



Companies and Intellectual
Property Commission

a member of **the dtic** group

Without Prejudice

24 October 2025

THE REGISTRAR

WESTERN CAPE HIGH COURT

Keerom St, CBD

Cape Town

8000

Per Email: GMartin@judiciary.org.za; NHanekom@judiciary.org.za ;
EPotgieter@judiciary.org.za; RDavid@judiciary.org.za

Ref: Case numbers 15691/2023; 16769/2023 and 13665/2016 et.al

Dear Registrar

**RE: SECTION 41 CONSTITUTIONAL PROCESSES OVERLOOKED // URGENT REQUEST
FOR ABEYANCE OF PROCEEDINGS**

1. Certain matters that were heard before the honourable Cape Town High Court over the past decade or so, bear reference.
2. For the sake of this request, per the subject matter, we refer to case numbers 15691/2023, 16769/2023 and 13665/2016; albeit, the list is not exhaustive, pursuant to the State-wide context of the intervention sought herein.

3. We acknowledge that the Companies and Intellectual Property Commission ("The CIPC") is not an explicit party to the above-mentioned cases.
4. However, in the context of the genesis of the litigation proceedings brought before various courts by Mr. Deon J. Pienaar, in his capacity as the Applicant in case 13665/2016 and the Respondent in cases 15691/2023 and 16769/2023; the merits of Mr. Pienaar's arguments pertaining to the juristic persons which were subjected to liquidation proceedings, i.e. Purple Rain Properties No. 15 (Pty) (also referred to as the Realcor Group) Ltd and King Financial Holdings Ltd, have been assessed, evaluated and brought under consideration and placed in the purview of an inter-regulator investigation¹, in keeping with Section 41 (g) and (h) of the Constitution, which requires all spheres of government and all organs of State within each sphere *to exercise their powers and perform their functions in a manner that does not encroach on the geographical, functional or institutional integrity of government in another sphere; and co-operate with one another in mutual trust and good faith by (i) fostering friendly relations; (ii) assisting and supporting one another; (iii) informing one another of, and consulting one another on, matters of common interest; (iv) co-ordinating their actions and legislation with one another; (v) adhering to agreed procedures; and (vi) avoiding legal proceedings against one another.*
5. While it is not the intention of the CIPC to be joined to or involve itself in litigation against various parties under the cases in question, this request for abeyance of the cases in question hinge on the fact that there exists reasonable grounds that the outcomes of the Section 41 Constitutional process will have a material bearing on causing/triggering the review and setting aside of various judgements delivered by certain courts over the past decade or so.

¹ Refer to email and attachments sent to the WCHC Registrar on 18.09.2025, marked as Annexure WC1 herein.

6. In response to a supporting affidavit deposed by Maimuna Clarke on 17th October 2025, on behalf of the South African Reserve Bank ('SARB'), in her capacity as lead legal counsel; the CIPC identified matters in paragraph 8 of the said affidavit which warrant the sounding of an alarm for the attention of the court.
7. Without unduly repeating the contents of the preliminary report alluded to by SARB in paragraph 8.3. of the said affidavit, or the contents of the merits in Annexure F (an attachment in the email referenced in paragraph 4 above), the CIPC hereby draws the court's attention to the following salient matters which; if ignored, may result in grave injustices:
 - 7.1. It is a fact that the CIPC has instituted an inter-regulator investigation and produced a preliminary report encapsulating the preliminary findings of the investigation.
 - 7.2. The said investigation is a process guided by the principles of cooperative governance under Section 41 of the Constitution. As such, the CIPC has chosen to refrain from triggering litigation-related proceedings against fellow regulators, as this would be in conflict with Section 41 of the Constitution.
 - 7.3. The said investigation is an extension of averments made in Annexure F, a document which was made available to SARB, through Maimuna Clark's predecessor, Mr. Lyndon Gysman.
 - 7.4. The said investigation considered evidence presented to the CIPC or obtained by the CIPC in relation to the following juristic persons:

- i. Sharemax Investments (Pty) Ltd
- ii. Purple Rain Properties No. 15 (Pty) Ltd 1997/004873/07 (the Realcor Group of Companies)
- iii. Amatenda Group
- iv. Picvest (formerly PIC Syndications) and Highveld Syndications Ltd
- v. the Bluezone Group (Spitskop Village Properties et al.)
- vi. A&S King Makelaars (King Financial Services et al.)

7.5. Pursuant to the investigation, the CIPC met with members of the National Prosecuting Authority to gather further evidence to affirm or expunge certain findings partly captured in Annexure F; the evidence of which may be made available to the courts if necessary, prior to the release of the preliminary report.

7.6. Some of the startling statements made by the NPA in regard to the conduct of the SARB have been shared with the SARB's lead counsel for consideration prior to the sitting of a contemplated inquisition.

7.7. The CIPC discussed the scaffolding and salient features of the preliminary report to Mr. Lyndon Gysman and two other SARB officials in March 2024. The recording of this discussion may be made available to the court if necessary.

8. In essence, the averments and allegations made by Mr. Pienaar about the conduct of the SARB and/or its former officials, are not farfetched nor baseless. The CIPC says this on the strength of direct submissions made and corroborated by some of the erstwhile directors and/or founders of the juristic persons itemized in paragraph 7.4 above.

9. To keep this letter crisp, the CIPC is primarily concerned about the Constitutionality of the actions enforced by the SARB on some of the juristic- and natural persons interviewed by the CIPC. The core issues, if ignored, may lead to grave injustices as underpinned by (list not exhaustive):

- i. the potential absence of legality and rationality of the actions taken by the SARB,
- ii. the exercise of State power and administrative actions which are deemed to have been in conflict with the Promotion of Administrative Justice Act, 2000,
- iii. the lamentations presented to the CIPC by the affected parties of the juristic persons alluded to in paragraph 7.4. above, which include methods of coercion and threats in carrying out administrative actions,
- iv. conflicting legal opinions on the interpretation of the 'business of a bank',
- v. the incorrect interchangeable use of the terms "illegal scheme" and "illegal deposit-taking institution",
- vi. the seizure of properties without proper procedure,
- vii. the irreconcilability of regularizing an otherwise alleged illegal deposit-taking institution by restructuring it through a Scheme of Arrangements,
- viii. the irreconcilability of the applicability of business rescue on companies that were deemed to be illegal deposit-taking institutions,
- ix. the lack of uniformity in procedure in applying administrative actions against those charged with allegedly contravening Section 11 of the Banks Act, by liquidating some companies and allowing the business rescue of others,
- x. the irreconcilability of pursuing criminal proceedings on a matters that are deemed to be administrative in nature,
- xi. the jurisdictional ambiguity and consequent legal uncertainties created by the interference of SARB on matters which fall under the mandate of other regulators,

- xii. the interim findings on causation, where the test of the closest causal link to the chain of events that led to financial distress for certain companies and which subsequently triggered liquidations and sequestrations of certain directors; point directly to the interference of the SARB and seemingly open-ended nature of contested contentious repayment directives, and
 - xiii. the lack of prosecutions (issuing of *Nolle Prosequis* by the NPA) against directors of the juristic persons itemized in paragraph 7.4 above, if it be, as established and asserted by the SARB, that a contravention of Section 11 of the Banks act is a criminal offense.
10. It not the intention of the CIPC to divulge further contents of the preliminary report beyond this point, as this would create unhealthy relations between fellow-regulators who are still required to cooperate with one another in pursuit of their respective mandates.
11. In light of the above, and drawing from a Constitutional Court ruling in *Helen Suzman Foundation v Judicial Service Commission* [2018] ZACC 8 ² , the CIPC implores the court to be cognisant that

“Information is relevant if it throws light on the decision-making process and the factors that were likely at play in the mind of the decision-maker.” ³

² Helen Suzman Foundation v Judicial Service Commission (CCT289/16) [2018] ZACC 8; 2018 (4) SA 1 (CC); 2018 (7) BCLR 763 (CC) (24 April 2018)

³ At Para. 17

12. It is thus imperative for the SARB, which, in exercising State power; made decisions about various companies and persons, and other regulators such as the erstwhile Financial Services Board, now Financial Sector Conduct Authority (FSCA); to be afforded a chance to shed light on the areas of material concern flagged herein, in the interests of regulatory- and judicial integrity. This ought to be carried out outside of a court of law, hence the need for an inquisition, as contemplated by the CIPC, in keeping with the principles of cooperative governance.

13. The court is hereby urged to consider the material bearing of the Section 41 Constitutional process underway and suspend the proceedings under case until the various organs of the State have agreed on a way forward to deal with the issues at hand.

14. Underscored by the above, the CIPC submits that it would be a betrayal of justice for courts to continue to rule in favour of liquidators and/or the State in the proceedings involving the affected parties alluded to in this letter, inclusive of directors, brokers and promoters of property syndications intercepted by the SARB and/or FSCA. The merits of injustice and constitutional violations presented herein are too compelling to ignore and warrant immediate intervention in defense of regulatory- and judicial integrity.

15. The CIPC's rights remain firmly reserved.

16. We trust you find the above request in order.



Cuma Zwane

Senior Investigator: Corporate Compliance and Disclosure Regulation