertain whether the business of the company is being conducted with intent to defraud their creditors or the creditors of any other person or otherwise for a fraudulent or unlawful purpose or in a manner oppressive or unfairly prejudicial or unjust or inequitable to any part of their own members or that any other companies were formed for any fraudulent or unlawful purpose. It is the view of the inspectors that:

6.1.1 GCCS utilised its share capital to meet operating costs and did not utilise the share capital for the purpose stated in its prospectus.

6.1.2 GCCS sold its shares to the public outside of the period stipulated in the authorised prospectus.

6.1.3 BPI sold GCCS shares after the prospectus expired.

6.1.4 GCCS traded recklessly in that it:
    • failed to keep proper statutory records at all times.
    • failed to generate sufficient operating income and as a result was unable to honour its liabilities and expenses.
    • utilised its share capital to meet operating expenses.

6.1.5 The commission retained by BPI for the sale of GCCS shares was irregular in that it:
    • exceeded the quantum stipulated in the agreement between GCCS and BPI; and/or
    • exceeded the amount stipulated in the prospectus and Companies Act for commission payments.
6.2 The mandate requirement of the inspectors to ascertain whether the persons concerned with any of the companies formation or the management thereof have been guilty of any fraud, delict or other misconduct. It is the view of the inspectors that:

6.2.1 Certain Directors of GCCS benefited high emoluments relative to the revenue earned. These emoluments were mostly financed from shareholders funds;

6.2.1.1 The Directors of GCCS failed to keep proper accounting records.

6.2.1.2 The Directors of GCCS failed to ensure that -
- BPI remitted the correct share capital raised from marketing the GCCS shares.
- BPI was a registered and licensed agent to sell shares to the public.

6.3 The mandate required that the inspectors ascertain whether any of the companies' members had not been given all the information with respect to any of the companies' affairs they must reasonably expect. The Inspectors have established that:

6.3.1 There was presentation of the one page from the prospectus to shareholders and/or potential shareholders during the period of offering shares to the public, GCCS misrepresented the following to the shareholders that:
- GCCS would list on the JSE;
- the share price would reach specific values;
- funds raised from subscription would be utilised to further the business as stipulated in the prospectus, whereas the funds were used for operational expenses;

6.3.2 Although GCCS raised the minimum subscription in terms of its prospectus, it failed to raise sufficient net proceeds due to excessive expenses and commissions paid to BPI. The result of this was a misrepresentation to the public on the net proceeds raised and the expenses and commissions paid to BPI.
7. RECOMMENDATIONS

7.1 The inspectors recommend that the commissioner release the report to:

7.1.1 The South Africa Revenue Services for consideration,

7.1.2 Specialised Commercial Crimes Unit for possible criminal prosecution of directors and officers of GCCS and, in the public interest, refer the matter to the Asset Forfeiture Unit, for the recovery of funds.

and/or

7.1.3 The Commissioner, in the public’s interest, institute proceedings in terms of section 262(2) (a) of the Act for winding up of the company.

7.1.4 In the event that the directors are found to be guilty of a criminal offense, it is submitted that the state recover the costs of the investigation.

7.1.5 Having due regard to considerations on the institution of proceedings as contained in the report, it is submitted that no recommendation can be made in terms of section 263(5) of the act.

7.1.6 The inspectors recommend that the Commissioner of CIPC publish the executive summary of this report.

7.1.7 Pursue BPI for shareholders funds that can be recovered. Consider investigating BPI and its stewards and investigate the relevant money trail.