

The President and Members of the Board
The Cycad Society of South Africa

10 May 2010

Dear Xander and Members of the Board,

MOTION FOR THE REIMBURSEMENT OF EXPENDITURE BY MEMBERS TO LEGAL FEES: ToPS REGULATIONS

With regard to the present status of the ToPS Regulations I would like to highlight one point; It is now abundantly clear that the entire membership of this society are reaping benefits that were gained entirely as a result of a substantial capital outlay by a very small group. The benefits I refer to are the unrestricted trade of South African cycads. I remind the board that the ToPS regulations, in effect, proposed to entirely ban the trade of all listed Critically Endangered and Endangered species and that this ban would have been enforced had the Society not engaged with the Department of Environmental Affairs and Tourism to correct what was obviously an ill considered and unjust piece of legislation.

It is, in retrospect, understandable that the management of the Society at the time was reluctant to commit the Society to a financial obligation that had the potential to escalate beyond our means but events have proved that no progress could have been made to oppose the ToPS regulations without legal advice and the associated expenses.

I remind you that the initial meeting with the DEAT in Pretoria was attended by yourself and Ian Bassinghwaighe in your official Society capacity and that this meeting was wholly a result of the efforts of our legal council, Adv Francois van Zyl. It must also be noted that the Society management, though present, was not an active participant in the events, strategies and capital outlay that led to this watershed meeting. The official policy of the Society to negotiate had come to nought and it remained for a handful of members, acting independently, to take the initiative and do what was necessary to rescue the entire cycad community from what would have become an untenable position.

This meeting was the breakthrough that facilitated negotiations between the Society and the DEAT, eventually resulting in the virtual scrapping of the ToPS regulations and all the onerous trade restrictions that they had proposed to impose on legal cycad owners. One must also note that the initial legal consultation led to a strategy whereby the Society could continue in negotiations without incurring any further costs for legal advice. In the process the Society has gained considerable stature with the officials of the Department and will play a prominent role in all future cycad legislation thereby ensuring fair treatment for cycad owners.

Cycad trade, in all the forms described and defined in the NEMBA Act, is an intrinsic part of the Society identity. There is not a member who has not at some time bought, sold, donated or received a cycad. Cycad ownership is indisputably the *raison d'être* for the Society. The argument put forward by the Society that opposition of the ToPS regulations was a matter for the commercial sector has been proved to be a self serving fallacy! I find it particularly irksome that so called "non-commercial" members, who were well aware of the issues but refused to make any contribution, now continue to trade cycads at enormous profit. (I refer one to the SA Cycad semi-official chat group where large lots of critically endangered and endangered specimens are advertised by Society members at no less than market prices). Unrestricted trade is also manifest in the recent and future cycad auctions, as advertised, and in the everyday event of cycad owners disposing of the produce of their plants for cash, once again at

market prices. I remind you also that at least two members of the board are proprietors of commercial cycad nurseries.

I am certain that many board members are not aware of the costs that were incurred in achieving a successful outcome to the opposition of the ToPS regulations and who it was that bore these costs. An amount of R120 540-00 was raised by donation from about 76 persons, most of them Society members, and deposited into a trust account. At a meeting of the then Transvaal branch it was proposed that 10 members would each stand surety for R25 000-00 so as to ensure that the Society would have funds to seek legal advice without expending existing Society funds. Six members made good on their pledge and each deposited R25 00-00 into the trust fund held by our attorney, Paul Roelofse. It was the understanding that this outlay would be reimbursed once the Society embarked on a fund raising campaign. This never happened!

As was described above, the initial concession by the DEAT to meet with us at all would never have happened if we had not been able to bring pressure to bear through our reputable legal council. As it transpired, the money raised and held in the "Paul Roelofse Trust" proved to be sufficient to cover the costs of the attorney, Paul Roelofse, and the advocate, Francois van Zyl to the point where the initial meeting was held with the DEAT, after which the negotiating committee took over the task without having to incur any further cost.

I am absolutely sure that the average rank and file member of the Society has absolutely no idea of the sequel of events that led to the position that exists today where his or her rights as a cycad owner are assured. I am equally certain that no member, once he has been made aware of the facts, will object to any reasonable attempt by the board to rectify what is obviously a very unsatisfactory situation for those few who have, unfairly, ended up carrying the full financial burden for the entire Society. Six members of this Society are each out of pocket by an amount of R25 000-00 and any reasonable person should find this situation intolerable. It must also be noted that the final costs for the legal services that led to the present very favourable outcome are in fact within the financial capability of the Society and are in any event recoverable from the membership. (See the attached summary of the Paul Roelofse Trust final account for details)

In view of the above I submit to the President and the Board the following motions for your consideration and decision:

1. The Cycad Society will refund all contributions to the "Paul Roelofse Fund" from existing funds.
2. The Society will recoup a large part of this capital outlay from the members.

The Society has at its disposal the structure of the organisation to raise the necessary funds by means of a once off special levy in addition to the annual subscription. (As individuals those who are currently carrying the load have very little chance of ever recouping their expenses). Approval of the above motions poses no threat of financial burden or loss to the Society if the execution thereof is properly managed.

By the time you, the President and the Board Members, read this proposal it will have been approved and tabled as a motion by the Central Branch. The decision by the Board in this case warrants diligent due process. The recent history of the Society has shown that matters of gravity require adequate debate and discussion before a vote is taken to decide an issue. In this case I trust that the President will be certain that the Board Members, and indeed all members of the Society, are adequately informed of the complexities of this case before a vote is taken on the motions proposed above.

Gentlemen, I put it to you that this is an opportunity to entrench in the Society the principles of collective responsibility and action. The advent of the ToPS regulations was undoubtedly the single most crucial event in the history of this Society and if ever an occasion warranted the use of Society funds this was it. Approval of the motions proposed in this document, and the subsequent execution of these motions with the cooperation of the entire membership, will serve to consolidate the lessons learned in the last three years. All members must be made aware that being a member of this Society means a lot more than just being a subscriber to a magazine.

Should the motions herein be approved I will undertake to convene a responsible working group to ensure their execution as expeditiously as possible with minimal load on the board.

The detailed final accounts of the "Paul Roelofse Trust" are in my keeping for your perusal at any time. The list of contributors and the summary of payments and balances can be found in the Appendix to this submission below.

Yours Faithfully

Mark D Crooks
(for the contributors to the Paul Roelofse Fund)

INBETALINGS IN TRUST REKENING – CYCADS

Afgeskryf van die Finale Rekening – Paul Roelofse Prokureurs

DATUM	BESONDRHEDE OP STAAT (P ROELOFSE)	ADDISIONELE INLIGTING	BEDRAG
5-Apr-07	CYCAD - MD CROOKS*		5000.00
10-Apr-07	CYCAD - ALBERTON	UNKNOWN	5000.00
11-Apr-07	CYCAD - PETERSON P & K		10000.00
11-Apr-07	CYCAD - C MARTIN		5000.00
12-Apr-07	CYCAD - DR N HENNING		2000.00
19-Apr-07	CYCAD - HW HANAC		1000.00
19-Apr-07	CYCAD - GN DE HAAS		1000.00
20-Apr-07	CYCAD - RACHEL GEZINA	RACHEL STEYN	5000.00
12-Apr-07	CYCAD - JA DE KLERK		10000.00
12-Apr-07	CYCAD - LA HATTINGH		1000.00
12-Apr-07	RIAAN BOTES		50.00
12-Apr-07	MARAIS - CENTURION		1000.00
13-Apr-07	CYCAD - GLEN STEYN		200.00
13-Apr-07	CYCAD – CHRIS & HARRY		3000.00
13-Apr-07	CYCAD – WILLIE UDEMANS		500.00
13-Apr-07	PM MOSTERT - POLOKWANE		500.00
13-Apr-07	CYCAD – MIELIE SCHOEMAN		5000.00
16-Apr-07	CYCAD – MIKE GREEN		1000.00
17-Apr-07	CYCAD – NICO & DAY MONTANA	SMUTS	1000.00
18-Apr-07	CYCAD – N DE MEYER		500.00
18-Apr-07	EXOTICA CYCAD PLEDGE		5000.00
18-Apr-07	ADOLF FANFONI C/WORLD		5000.00
24-Apr-07	C DE ANDERE ALBERTON		2000.00
25-Apr-07	CYCAD	UNKNOWN	2000.00
26-Apr-07	A GREYLING		250.00
26-Apr-07	CYCAD	UNKNOWN	1000.00
28-Apr-07	CYCAD RB BOY		100.00
30-Apr-07	CYCAD – JJ JOUBERT		2000.00
02-Mei-07	CYCADS FOR AFRICA		5000.00
02-Mei-07	G CIAN -031-9042066		100.00
03-Mei-07	GREG RAWLINS		500.00
03-Mei-07	MANIE MARX - POLOKWANE		500.00
04-Mei-07	B VAN DYK		100.00
04-Mei-07	PJ DE BRUYN CYCAD		500.00
04-Mei-07	TOM PRITCHARD		15000.00
04-Mei-07	WJ VAN STADEN		500.00
04-Mei-07	CYCAD NEAVE		500.00
07-Mei-07	JP DU PLESSIS		200.00
07-Mei-07	DR CLN DU TOIT		100.00
07-Mei-07	CYCADS – CVD WEST		500.00
07-Mei-07	JOHN KLOPPERS*		5000.00
07-Mei-07	MARTIN MINNY		300.00
08-Mei-07	DUNCAN DU PLESSIS		300.00

<u>DATUM</u>	<u>BESONDRHEDE OP STAAT (P ROELOFSE)</u>	<u>ADDISIONELE INLIGTING</u>	<u>BEDRAG</u>
09-Mei-07	JP SCHEEPERS		100.00
09-Mei-07	BEATRIX	UNKNOWN	500.00
10-Mei-07	CYCAD-EBEN ENSLIN		100.00
10-Mei-07	CYCAD-GF MOSS		1000.00
10-Mei-07	CYCAD-TJ DE VILLIERS		845.00
10-Mei-07	JL CHRIS RICHARDS BAY		150.00
14-Mei-07	A VERMEULEN EL LI		100.00
14-Mei-07	S COETZEE		400.00
16-Mei-07	ATTIE STANDER		200.00
17-Mei-07	CYCAD-JB POWELL		195.00
18-Mei-07	GC PRINSLOO		500.00
21-Mei-07	CYCAD-L OPPERMAN		100.00
23-Mei-07	CYCAD-COURT CASE	UNKNOWN	200.00
23-Mei-07	CV DE KOCK		200.00
25-Mei-07	CYCAD-VAUGHN BOTHA		2000.00
29-Mei-07	CYCAD SOLUTIONS		1000.00
31-Mei-07	CYCAD-LEON STEENKAMP		2000.00
01-Jun-07	KEN COETZEE*		200.00
06-Jun-07	FJ DE JAGER		2000.00
06-Jun-07	LOWLANDS NURSERY		500.00
15-Jun-07	CYCAD - EXCLUSIVE		5000.00
19-Jun-07	CYCAD-ROETS		500.00
20-Jun-07	CYCAD-KEN COETZEE	PLUS R200 PREVIOUS PAYMENT (See above)	200.00
20-Jun-07	CYCAD-RJ VAN WYK		1000.00
21-Jun-07	CYCAD-ST JOHNS		100.00
25-Jun-07	CYCAD-ERNIE RESERVE	BOUWER (REFUNDED BY AGREEMENT)	25000.00
26-Jun-07	CYCAD-M CROOKS	PLUS R5000 PREVIOUS PAYMENT (See above)	25000.00
03-Jul-07	CYCAD-DIETER	LABUSCHAGNE	25000.00
03-Jul-07	CYCAD-JOHN KLOPPERS	PLUS R5000 PREVIOUS PAYMENT (See above)	20000.00
03-Jul-07	CYCAD-CA PIENAAR		250.00
05-Jul-07	CYCAD-MONTANA	PROF NAT GROBBELAAR	25000.00
11-Jul-07	DR PWB KRUGER		25000.00
10-Aug-07	DR CS ERASMUS		2000.00
<u>TOTALE BYDRAE TOT FONDS</u>		<u>TOTAL CONTRIBUTIONS TO THE FUND</u>	<u>270540.00</u>

UITBETALINGS (PAYMENTS FROM THE FUND)

<u>DATUM</u>	<u>UITBETAAL AAN</u>	<u>NOTAS</u>	<u>BEDRAG</u>
23/04/07	TRUST TJEK AAN KLAGSBURN DE VRIES & VAN DEVENTER-PRETORIA KORRESPONDENT		114.00
31/05/07	TRUST TJEK AAN ADV MATTHEW BLOOMBERG	JUNIOR ADVOCATE	40447.00
23/07/07	TRUST TJEK AAN ADV F VAN ZYL	SENIOR COUNCIL	38039.00
31/07/2007	TRUST TJEK t.o.v. FOOIE & UITGAWES PAUL ROELOFSE PROKUREURS		15000.00
09/12/07	TRUST TJEK BALANS ADV VAN ZYL		50345.00
09/12/07	TRUST TJEK BALANS ADV M BLOOMBERG		3591.00
09/12/07	TERUGBETALING E.BOUWER	REFUNDED AS PER SURETY AGREEMENT AND PREVIUOS PAYMENT TO LEGAL FEES	25000.00
09/12/07	BALANS REK PAUL ROELOFSE PROKUREURS	DETAILED FINAL ACCOUNT RECEIVED	71627.00
	<u>BALANS IN TRUST</u>	<u>TRANSFERRED TO THE ACCOUNT OF THE SA CYCAD SOCIETY TO BE HELD IN TRUST</u>	<u>26377.00</u>

**TOTAL COST TO THE PERSONS LISTED ABOVE (EXCLUDING THE AMOUNT REFUNDED TO E. BOUWER
AND THE AMOUNT CURRENTLY HELD IN TRUST IN THE CYCAD SOCIETY ACCOUNT)**

R219 163.00