IN THE HIGH COURT OF SOUTH AFRICA

GAUTENG DIVISION, JOHANNESBURG

CASE NO: 2024-127238

1. Reportable: No
2. Of interest to other judges: No
3. Revised

[redacted]

16 March 2026

WRIGHT J SIGNATURE

In the matter between:

FEDGROUP PRIVATE CAPITAL FUND (Pty) LTD **APPLICANT**

and

XANADU 101 (Pty) LTD **FIRST RESPONDENT**

OTHER RESPONDENTS **SECOND to EIGHTH RESPONDENT**

JUDGMENT – WRIGHT J

---

1. **The applicant, Fedgroup lent money to the first respondent, Xanadu. The second to eighth respondents bound themselves as sureties to Fedgroup for the indebtedness of Xanadu to Fedgroup.**
2. **Fedgroup, armed with standard form agreements, with lots of small print in its favour seeks judgment for the unpaid lendings, interest and costs.**
3. **Xanadu resists.**
4. **It says that it did not contract with Fedgroup but with an entity called Prospertec. The written agreement, headed " Fedgroup " shows that Xanadu contracted with " Prospertec (Pty) Ltd T/A Fedgroup Private Capital ". There is an allegation in the founding affidavit that Prospertec changed its name to that of the cited applicant. This defence gains no traction.**
5. **There is a bald allegation that the suretyships were signed as a result of misrepresentation. This defence holds no water, particularly when considered with the gist of the defence as set out below.**
6. **It is alleged that the National Credit Act 34 of 2005 applies and that Fedgroup has not complied with its provisions. From the large sums of money alleged by Xanadu to be involved, particularly relating to its turnover, it is clear that the Act is not applicable.**
7. **The gist of the defence is that Xanadu is a property developer. It was allegedly approached by a company, apparently in the Fedgroup stable, with a view to lending Xanadu money so that Xanadu could proceed with the development of certain land. It is alleged that the loan in question was but one of many between Fegroup and entities related to Xanadu. It is alleged that the loan in question must be considered in context. It is alleged that Fedgroup would provide a large sum or sums so that all developments in Xanadu and its related entities could proceed. It was envisaged that repayment would be made once the developments were complete and all units sold. Alternatively, repayment could be in the form of profit share. If necessary, repayment would be once alternative funding could be obtained.**
8. **The bottom line of the defence is that the context shows, and it was therefore agreed, notwithstanding the written agreement, that if push came to shove, Fedgroup could not recover unless all units were sold or "** ***if and when*** **" alternative funding was obtained by Xanadu.**
9. **Numerous emails between Fedgroup and Xanadu reveal that the above ideas were set out in correspondence before and after the conclusion of the agreement. There is no email from Fedgroup in which it agreed to the bottom line as suggested by Xanadu.**

10. It would have been surprising to read that Fedgroup agreed that, at the end of the day, repayment need only be made if Xanadu could find alternative funding.
11. There is no evidence that Xanadu queried any debit prior to receipt of the present application.
12. In my view, the defence offered is no defence in law.
13. Counsel for the applicant handed up a draft order.

ODER

1 . Order ito X as amended –

[redacted]

WRIGHT J

Judge of the High Court

Gauteng Division, Johannesburg

HEARD	**16 March 2026**
DELIVERED	**16 March 2026**

APPEARANCES

APPLICANT	**Adv PT Rood SC**
Instructed by	**Lowndes-Dlamini Inc**
	allan@lowndes.co.za

RESPONDENTS	**Adv M Booysen**
Instructed by	**Pagel Schulenberg**
	Juan Lombard