

# Judicial Commission of Inquiry into State Capture Report: Part III

Vol. 3: BOSASA



This is the report of the Judicial Commission of Inquiry into allegations of State Capture, Corruption and Fraud in the Public Sector including organs of state, also known to the public and the media as the Zondo Commission

Chairperson: Justice RMM Zondo  
Acting Chief Justice of the Republic of South Africa

Report of the Judicial Commission of Inquiry into State Capture: Part III: Vol. 3



Judicial Commission

of

Inquiry into Allegations

of

State Capture, Corruption and Fraud in the Public

Sector Including Organs of State

Report: Part 3

Vol 3: BOSASA

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Acting Chief Justice of the Republic of South Africa



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### The Special Projects Team

1046. On a regular basis, Bosasa provided full security solutions at the residences of ministers, senior politicians and senior government officials. To facilitate this assistance, a special team known as the Special Projects Team was created.<sup>1830</sup> Mr Richard Le Roux was the leader of this team.
1047. It would appear that according to Mr le Roux, the members of the Special Projects Team included Mr Johann Fourie, Raymond (whose surname is not apparent from the transcript of the oral testimony or the witness affidavits or other documentary evidence), Michael Ndho, Tshepo Huma, Nichola Du Toit and Eugene Bredenkamp.<sup>1831</sup>
1048. Mr le Roux's Affidavit records that part of Mr le Roux's duties was to head up the Special Projects Team and oversee the implementation of the Special Projects which included the purchase and installation of CCTV systems for Mr Watson's "high profile associates", i.e. ministers and high ranking officials.<sup>1832</sup> The Special Projects Team had three unbranded vehicles and operated wearing plain clothes so that their services were not linked to Bosasa.<sup>1833</sup>
1049. The services rendered by this team ranged from installing CCTV systems to sorting out electric fences to fixing pool pumps and doorbells. This team undertook installations, maintenance, follow-ups and client customer-care at no cost to the

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<sup>1830</sup> Transcript, day 41, p 115.

<sup>1831</sup> Mr Mlambo affidavit, p 2 at para 5.

<sup>1832</sup> Transcript, day 44, p 40.

<sup>1833</sup> Mr le Roux statement, p 2 at para 8.



recipients.<sup>1834</sup> Mr Agrizzi explained that the State was paying for these benefits indirectly. Beneficiaries of this practice were named in the affidavit of Mr le Roux.<sup>1835</sup>

1050. Generally, there were no invoices sent to recipients. If there were invoices, they would have been backdated and sent. These expenses were catered for in Bosasa's books as operational costs.<sup>1836</sup> As a result, these amounts were deducted from income in Bosasa's tax returns.

1051. Mr le Roux explained that the procedure for initiating a special project was as follows:

1051.1. Mr le Roux would receive a call from Mr Watson or Mr Agrizzi and be tasked with conducting a site survey to determine what work was required. Each set of premises was allocated a serial number.

1051.2. Quotes would then be obtained from suppliers. Quotes would be given a project name. For example, the work for Mr Vincent Smith was called "Project Jones".<sup>1837</sup> A cash account would be opened with suppliers in Mr Agrizzi's name.<sup>1838</sup>

1051.3. The quotes would then be taken to Mr Agrizzi for signature. Mr Watson instructed them that the quotes were not to be paid unless Mr Agrizzi signed the quotes.

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<sup>1834</sup> This was confirmed by Mr le Roux – transcript, day 44, p 41.

<sup>1835</sup> Transcript, day 41, p 115.

<sup>1836</sup> Transcript, day 41, p 115.

<sup>1837</sup> Mr le Roux's Affidavit, p 4 at para 19.

<sup>1838</sup> Transcript, day 44, p 110.

- 1051.4. The signed quote would then be taken to Mr van Zyl who would provide Mr le Roux with the cash for the project from his safe in the bid office.
- 1051.5. After each project, the invoices, quotations, IP addresses of the premises and passwords were handed to Mr Agrizzi.<sup>1839</sup>
- 1051.6. Mr Watson instructed Mr le Roux to remove the serial numbers off equipment installed by the Special Projects team.<sup>1840</sup>
- 1051.7. The work could be verified if copies of the invoices were obtained.<sup>1841</sup>
1052. The Special Projects Team existed from approximately 2013. By the time Mr Agrizzi left Bosasa, members of the Special Projects Team had been dismissed, and new people had been employed. The reason for this was a concern that the old employees would uncover or unfold what was happening and whose houses were being monitored.<sup>1842</sup>
1053. Mr le Roux testified that on or about 7 or 8 November 2017 his loyalties were questioned by Mr Watson and Johan Aubrey, the Human Resources Manager at African Global.<sup>1843</sup> It appeared as if their concerns were based on Mr le Roux's comment on a Facebook post by Mr Agrizzi.<sup>1844</sup> Although Mr Agrizzi was no longer employed at African Global at the time, Mr Aubrey indicated that his [Mr le Roux's] Facebook page and telephones were monitored by the African Global IT

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<sup>1839</sup> Transcript, day 44, pp 42 to 47.

<sup>1840</sup> Transcript, day 44, p 107.

<sup>1841</sup> Transcript, day 44, p 109.

<sup>1842</sup> Transcript, day 41, p 116.

<sup>1843</sup> Transcript, day 44, p 12.

<sup>1844</sup> Transcript, day 44, p 12.



department.<sup>1845</sup> Mr le Roux was intimidated by Mr Watson. However, Mr Watson did not threaten Mr le Roux directly.<sup>1846</sup> Mr le Roux, testified that Mr Watson told him that he needed to be careful because his family also worked at the Company.<sup>1847</sup>

1054. Mr le Roux testified further that on 20 November 2017 Mr Watson instructed him to meet with Lindsay Watson the next day and depose to an affidavit which stated that Mr Agrizzi had instructed Mr le Roux to do the special projects undertaken to date.<sup>1848</sup> Mr le Roux informed Mr Watson that he did not want to get involved in any disagreement between Mr Watson and Mr Agrizzi. He also did not want to depose to the affidavit as instructed given that the instructions on the special projects came from Mr Watson and other Bosasa directors rather than Mr Agrizzi. Lindsay Watson informed him that he was required to sign the affidavit as Bosasa and Mr Watson paid his salary. Mr le Roux eventually signed the statement on 20 November 2017 because he was concerned about his job and family being at risk.<sup>1849</sup>

1055. On advice from Mr Agrizzi, Mr le Roux later annotated his statement with a note that it was false and not of any effect. It was witnessed by Mr van Tonder.<sup>1850</sup>

### Project PRASA

1056. Mr le Roux later testified that Mr Dlamini and Mr Agrizzi requested him to do a security analysis and installation code-named "Project PRASA" in Randburg for Mr Mbulelo Gingcana ("**Mr Gingcana**") who worked for PRASA. The Special Project team

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<sup>1845</sup> Transcript, day 44, p 14.

<sup>1846</sup> Transcript, day 44, p 15.

<sup>1847</sup> Transcript, day 44, p 15.

<sup>1848</sup> Transcript, day 44, p 15.

<sup>1849</sup> Transcript, day 44, p 26, Mr le Roux's Affidavit, Annexure RR2.

<sup>1850</sup> Transcript, day 44, pp 32 and 33.

installed an alarm system, full IP based CCTV system, new gate motor and an intercom system.

1057. In his further affidavit,<sup>1851</sup> Mr le Roux stated that he was able to identify invoices marked "project sd" which related to Mr Dlamini who facilitated the work at Mr Gingcana's premises. Although Mr le Roux did not see an invoice for an alarm system, he recalled it was a Paradox wireless system bought from Paradox. Mr le Roux personally attended to the installation of the security at Mr Gingcana's property with five technicians over a minimum of 20 days. The total approximate value of the equipment, vehicle travel and labour was R239,486.84. This excludes the Paradox system which cost between R8,000 and R10,000. In respect of maintenance, Mr le Roux produced a WhatsApp message from Mr Gingcana requesting assistance when he was locked out of his home.<sup>1852</sup>

1058. In his affidavit filed in terms of rule 3.4, Mr Gingcana confirmed that an alarm system with 7 IP based CCTV camera system together with a new gate motor and intercom system were installed at his home in Randburg.<sup>1853</sup> However, what he had to say about the matter is set out below.

1058.1. He had been employed by the SACAA since April 1999. He was seconded to PRASA from around October 2015 until October 2016 in the position of Acting Chief Procurement Officer and thereafter to the National Treasury in the office of Chief Procurement Officer. He did not form part of any procurement or bid

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<sup>1851</sup> Exhibit T21.

<sup>1852</sup> Exhibit T21, pp 20-21; Annexure RLR 14.

<sup>1853</sup> Mr Gingcana's application, p 7 at para 21 and p 10 at para 36.



committees in either of these roles. He was not aware of SACAA, PRASA or the National Treasury doing any business with Bosasa.<sup>1854</sup>

- 1058.2. At the time of the security upgrade to his home, there was no project linked to PRASA nor was he seconded to PRASA at the time of the upgrade.<sup>1855</sup>
- 1058.3. He had met Mr Dlamini at a security expo in and around 2013/2014 and they became friends. In around 2016, Mr Dlamini quoted Mr Gingcana between R40,000 and R50,000 for a security upgrade to his home in Randburg. He confirms the alarm system with 7 CCTV cameras, IP based system together with a new gate motor and intercom system were installed at his premises.<sup>1856</sup> (Mr Dlamini denied that he “quoted” Mr Gingcana and stated that he merely estimated the cost of an upgrade to an acceptable security system to be approximately R50,000.<sup>1857</sup>)
- 1058.4. The upgraded security system was installed in April 2017. Mr Gingcana frequently asked Mr Dlamini for invoices for the upgrade but none had been forthcoming. He remained willing to pay for the upgrade on production of an invoice.<sup>1858</sup> (Mr Dlamini denied that he ever undertook to invoice or to collect payment from Mr Gingcana. In response to Mr Gingcana’s requests for an invoice, Mr Dlamini stated that he in turn had asked Mr Agrizzi and Mr le Roux who advised him that they would provide it in due course. Mr Dlamini states

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<sup>1854</sup> Mr Gingcana's application, p 8 at para 25 and 26.

<sup>1855</sup> Mr Gingcana's application, p 10 at para 35.

<sup>1856</sup> Mr Gingcana's application, p 7 at para 21 and p 10 at para 36.

<sup>1857</sup> Mr Dlamini's affidavit, para 33, p 6.

<sup>1858</sup> Mr Gingcana's application, p 7 at para 23 and p 10 at para 35.

that he eventually left it, after advising Mr Gingcana that he would pass the invoice on to him if and when he received it.<sup>1859</sup>)

1058.5. The current value of upgrade components is less than R40,000 which has been obtained from an independent supplier in the industry. Mr Gingcana, therefore, disputed that the upgrade to his home was in the region of R150,000.<sup>1860</sup>

1058.6. Mr Gingcana said that he did not know Mr Agrizzi nor had they spoken.<sup>1861</sup>

1059. Mr Gingcana gave oral evidence more or less to the above effect.<sup>1862</sup> When he appeared before the Commission in June 2021, he had been dismissed from the employ of SACAA because of the allegations that had been levelled against him in connection with this matter.<sup>1863</sup> In the end he disputed that he ever met Mr Agrizzi in his house or anywhere or had any meeting involving Mr Agrizzi in his house.<sup>1864</sup> He testified that in 2016 he met Mr Dlamini at his house in connection with the security upgrades and that he had requested Mr Dlamini's advice because he (Mr Dlamini) was "*in the security space*".<sup>1865</sup> (Mr Dlamini states that he had mentioned Mr Gingcana's details to Mr Agrizzi in a meeting and Mr Agrizzi offered to assist. Mr Agrizzi later involved Mr le Roux who requested Mr Gingcana's address, which he provided to Mr le Roux after he had confirmed that Mr Gingcana still wanted to proceed.<sup>1866</sup>)

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<sup>1859</sup> Mr Dlamini's affidavit, para 38, p 7.

<sup>1860</sup> Mr Gingcana's application, o 9 at para 30 and 31.

<sup>1861</sup> Mr Gingcana's application, p 10 at para 35.3.

<sup>1862</sup> Transcript, day 416, pp 23-92.

<sup>1863</sup> Transcript, day 416, p 12.

<sup>1864</sup> Transcript, day 416, pp 26-27.

<sup>1865</sup> Transcript, day 416, p 24.

<sup>1866</sup> Mr Dlamini's affidavit, paras 34-35, p 7.

1060. Mr Agrizzi and Mr le Roux testified that Mr Agrizzi met Mr Gingcana in the latter's house with Mr Dlamini. Mr le Roux said he was made to wait outside while the three namely, Mr Agrizzi, Mr Dlamini and Mr Gingcana were having a meeting. (According to Mr Dlamini, he met with Mr Agrizzi and Mr le Roux at Mr Gingcana's residence on one occasion when Mr Gingcana was at work as Mr Agrizzi wanted to demonstrate the upgrade. Mr le Roux testified that he did not know how Mr Agrizzi would have wanted to demonstrate the upgrade, as he did not install the equipment and knew nothing about the technology.<sup>1867</sup> Once the upgrade was completed, Mr Dlamini advised Mr le Roux and Mr Gingcana to exchange contact details, should Mr Gingcana experience any technical or operating challenges with the system.<sup>1868</sup>)

1061. Mr Gingcana also disputed the costs of the installation.<sup>1869</sup> He accepted that Bosasa made the installations in March/April 2017 and testified that a system had been installed at his home but that no part of the system had the "Paradox" name.<sup>1870</sup> He further testified that he was never given an invoice but he said that he asked for it from Mr Dlamini.<sup>1871</sup> He said that he had not requested an invoice from Bosasa directly because, he testified that Mr Dlamini was coordinating and organising his security upgrades and had promised to come back to him.<sup>1872</sup> Mr Dlamini stated that he had requested an invoice from Mr Agrizzi on a number of occasions but that Mr Agrizzi never provided him with an invoice.<sup>1873</sup>

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<sup>1867</sup> Transcript, day 416, pp 177-118.

<sup>1868</sup> Mr Dlamini's affidavit, paras 44-45, p 8.

<sup>1869</sup> Transcript, day 416, pp 29-30, 34, 54-57.

<sup>1870</sup> Transcript, day 416, pp 48-49.

<sup>1871</sup> Transcript, day 416, pp 28-29, 58.

<sup>1872</sup> Transcript, day 416, pp 60-61.

<sup>1873</sup> Transcript, day 416, pp 80-81 (see also exhibit T34).



1062. Under cross-examination, Mr le Roux testified that he accompanied Mr Agrizzi to Mr Gingcana's house on a Saturday afternoon when Mr Gingcana was at home and that Mr Dlamini was also present.<sup>1874</sup> Mr le Roux testified that the installation was done in March or April 2016.<sup>1875</sup> He confirmed that the equipment cost R48,000 and that with labour, travelling and expenses the cost was R239,486.84.<sup>1876</sup> When questioned about the fact that Mr le Roux did not dispute Mr Gingcana's statement (in his affidavit) that the equipment was installed in 2017, Mr le Roux indicated that it was an oversight on his part.<sup>1877</sup>

## **Nomvula Mokonyane**

### Introduction

1063. Mr Agrizzi testified that Mr Watson provided various forms of financial and other assistance to Ms Mokonyane because she was very influential and held a powerful political position. Mr Agrizzi had been informed that Ms Mokonyane had influence over Mr Zuma, the prosecution authorities and various persons in government departments who would take decisions on matters that could affect Bosasa.

1064. In return for Ms Mokonyane's influence, Mr Agrizzi testified that Mr Watson and Bosasa provided her with various benefits including cash payments, food and alcohol, funding of Ms Mokonyane's birthday party and various repairs, installations and maintenance work at her residence.

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<sup>1874</sup> Transcript, day 416, p 119.

<sup>1875</sup> Transcript, day 416, p 127.

<sup>1876</sup> Transcript, day 416, pp 135-136.

<sup>1877</sup> Transcript, day 416, pp 145-146.

1065. Ms Mokonyane explained that she knew the Watson family from as far back as pre-democracy when she was part of the “*National Civic Organisation*” (presumably SANCO or the South African National Civic Organisation) and involved in the UDF consumer boycott as a trade unionist.<sup>1878</sup> She came to know Mr Ronnie Watson before Gavin Watson. The Watsons assisted the ANC in the “Ready to Govern” programme where people like Popo Molefe and her were sent to the Watson School of Business. She had also “*known their generosity when there was no tender*”. She spoke of the Watsons supporting detainees and underground operations and explained that the Watson family were members of the ANC out of their own conviction and love for the country. Ms Mokonyane described the Watson family as always being generous, even before Bosasa was there, and Bosasa’s relationship with the ANC as being a natural relationship of freedom fighters.<sup>1879</sup>
1066. In response to a question whether it was not problematic that Bosasa continued supporting the ANC once they had government tenders, she asserted that an SOE and other industries such as the wine industry had supported the ANC, including during the terms of Presidents Mandela and Mbeki.
1067. In response to Mr Agrizzi’s assertion that she had requested Mr Watson to arrange for Bosasa to fund and cater for election galas and lekhotlas<sup>1880</sup> in several national, provincial and local elections, she disputed making any such requests and said that “*the head of organising he is responsible for organising the ANC must provide*

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<sup>1878</sup> The transcript uses the word “journalist”, not “unionist”, but must be incorrect. It is recorded on <https://www.sahistory.org.za/people/nomvula-paula-mokonyane> that “*Mokonyane became a shop steward and leader of the Commercial, Catering and Allied Workers’ Union of South Africa (CCAWUSA, now South African Commercial, Catering and Allied Workers’ Union - SACCAWU).*”

<sup>1879</sup> Transcript, day 235, pp 89 and 90.

<sup>1880</sup> “Lekhotla” is a Sesotho word, originally referring to a customary court, but nowadays also used in South Africa to describe a gathering of leaders where one or more important issues are discussed.



*resources. The head of organising is not the convenor of the lekhotla. Lekhotla is convened by the SG of the African National Congress."*

1068. Ms Mokonyane denied Mr Agrizzi's evidence that he met Ms Mokonyane during 2002/2003 when she attended at the Bosasa office on social visit.<sup>1881</sup> She denied meeting him "at that stage ... on a social visit". It was in response to this that Mr Agrizzi testified that he had met her at both business and social meetings and that he had "*even coordinated ... Mokonyane's 50<sup>th</sup> birthday party celebrations which was (sic) funded by BOSASA*" with the theme "*Break a Leg or words to that effect.*" This is dealt with below.

1069. When I sought clarity from Ms Mokonyane on "*whether you say that is not true at all or do you say some meetings, ... but not others or do you say you never attended a meeting which was attended by Mr Agrizzi whether it was a business meeting or a social meeting*", Ms Mokonyane responded "*I have never been in a meeting with Mr Agrizzi. And he is also not a personal friend or anybody who I can have a social interaction with him (sic). He says I will come across him in BOSASA and I did not.*"

1070. She admitted having attended meetings at Bosasa's offices, but denied that she had ever attended a meeting with Mr Agrizzi, whether alone or with Mr Watson. She confirmed having met other people who worked at Bosasa, including Mr Watson. She went on to say "*yes, it will be Gavin and then he would hand over the people who will be running a call centre and those that will be assisting the ANC in its programme.*"<sup>1882</sup>

1071. She disputed that any of the meetings had dealt with criminal prosecution being considered against Bosasa and its directors, or with the SIU report. In response to Mr

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<sup>1881</sup> Mr Agrizzi's Initial Affidavit, p 36 at para 22.2, read with transcript, day 235, p 58.

<sup>1882</sup> Transcript, day 235, pp 62-64.



Agrizzi's evidence that "BOSASA funded all celebrations, food, refreshments, including hiring and ancillary costs" of "social occasions ... official headquarters and ANC events", she said that "This was for the ANC and it was not a social thing, it was a political programme of the ANC which I am a member of."

Mokonyane's birthday party

1072. Returning to Mr Agrizzi's evidence above that he had coordinated Ms Mokonyane's 50<sup>th</sup> birthday celebrations, which were funded by Bosasa, and which were held at the Victoria Guesthouse in Krugersdorp with the theme "Break a Leg",<sup>1883</sup> Ms Mokonyane disputed this as being a false assertion. She testified that her 50<sup>th</sup> birthday was held in 2013 at the Silver Star Casino in Krugersdorp.

1073. The evidence then proceeded as follows:

EVIDENCE LEADER: But is there a party that was ever held at Victorian Guesthouse?

MS MOKONYANE: There has been many parties at that place.

EVIDENCE LEADER: I mean your party?

MS MOKONYANE: No.

EVIDENCE LEADER: You have never had a party there?

MS MOKONYANE: No.

EVIDENCE LEADER: You have never had a party called Break a Leg?

MS MOKONYANE: I have had a birthday party at Silver Star.

EVIDENCE LEADER: A Break a Leg?

MS MOKONYANE: No.

CHAIRPERSON: Well, he says the theme of your 50<sup>th</sup> birthday party was Break a Leg, you say that is not true?

MS MOKONYANE: No.

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<sup>1883</sup> Mr Agrizzi's affidavit in response to Ms Mokonyane's application, para 23.1.

- CHAIRPERSON: Yes. Well, did your 50<sup>th</sup> birthday party have a theme even if it is not ...
- MS MOKONYANE: The call was to people to come and celebrate ... [t]he journey of my life.
- ...
- EVIDENCE LEADER: Ms Mokonyane, just in fairness to you, I mean, you did not respond to this in an affidavit but what you would do - what the Commission, as they are entitled to do, is it can follow up the response you give.
- MS MOKONYANE: Yes.
- EVIDENCE LEADER: So I just want you to confirm that you say there was no 50<sup>th</sup> birthday at Victoria Guesthouse and you say there was never your birthday at Victoria Guesthouse?
- MS MOKONYANE: No.
- EVIDENCE LEADER: Is that your evidence?
- MS MOKONYANE: There has been other parties but not my birthday.
- EVIDENCE LEADER: At that place?
- MS MOKONYANE: No.
- EVIDENCE LEADER: And you also want to confirm that at that place at Victoria Guesthouse there was never your birthday paid for by BOSASA.
- MS MOKONYANE: No, there was never that they paid [indistinct - dropping voice]
- EVIDENCE LEADER: And also, there was no birthday called 'Break a Leg'
- MS MOKONYANE: No, not to my knowledge. Not my birthday - not Nomvula's birthday, not Nomvula's 50<sup>th</sup> birthday."<sup>1884</sup>

1074. Ms Mokonyane reiterated these denials when it was pointed out to her that the Commission was entitled to follow up on her response.

1075. I directed the evidence leader and the Investigation team to approach the Victoria Guest House and talk to people there because, if Ms Mokonyane had had a birthday

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<sup>1884</sup> Transcript, day 235, p 59-62.

party there, it was likely that people would remember it because at the time Ms Mokonyane may have been MEC or Premier or even Minister. The Investigation team approached the Victoria Guest House. The result was that two days after Ms Mokonyane's evidence Mr Frederik Hendrik Coetzee, the owner of the Guesthouse deposed to an affidavit that revealed the truth. A birthday party had been held in the Victoria Guest House for Ms Mokonyane although it was her 40<sup>th</sup> birthday and not her 50<sup>th</sup>. The affidavit was to the following effect:

- 1075.1. between 2000 and 2018 he was co-owner of the Victorian Guest House with his mother;
- 1075.2. he was actively involved in the day to day running of the guest house;
- 1075.3. he confirmed that the Victorian Guest House did host a birthday party for Ms Mokonyane, but it was her 40<sup>th</sup> birthday in 2003, not her 50<sup>th</sup> birthday in 2013;
- 1075.4. the birthday event was booked and paid for by Bosasa and the person whom he dealt with from Bosasa was Mr Agrizzi;
- 1075.5. the booking was first for eighty people which then increased to one hundred and twenty guests. However, on the night of the function a total of one hundred and seventy-four people arrived;
- 1075.6. this caused some logistical difficulties, but *"luckily the speeches took about three hours which enabled us to prepare more food"*;
- 1075.7. all beers, hard liquor and soft drinks for the event were sponsored and supplied from a liquor store in Lewisham;
- 1075.8. the amount of liquor supplied filled an entire garage at the guest house;



- 1075.9. the Guest House provided arrival drinks and wine;
- 1075.10. he was able to produce documentary evidence in relation to the event, including an event invoice which was charged to Bosasa for the attention of Mr Agrizzi, pictures of the venue decorated for the event before it commenced, proof of alcoholic beverages purchased for the event and proof of additional décor items for the event such as chair covers; and
- 1075.11. the relevant invoice reflected an amount of R25,080 for the initial reservation in respect of 80 guests and a further R16,757 for the additional ninety-four guests, all of which was settled by Bosasa.
1076. On 21 August 2020, Ms Mokonyane deposed to an affidavit in answer to Mr Coetzee's affidavit in which, notwithstanding the earlier denials, she -
- 1076.1. repeated her denial that her 50<sup>th</sup> birthday celebration was held at the Victorian Guesthouse;
- 1076.2. admitted that her 40<sup>th</sup> birthday celebration was held at the Victorian Guesthouse;
- 1076.3. said that she had "no personal knowledge of most of the allegations regarding the booking and payment of the venue, including, catering and the provision of alcoholic and non-alcoholic beverages for the occasion";
- 1076.4. stated that her family had insisted on celebrating her birthday with a surprise party as it was a significant milestone;

- 1076.5. said that she was unaware of the arrangements made and was merely advised by her husband not to make any commitments on the day because he wanted to take the family out for dinner;
- 1076.6. said that she was *"absolutely shocked to find that my late husband, family and friends had decided to surprise me with a large celebratory event to mark the occasion"*;
- 1076.7. asserted that her late husband was responsible for the arrangements in respect of the surprise party, which were kept secret to the extent that she was still unaware of *"who did what"*;
- 1076.8. stated that she was *"overwhelmed and swept away by the events that unfolded that night"*;
- 1076.9. pointed out that her late husband never told her that he had received assistance from anyone outside her close family members and friends and that her late husband was a successful businessman who could afford to pay for such an event, something she assumed had been the case;
- 1076.10. pointed out that neither Mr Agrizzi nor Mr Coetzee had said that she had been involved in the arrangements;
- 1076.11. said *"I reiterate that to the extent that Bosasa may have paid for some of the expenses for my birthday, I was unaware of this and would have been embarrassed. It was inappropriate at the time and I question the failure by Mr Agrizzi to disclose it for more than 15 years"*;
- 1076.12. said that she was nonetheless grateful to her husband for arranging the event and thanked him for doing so; and

1076.13. made the observation that it was unlikely that the amounts in the invoices covered all of the costs for 180 guests.

1077. Mr Coetzee gave oral evidence on 25 August 2020. He confirmed the evidence in his affidavit and provided the following additional information:<sup>1885</sup>

1077.1. the birthday function was arranged between Mr Agrizzi and himself;

1077.2. Bosasa was one of the Guest House's corporate clients and had been for many years, being located close to each other, and they had previously used the Guest House as a venue;

1077.3. Mr Coetzee was introduced to Ms Mokonyane;

1077.4. save for the arrival drinks, wine and sparkling wine for the speeches, all the beverages were paid for by Bosasa;

1077.5. although the event was some eighteen years earlier, he remembered the function well because it was one of those events that "stuck in your head" - in this case because of the scramble to get the extra food and extra seating done, the "procedure of the event" and the fact that it was his first high profile event for government;

1077.6. Mr Agrizzi was at the event;

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<sup>1885</sup> Transcript, day 254, pp 39-61.



- 1077.7. Mr Coetzee took the Commission through an invoice reflecting that the combined charge from the Guest House to Bosasa, taking into account the additional guests, was roughly R41,000;
- 1077.8. Mr Coetzee estimated the value of the liquor supplied by Bosasa to be in the region of R30,000 to R40,000;
- 1077.9. the Commission was taken through some photographs of the event, including gifts that Mr Coetzee said he knew to have been given by Bosasa;
- 1077.10. invoices were provided by Mr Coetzee in respect of the wine and sparkling wine procured, and the chair covers, extra tables, cutlery, tablecloths and napkins hired by the Guest House for the event; and
- 1077.11. Mr Coetzee testified that there was no theme for the event.
1078. Ms Mokonyane gave evidence again on 3 September 2020. She confirmed that she persisted in her evidence that she knew nothing about who had paid for the event, but accepted that she could not dispute Mr Coetzee's evidence that the event was paid for by Bosasa.<sup>1886</sup> When referred to Mr Coetzee's affidavit and his statement that there was a birthday party held in Ms Mokonyane's honour at the guesthouse, Ms Mokonyane persisted with her version that she attended at the guesthouse for a private dinner and not to celebrate a birthday party. She stated that *"there was a dinner. It... was not a party as it was said by Mr Agrizzi. ...It was a surprise thing that happened at the venue and it was not a 50<sup>th</sup> birthday."* It was her 40<sup>th</sup> birthday.<sup>1887</sup>

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<sup>1886</sup> Transcript, day 260, p 28.

<sup>1887</sup> Transcript, day 260, pp 20 and 27.

1079. Ms Mokonyane testified that she did not see Mr Agrizzi at this dinner – she said that she would have noticed him because he was white. Nor was there any speaker from Bosasa. Later in her evidence, she said that she could not remember if Mr Agrizzi was there and ultimately said *“He could have been in another room. He could have been somewhere else. He could have been number 174. I do not know.”* When it was put to her that she could not deny that he was there, she said *“I would not want to commit myself and say he was there”*<sup>1888</sup> and later *“it is between him [Coetzee] and Mr Agrizzi whether Mr Agrizzi was there.”*<sup>1889</sup>

1080. She believed that Mr Coetzee’s version on the number of guests and the additional drinks were *“a bit of exaggeration”*. Twenty or thirty people would fit in that venue, although the venue could accommodate more if other rooms were used. Given that she did not organise the event, she therefore could not dispute Mr Coetzee’s estimate of there being 174 people at the dinner.<sup>1890</sup>

1081. According to Ms Mokonyane, *“we did not even ha[ve] many people who were speaking. It was about eating because I was taken out to go out and have a dinner for my birthday.”*<sup>1891</sup> When I recalled Mr Coetzee’s evidence of speeches lasting for three hours, she responded *“Hey, I do not know that. ... remember I was not part of the preparation ... so I would not know what was the situation behind the scene.”*<sup>1892</sup>

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<sup>1888</sup> Transcript, day 260, p 33.

<sup>1889</sup> She said she did not ask her husband who had paid for the event.<sup>1889</sup>

<sup>1890</sup> Transcript, day 260, pp 22 to 26.

<sup>1891</sup> Transcript, day 260, p 28.

<sup>1892</sup> Transcript, day 260, p 29.

1082. As to the amount of liquor, she said that she never saw the garage as she was the *"birthday girl"* and stayed at her table.<sup>1893</sup>
1083. She was not introduced to Mr Coetzee and saw him for the first time when he gave evidence before the Commission;<sup>1894</sup>
1084. It was put to her that in her previous testimony *"[y]ou said no birthday of yours was ever held at this place"*. She stated that she did not mention the 40<sup>th</sup> birthday party previously because it had been more than a decade before and she was "preoccupied" by Mr Agrizzi's assertions that it was her 50<sup>th</sup> birthday party with a Break a Leg theme. There were many parties and functions held at the guesthouse. When asked what jogged her memory, she said *"What made me to recall it was when after this testimony here that now the story was by Mr Agrizzi outside in the media or whoever had did, now no longer about the 50<sup>th</sup> but about the 40<sup>th</sup>. So that made me to sit back and to reflect."*<sup>1895</sup> Later in her evidence she gave as an additional reason that another party had been held for her 40<sup>th</sup> in Rosebank with her friends, which she did remember, along with a mass dedicated to her turning 40.<sup>1896</sup>
1085. When it was pointed out to Ms Mokonyane that it was strange that Mr Coetzee could recall her 40<sup>th</sup> birthday at the guesthouse but she could not, Ms Mokonyane stated that *"[i]t can sound strange because honestly speaking, that was not a party that I knew was going to happen"*.<sup>1897</sup>

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<sup>1893</sup> Transcript, day 260, p 30-31.

<sup>1894</sup> Transcript, day 260, p 31.

<sup>1895</sup> Transcript, day 260, pp 34 to 44.

<sup>1896</sup> Transcript, day 260, p 45.

<sup>1897</sup> Transcript, day 260, p 45.



1086. When I put it to her that a surprise birthday of that nature should stand out in her memory, she said that she *"would have preferred a better place"*, that she was looking forward to her weekend partying with her friends, that she did not like surprises, but that she *"had a husband who would always go and do extraordinary things to surprise me"*.<sup>1898</sup> She disputed that her earlier evidence denying any party having taken place at the venue was misleading.<sup>1899</sup>
1087. When it was put to her that in her earlier evidence it was convenient to deny the party at the venue because it would have lent credence to Mr Agrizzi's testimony and that she only admitted the party when she had been caught out, she said that her preoccupation was with the evidence that it was her 50<sup>th</sup> with a "Break a Leg" theme.<sup>1900</sup>
1088. Ms Mokonyane stated that she could not dispute Mr Coetzee's evidence about the event being paid for by Bosasa because she did not organise the party. She stated, however, that she saw no Bosasa branding nor did anyone from Bosasa speak at the event.
1089. It was pointed out to Ms Mokonyane that Mr Agrizzi testified that Mr Watson was at the event. Although she considered Mr Watson a family friend, he was not, to her memory, at the party although it would not have been strange for him to be invited.<sup>1901</sup>
1090. When it was put to Ms Mokonyane that one would expect that her husband would have been aware that Bosasa had organised the party, she said *"Chair, ja I would not want to venture into that space and conclude because organising a party goes beyond*

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<sup>1898</sup> Transcript, day 260, p 47.

<sup>1899</sup> Transcript, day 260, p 49.

<sup>1900</sup> Transcript, day 260, pp 52-54.

<sup>1901</sup> Transcript, day 260, p 60-61.

*stuff what happened inside*" and went on to mention that some guests came to the party by taxi and to refer to a conversation at the party with a leader of a taxi association.<sup>1902</sup>

1091. When I put it to Ms Mokonyane that *"I cannot see how what seems to have been a very big birthday party could have been done for you without you and your husband knowing who paid for this party, this big party, one of you must have known"*, she said that her husband may or may not have known, but *"he might also have been approached to say listen we organising this thing please secure Mam Nomvula on that day, make sure that you bring her along. Please bring her along and that was it and then hence from the morning Mogatsi will remember before the date (sic)"*.

1092. When asked if it was not strange that her husband would not have mentioned at any point during the years after the event that the party was funded by Bosasa she stated that her husband never ventured into the funding of the party. She testified that *"we both knew that we did not pay for the party because we knew we did not organise it."*<sup>1903</sup> When the contradiction was pointed out between this and her affidavit, where she said that she had always assumed that her husband had paid for the event, she said that this was her assumption.

1093. Ms Mokonyane confirmed her statement in her affidavit that the revelation that Bosasa had paid for the event embarrassed her.<sup>1904</sup> She confirmed further that it was inappropriate.

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<sup>1902</sup> Transcript, day 260, pp 62-63.

<sup>1903</sup> Transcript, day 260, p 66.

<sup>1904</sup> Transcript, day 260, p 70.

### Cash payments

1094. Moving away from the birthday party and reverting to Mr Agrizzi's evidence, Mr Agrizzi explained that R50,000 would be packed and delivered to Ms Mokonyane on a monthly basis. Ms Mokonyane, in her affidavit, filed in response to a Regulation 10(6) directive, denied ever receiving payments.<sup>1905</sup> Mr Agrizzi testified that he was present on two occasions when cash was given to Ms Mokonyane by Mr Watson at her homes. This despite Ms Mokonyane's initial denial that Mr Agrizzi had never been to her homes. This denial is contradicted by Mr Agrizzi's ability to describe the houses in precise detail, particularly the Bryanston house which she owned more recently.

1094.1. The first incident was around the time that there was an issue with the Walter Sisulu Place of Safety and children needed to be moved. This occurred when Ms Mokonyane was Premier of Gauteng. Mr Agrizzi recalled going to the Premier's property in Bryanston with Mr Watson and taking a grey security bag containing R50,000. After the meeting Mr Agrizzi left the bag at the house.<sup>1906</sup> He describes the incident as follows:

"I remember it vividly driving up and the beautiful place in Bryanston and we were taken in. Before that we had packed the R50 000.00 in a grey security bag ... you go through big doors and then we sat in a lounge and in a waiting area. And then you got the entrance hall and there was another on the right hand side there was like a massive - it looked like a dining hall cum conference room, massive. And she was sitting at the head of the table. There was a chair there. There was Mr Watson sitting there. I sat next to him. On the opposite side there was Ms Hlophe I think she was the MEC at that stage for social services ... and there were some other people. And Tannie Makoko was actually with us as well. And we had the meeting. We discussed everything and it went until late at night and at that stage everybody

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<sup>1905</sup> Ms Mokonyane's affidavit, p 15, para 41.

<sup>1906</sup> Transcript, day 75, p 54.



was starting to walk out and Gavin then ... left the bag on the chair next to it (sic)".<sup>1907</sup>

1094.2. The second (and earlier) incident was at her house in Krugersdorp or Roodepoort.<sup>1908</sup> Mr Agrizzi explained that, while he could recollect the house and a meeting that they were going to attend, he could not remember what the meeting was about.<sup>1909</sup> Mr Agrizzi recalled that R50,000 was given to Mokonyane on this occasion. This money was packed by Mr Watson in his presence the day before the second meeting.<sup>1910</sup> At the time of the second meeting, Ms Mokonyane was not the Premier. Mr Agrizzi thought she might have been an MEC at that stage.<sup>1911</sup> The scene where the money was handed over was described by Mr Agrizzi as follows:

MR ANGELO AGRIZZI: No, no the money was not packed by me it was packed by Gavin.

CHAIRPERSON: Yes. And was it given to her in your presence?

MR ANGELO AGRIZZI: Yes.

CHAIRPERSON: During the meeting?

MR ANGELO AGRIZZI: Yes ... I can tell you where.

CHAIRPERSON: Yes.

MR ANGELO AGRIZZI: It was in her study. ... As you walk through the front door ... [y]ou turn right. ... Okay there is a desk. ... And there is this whole lot of memorabilia. ... Fancy memorabilia on the back. ... And she came down from upstairs."

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<sup>1907</sup> Transcript day 75, p 54.

<sup>1908</sup> Transcript, day 75, p 55.

<sup>1909</sup> Transcript, day 75, p 57.

<sup>1910</sup> Transcript, day 75, p 57.

<sup>1911</sup> Transcript, day 75, p 58.

- 1094.3. Ms Mokonyane denied ever receiving money from Mr Agrizzi or Mr Watson and denied that Mr Agrizzi was ever at her house in Krugersdorp with Mr Watson.<sup>1912</sup>
1095. Mr Agrizzi explained that he would never meet with Ms Mokonyane alone as this was "*Gavin's deal*". He would, however, receive an occasional phone call to attend to a task when Mr Watson's phone was off.<sup>1913</sup>
1096. Mr Agrizzi explained that there was a third occasion that he recalled where money was delivered to Ms Mokonyane. At the time she was still the Premier and Mr Watson requested him to pack the R50,000 into a security bag. The purpose of Mr Watson's visit was to discuss the SIU matter as a matter of urgency.<sup>1914</sup> Mr Agrizzi, however, was not at this meeting. Ms Mokonyane denied receiving any money and stated that she played no role in the security cluster and had no business discussing the issues of the SIU with any person, including Mr Watson.<sup>1915</sup>

#### Other benefits

1097. As to benefits provided to Ms Mokonyane other than cash, Mr Agrizzi testified that Mr Watson would instruct him annually towards the end of every year to provide for Ms Mokonyane's "Christmas needs". The list of items would be communicated by her PA and would usually include 120 cases of cold drinks, 4 cases of high-quality whisky, 40 cases of mixed beer, 8 lambs, 12 cases of frozen chicken pieces, 200kg of beef as well as various braai packs and numerous cases of premium brandy and speciality alcohol. Initially, he arranged delivery himself, but this was later passed on to a person

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<sup>1912</sup> Ms Mokonyane's affidavit, p 15, paras 42-43. Transcript, day 235, p 180 to 181.

<sup>1913</sup> Transcript, day 75, p 56.

<sup>1914</sup> Transcript, day 75, p 60; Mr Agrizzi's Supplementary Affidavit, p 11 at par 14.4.

<sup>1915</sup> Ms Mokonyane's affidavit, p 15, para 44.

named Catherine and Bosasa's executive chef. This was done over approximately ten years.<sup>1916</sup>

1098. Mr Agrizzi included an example of a demand from Ms Mokonyane of these items as Annexure FF to his supplementary affidavit. However this was not relevant to the issue of the Christmas gifts.<sup>1917</sup> Mr Agrizzi only recalled the specific incidents referred to in this demand vaguely.

1099. Mr Agrizzi explained that Ms Mokonyane would call Mr Watson and tell him to sort an issue out. In turn, Mr Watson would direct Mr Agrizzi to do so.<sup>1918</sup> He stated that the Christmas items were delivered to Ms Mokonyane's residence in a cul-de-sac on a street which he named and Ms Mokonyane admitted was the street where her house was.<sup>1919</sup>

1100. Ms Bongwiwe Eves Dube testified that her predecessor as unit leader, Matabata, arranged "Christmas" deliveries on Mr Leshabane's instruction for Ms Mokonyane.<sup>1920</sup> Ms Dube referred to one instance in 2017 during which she said that she received a call from Food Boys regarding a delivery despite the Bosasa offices being closed at the time. Ms Dube said that delivery was intended for Ms Mokonyane and it contained a large order of meat to the value of approximately R17,000.<sup>1921</sup>

1101. Ms Mokonyane denied that Mr Watson saw to her family's Christmas needs and that she ever received the items from Bosasa. She testified that she did not have the

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<sup>1916</sup> Transcript, day 75, p 72.

<sup>1917</sup> Mr Agrizzi's Supplementary Affidavit, p 12 at par 14.15.

<sup>1918</sup> Transcript, day 75, p 74.

<sup>1919</sup> Mr Agrizzi's replying affidavit in response to Ms Mokonyane's statement, para 24.3. It should be noted that Ms Mokonyane's statement records that she resides at Blouberg Street, Noordeheuwel, Krugersdorp.

<sup>1920</sup> Transcript, day 254, p 21.

<sup>1921</sup> Transcript, day 254, pp 23-28; 34.



capacity to store the volumes of items referred to above. Ms Mokonyane explained that, from 16 December each year, she would go on holiday with her family and would only come back on 30 December to be with her parents and in-laws in Kagiso. Ms Mokonyane commented that it was common knowledge that her house was on a cul-de-sac as she had had people visiting her home due to bereavements and Mr Agrizzi could have googled it.<sup>1922</sup> When Ms Mokonyane said that Mr Agrizzi may have googled her house, she was saying this to explain how Mr Agrizzi could have known her house if he had never been there. In this regard, her initial version was that Mr Agrizzi had not been to her house.

1102. Ms Mokonyane stated that she was aware that Bosasa provided large quantities of food and drinks to communities in Gauteng as part of its corporate social investment projects for Christmas activities and school feeding programmes.<sup>1923</sup>

1103. In her affidavit, Ms Mokonyane pointed out that she was not privy to where these groceries were sourced from, if any, and that no documentary proof had been provided on the nature and type of products that were purchased and delivered by Mr Agrizzi.<sup>1924</sup> In response, Mr Agrizzi stated that the meat was purchased from Ziman Foods (Greenhills Butchery Randfontein), liquor and cooldrinks were purchased from Swannies in Krugersdorp and the other items were sourced from the Bosasa kitchens.<sup>1925</sup> In her evidence, Ms Mokonyane persisted with her denial that she received these goods and stated that she did not know these businesses.<sup>1926</sup>

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<sup>1922</sup> Transcript, day 235, pp 66 and 67.

<sup>1923</sup> Ms Mokonyane's affidavit, p 10, para 28; transcript, day 235, p 68.

<sup>1924</sup> Mr Mokonyane's statement, p 11 at para 30.

<sup>1925</sup> Mr Agrizzi's replying affidavit to Ms Mokonyane's statement, para 27.

<sup>1926</sup> Transcript, day 235, p 70.

1104. When asked if it was possible that the goods referred to by Mr Agrizzi were purchased to be given to the community through her, Ms Mokonyane persisted with denying that the goods were purchased for her or her family. She did however state that Bosasa -

"provided for those that were deserving and that was actually distributed – people were even hosted with meals they could have three meals a day and they will go home with their Christmas hampers out of those activities".<sup>1927</sup>

1105. Ms Mokonyane recalled one instance where food items intended for the community were delivered to her residence – when the Kagiso Old Community Hall was under reconstruction. Community volunteers collected these items.<sup>1928</sup>

1106. I expressed the view to Ms Mokonyane that one would assume that basic foodstuffs such as rice, sugar, mealie meal and cooking oil would have been included if the items donated by Bosasa were destined for the community. Items such as high-quality liquor and premium brandy are not something typically bought for people in need. I then asked whether his assumption was flawed. Ms Mokonyane's response was that my assumption was *"very flawed because it moves from an assumption that only Bosasa does these things for communities"*. There were other organisations that also sponsored basic items.<sup>1929</sup> She went on to say -

"They were contributing what was in their own offering. You know when people want to go and give Ubuntu ... you do not choose what they would give. And all these things will then be kept and we would actually get everybody getting a bit and it is going home. Over and above that we would even have a sit down party in the community centre for everybody. So your assumption is flawed. This is not the only thing that will come. Somebody brings blankets. The other person brings - now recently there is something called instant porridge they bring. Yes.

CHAIRPERSON: Hm. So you say it was - it definitely was for the needy people?

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<sup>1927</sup> Transcript, day 235, p 70.

<sup>1928</sup> Transcript, day 235, p 71.

<sup>1929</sup> Transcript, day 260, pp 74 and 75.



MS MOKONYANE: It has always been for.”

1107. After this benefit started, Mr Watson began to give Mr Agrizzi other instructions pertaining to meeting requests conveyed by Ms Mokonyane's PA, Ms Thomas. According to Mr Agrizzi, these included organising and paying for funerals of deceased family members, catering for political rallies for the ANC for up to 40,000 to 50,000 people, and catering for the “Siyangoba” rallies of the ANC.<sup>1930</sup> These were never charged.<sup>1931</sup>
1108. Ms Mokonyane confirmed that Ms Thomas was her PA. She testified that Ms Thomas also received instructions from Ms Mokonyane's late husband. Ms Mokonyane stated that Bosasa assisted communities, veterans, military combatants and destitute families with burial costs.<sup>1932</sup>
1109. I questioned Ms Thomas about the delivery of items at Christmas time. She said that she would liaise with Ms Mokonyane's sister, who also resided at the home, about the arrival of these items. They were delivered there because parcels would be made up there. She was the safest person and the home was the safest place where the items could be delivered. Coordination could take place from there. It would then go to Kagiso. The goods would be placed in the garage at the home. This was a yearly event usually around Christmas time, save for the previous two years. Sometimes it would happen in the middle of the year around the time of Ms Mokonyane's birthday. At times Ms Mokonyane would not know about the arrangements and Ms Thomas and Mr Watson would work on it. Ms Thomas did not know who took the parcels to Kagiso. In response to my question whether she knew that the items were brought to

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<sup>1930</sup> Siyangoba means “we win”. It was not indicated in evidence which years' election rallies are referred to, but it was reported in the press that the ANC's final pre-election in 2019 was referred to as the Siyangoba rally. Transcript, day 37, pp 6-10. Mr Agrizzi's Initial Affidavit, pp 36-37 at paras 22.1-22.5.3.

<sup>1931</sup> Transcript, day 75, p 63.

<sup>1932</sup> Transcript, day 235, pp 72 and 73.



the home by Bosasa, she said *"I would be the one that would be called. Mr Agrizzi would indicate that, you know, you would get this call, just for a day and make sure that somebody is home to take responsibility of these things."* Most but not all of the years Bosasa delivered the items.<sup>1933</sup> Ms Mokonyane denied that any groceries were brought to her home by Bosasa that were meant for onward transmission to the needy communities. However, Ms Thomas admitted that every year Bosasa bought groceries and delivered them to Ms Mokonyane's home for onward transmission to the needy communities. The story was now changing. So, Ms Thomas' version corroborated Mr Agrizzi's one in regard to groceries that were bought by Bosasa and sent to Ms Mokonyane's home. The difference between the two versions was that whereas Mr Agrizzi said that the groceries were for the benefit Ms Mokonyane and her family, Ms Thomas said it was for transmission to the needy communities. On both Mr Agrizzi's version and on Ms Thomas' version these groceries were very large. Accordingly, there is no way Ms Mokonyane could not have become aware all these years that this is what was happening annually. The question that arises is, if she was aware, why did she deny Mr Agrizzi's version. She must have denied it because the groceries were not intended for communities but for her and her family. If they were intended for the needy communities, why would she have denied that Bosasa bought them and delivered them to her house for distribution to needy communities?

1110. Ms Thomas also testified that, while she knew that Mr Watson was a family friend of Ms Mokonyane's, she only saw him in person once – when he attended the funeral of Ms Mokonyane's son. This was before 2014. However, she *"knew Mr Watson telephonically for a very long time."*<sup>1934</sup>

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<sup>1933</sup> Transcript, day 258, pp 89-102.

<sup>1934</sup> Transcript, day 258, p22.

1111. She also recalled meeting Mr Agrizzi at the Mokonyane home in the period leading up to the funeral – this was the only meeting with him she could specifically recall although she said she would “come back”.<sup>1935</sup>
1112. Ms Thomas stated that she had spoken to Mr Agrizzi telephonically once or twice. However, most of her communication was with Mr Watson.<sup>1936</sup> She recalled speaking to Mr Agrizzi over the phone when she was sick in hospital.
1113. Mr Watson knew Ms Thomas’ birthdate because it was in the same week as Ms Mokonyane and he often called to enquire what sort of flowers to get her. He would also often call Ms Thomas on her birthday or the day after or surprise her with something.<sup>1937</sup> She was asked to confirm that she and the Minister received birthday gifts over the years. She responded that it was not all years. It may have been less than five times that she (Ms Thomas) received gifts.<sup>1938</sup> She could not say how often Ms Mokonyane received gifts because these would have gone to her directly.
1114. Ms Thomas was referred to Ms Pieters’ (Mr Agrizzi’s PA) affidavit in which she asserted that, on instructions from Mr Watson and Mr Agrizzi, she arranged the provision of gifts for Ms Thomas and Ms Mokonyane annually from around 2010. Ms Thomas testified that she saw Ms Pieters’ name for the first time when she received her summons to testify before the Commission. She had only spoken to her once, apparently when Ms Thomas was in hospital, about where to send the get-well gift. This was a gift she could account for.<sup>1939</sup>

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<sup>1935</sup> Transcript, day 258, pp 23 to 25.

<sup>1936</sup> Transcript, day 258, p 25.

<sup>1937</sup> Transcript, day 258, p29.

<sup>1938</sup> Transcript, day 258, pp30-31.

<sup>1939</sup> Transcript, day 258, pp34-35.



1115. Ms Thomas was taken to email correspondence attached to Ms Pieters' affidavit (not addressed to Ms Thomas herself) that pertained to organising gifts in 2010, 2014 and 2015 for Ms Thomas and Ms Mokonyane. The 2015 email from Ms Pieters bore the subject line "2 X URGENT LADIES HAMPERS - CONFIDENTIAL" and included a paragraph saying -

"Please do not make any reference to BOSASA.

Contact number for both parcels is Sandy Thomas 082 807 8987"

1116. Ms Thomas confirmed the cell phone number to be correct. One of the emails also confirmed the delivery of the hampers. When asked if she admitted receiving this hamper she said -

"Well, be it on Wednesday, I was obviously at work. So. You know, I am going to say in all honesty. When I receive Ms Gina's affidavit.

I have an 83-year old mother ... and I asked her: Right, when did we get ... were you ... did you receive any hampers? Did you ...?

I was at work. It was a Wednesday. ... So in all honesty, my recollection of receiving a hamper, I did not receive that. I was not there. I was at work. I did not come home and find a hamper."

1117. However, she went on to say that she "*cannot recall receiving a particular hamper on a Wednesday, the 1<sup>st</sup> of July*", although she confirmed it was near her birthday on 26 June. She said she did not enquire of Ms Mokonyane whether she received the hampers and could not be expected to testify in this regard. She then went on to say-

"Look, there may have been. Like I said and I indicated earlier. There may have been once or twice but as I indicated that it will come back. It will come back. I can confirm the flowers, the get-well flowers. And I know that may be at some point but I cannot confirm whether it was that particular day or whether it was any other time."<sup>1940</sup>

1118. Ms Thomas was referred to her evidence that she only dealt with Mr Agrizzi on one or two occasions, one of which was when she was in hospital. However, she went on

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<sup>1940</sup> Transcript, day 258, p34-43.



to concede that *"we could have spoken more"*, that *"he would call me about various things"*, that *"Mr Watson [would] ask me to call him"* and that she developed a friendly relationship with him over the phone. What the issues were that they discussed *"will come back"*.<sup>1941</sup>

1119. Apart from deposing to the affidavit referred to, Ms Pieters also gave oral evidence. She testified that Mr Agrizzi had requested her to send hampers to Ms Mokonyane and Ms Thomas. Ms Pieters could not recall the exact date when Mr Agrizzi first asked her to do so but knew that it was, at least, from 2010 because she had a record of that hamper. Ms Pieters testified that she would get hold of Ms Thomas to determine the delivery address, who asked her to send it to a home address and not to the office.<sup>1942</sup>

1120. Ms Pieters testified that, when something like ordering the hampers became a regular occurrence, she saved the details on her phone with an address and telephone number to make it easier to contact the person. She referred to an email that she had sent on 29 June 2015 to procurement staff at Bosasa asking them to assist with two ladies' hampers to the value of R1,500 each, for Ms Mokonyane and Ms Thomas.<sup>1943</sup> She indicated in the email what needed to be written in the cards, which she read into the record as:<sup>1944</sup>

Ms Pieters:

The one to Minister Nomvula was:

"Happy birthday may the Lord bless you always.  
Regards, Gavin."

And the one to Sandy Thomas:

<sup>1941</sup> Transcript, day 258, p 46-49.

<sup>1942</sup> Transcript, day 259, p 9.

<sup>1943</sup> Transcript, day 259, p 10.

<sup>1944</sup> Transcript, day 259, p 11. See exhibit T29, annexure GP1.

"Happy belated birthday may the Lord bless you always. Regards Angelo."

[ ... ]

And then I wrote:

"Please do not make any reference to BOSASA contact number for both parcels is Sandy Thomas."

1121. Ms Pieters confirmed that 'Gavin' was Mr Watson and 'Angelo' was Mr Agrizzi. She confirmed that Mr Agrizzi had requested her to stipulate that there should be no reference to Bosasa when matters were confidential, so that the persons could not be linked in an untoward manner to Bosasa, as she stipulated in the email.<sup>1945</sup>
1122. Ms Pieters testified that she would have been informed by the courier company that had delivered the hampers if they were unable to deliver it to the recipient, as they had done in the past. She confirmed that she did not receive a report that the hampers could not be delivered.<sup>1946</sup>
1123. Ms Pieters testified that she had arranged for a ladies' hamper to the value of R700 to be delivered to Ms Thomas on 28 November 2014, on instruction from Mr Agrizzi, because Ms Thomas was not well and was in the hospital. Ms Pieters did not receive a report that the hamper could not be delivered.<sup>1947</sup> Ms Pieters also testified to arranging a ladies' hamper on 23 September 2010 for Ms Thomas from Mr Agrizzi, with a thank you card. Again, Ms Pieters requested that the card was to be from Mr Agrizzi and not Bosasa management. Ms Pieters testified that she understood the

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<sup>1945</sup> Transcript, day 259, pp 12-13.

<sup>1946</sup> Transcript, day 259, p 14.

<sup>1947</sup> Transcript, day 259, pp 15-16. Exhibit T29, annexure GP1, p 14.

request to exclude Bosasa to be motivated by the need not to compromise the individuals concerned, being in the high-profile positions that they were in.<sup>1948</sup>

1124. Ms Pieters confirmed that Bosasa paid for the hampers and that it was a regular annual occurrence that she would send such hampers. Included in the documents attached to her affidavit was a Bosasa purchase order form regarding the 2010 hamper for Ms Thomas in the amount of R1000. The delivery date required is 25 September 2010 and the message expresses appreciation for Ms Thomas' "thoughtfulness". Ms Pieters' email dated 23 September 2010 requesting Ms Maraya of Bosasa to arrange delivery of the order is also included. The date suggests that this was not a birthday hamper. Ms Pieters testimony was that it was "*obvious from the words that there was something done*", but she did not know what it was.<sup>1949</sup>

1125. Reverting to Mr Agrizzi's evidence, Mr Agrizzi stated that he signed off expenses such as the cost of hiring a marquee, air-conditioning, printing of memorial pamphlets, and refreshments for the funeral of Mokonyane's son.<sup>1950</sup> This was denied by Ms Mokonyane. She insisted that her family procured the services of the undertaker and paid for the burial. They did however appreciate contributions that were made, although she did not know what Bosasa contributed.<sup>1951</sup> Ms Mokonyane states that she did not request Bosasa to pay for her son's funeral and that "*if Gavin Watson contributed to the funeral as a form of condolences, he did so of his own volition and not at my request.*"<sup>1952</sup> She took strong exception to Mr Agrizzi's evidence in this regard, which she characterised as suggesting that they are an irresponsible family

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<sup>1948</sup> Transcript, day 259, pp 17-19. Exhibit T29, annexure GP3, pp 16-17.

<sup>1949</sup> Transcript, day 259, pp 21-22.

<sup>1950</sup> Mr Agrizzi's replying affidavit to Ms Mokonyane's statement, para 28.4.

<sup>1951</sup> Ms Mokonyane affidavit, p 11, para 31. Transcript, day 235, pp 73 and 74.

<sup>1952</sup> Ms Mokonyane affidavit, p 16, para 47.



that could not afford to bury their own child. She went on to say *"in my own circumstances there are many people who are coming of our condolences and in many instances you don't even know who has done what."* She also pointed out that *"the marquees and all those kind of things I have people that I know who have been always supporting us we pay for those"*.<sup>1953</sup>

1126. Coming to the evidence regarding Bosasa's involvement in arranging ANC events, according to Ms Mokonyane, in her capacity as the national organiser of the ANC, she said that she had a duty to ensure that all the rallies organised by the ANC were funded but that she never approached Bosasa and never instructed Mr Agrizzi to cater for any ANC rallies.<sup>1954</sup> Ms Mokonyane stated that she could not deny that Bosasa supported the ANC, that ANC elections operations were held at the Bosasa office park or that Bosasa helped with lunch packs for volunteers. She explained, however, that all fundraising initiatives were led by the Treasurer-General of the ANC and explained the process as follows:

1126.1. The fundraising committee would sit together with the organising committee. During this meeting, they identified the tasks to be fulfilled and resources required.

1126.2. Following this exercise, the Treasurer-General would identify who would be assigned the task of approaching potential donors and who should be approached for donations.

1126.3. In addition, certain donors came forward of their own accord.

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<sup>1953</sup> Transcript, day 235, p 74-75.

<sup>1954</sup> Ms Mokonyane's affidavit, p 12, para 34.

- 1126.4. One cannot approach potential funders or sponsors without presenting the proposal to the Treasurer-General and the fundraising committee.<sup>1955</sup>
1127. Insofar as Mr Agrizzi stated that funding and catering for various municipal, provincial and general elections was done on the basis of a request from Ms Mokonyane to Mr Watson, she denied this was a personal request and testified that Mr Agrizzi's version demonstrated his naïveté in understanding the ANC. The Head of Organising, i.e. the Secretary-General of the ANC, convenes the lekhotla.<sup>1956</sup>
1128. Although she indicated that she did not want to speak on behalf of the ANC, Ms Mokonyane pointed out that she did not think there was anything untoward about Bosasa supporting the ANC when it had government tenders. This is because even SOEs support the ANC golf events, and there are companies in the wine industry that endorse ANC events.<sup>1957</sup>
1129. Mr Agrizzi also testified that he would receive instructions to "sort out birthday party cakes", and to "cater for supporters 10,000 at a time." He testified in particular to receiving a call one Sunday evening from Mr Watson instructing him to drive to Café Mozart where he dealt with "Fritz" and designed a cake for then-President, Mr Zuma's 72<sup>nd</sup> birthday. A photo of the cake forms an annexure to Mr Agrizzi's statement. Although not clear in the photo, he was able to point out the Bosasa logo on the cake.<sup>1958</sup>
1130. In response, Ms Mokonyane stated that she played no role concerning the catering for any of the former President's birthday parties and that "*an attendance of a birthday*

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<sup>1955</sup> Transcript, day 235, pp 84-88.

<sup>1956</sup> Transcript, day 235, p 92.

<sup>1957</sup> Transcript, day 235, p 91.

<sup>1958</sup> Transcript, day 37 pp 10 to 12. Mr Agrizzi's Initial Affidavit, p 37 at para 22.5.4. Annexure G, p 268-269.

*or the provision of a cake to the then State President if done openly and for bona fide reasons cannot be faulted.*<sup>1959</sup> She also did not think there was anything untoward with Bosasa sponsoring the birthday party as even SOEs come out to support the ANC and individuals. Ms Mokonyane denied that all catering for Mr Zuma's birthday was done by Bosasa on her request.<sup>1960</sup>

1131. Ms Dube testified that she was instructed to order the cake and prepare snacks for Mr Zuma's birthday party.<sup>1961</sup>

1132. Another aspect of Mr Agrizzi's evidence pertained to assistance provided to Ms Mokonyane's daughter. He explained that there were a few occasions where he was called to assist with hiring vehicles for up to three months at a time for Ms Mokonyane's daughter when she was back from China where she was studying (arranged through Blake's Travel). The cost of the car hire would range between R80,000 and R150,000 because there were additional issues such as accidents and demands.<sup>1962</sup> In Mr Agrizzi's supplementary affidavit, he recalled specific examples of the car hiring for Ms Mokonyane's children. These include:

1132.1. An instance where Ms Mokonyane's daughter attended a meeting with Mr Watson at the Bosasa offices. Mr Agrizzi was called in and told to arrange an Audi A3 for her.

1132.2. Mr Agrizzi picked up on one occasion that Mr Vorster had booked a vehicle for Ms Mokonyane's daughter again. Mr Agrizzi explained that he was annoyed as the cost of repairs for this vehicle were ridiculous. He therefore

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<sup>1959</sup> Ms Mokonyane's affidavit, p 13, para 36.

<sup>1960</sup> Transcript, day 235, p 101.

<sup>1961</sup> Transcript, day 254, p 34.

<sup>1962</sup> Transcript, day 75, p 65.



confronted Mr Watson and Mr Vorster about this.<sup>1963</sup> Mr Vorster confirmed that Mr Watson instructed him to rent a cabriolet for Ms Mokonyane's daughter in mid-November 2015 which was extended until the end of January 2016 and was instructed by Mr Watson not to involve Mr Agrizzi. The car was rented in his (Mr Vorster's) name through Blake's Travel. Mr le Roux assisted Mr Vorster in delivering the vehicle to Ms Mokonyane's daughter in Noordheuwel, Krugersdorp. As had happened with previous vehicles hired for Mokonyane's daughter, the vehicle incurred minor damage and Bosasa paid for the repairs.<sup>1964</sup>

1133. According to Ms Mokonyane, her daughter Katleho, was very close to Mr Watson who treated her like his own daughter. Mr Watson engaged Katleho to assist him in coordinating, translating and interpreting Mandarin for business engagements. Ms Mokonyane said that Katleho is fluent in Mandarin and assisted Mr Watson. Ms Mokonyane testified that she played no role in relation to the rental of a car for Katleho and that to the extent that Mr Watson rented a car for her, Katleho as an adult dealt with Mr Watson in a mutually beneficial relationship.<sup>1965</sup>

1134. Mr Agrizzi explained that there were numerous examples of the children of other politicians who benefitted in a similar way.<sup>1966</sup> The evidence in relation to Vincent Smith's daughter is dealt with above.<sup>1967</sup> In addition, Mr Mti's children would get flight tickets and cars.<sup>1968</sup> Mr Agrizzi said there might be others. However, he did not want to make a false claim that would implicate someone without having reliable

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<sup>1963</sup> Mr Agrizzi's Supplementary Affidavit, p 12 at par 14.12.

<sup>1964</sup> Transcript, day 43, pp 146 to 150.

<sup>1965</sup> Ms Mokonyane affidavit, pp 11-12, para 33. Transcript, day 235, pp 78-79.

<sup>1966</sup> Transcript, day 75, p 66.

<sup>1967</sup> Paras 632 to 634 above.

<sup>1968</sup> Transcript, day 75, p 68.

information on their involvement. He explained that, because he did not have his documentation, he relied solely on his memory.<sup>1969</sup>

1135. In his supplementary affidavit Mr Agrizzi stated that at one stage Bosasa employed one of Ms Mokonyane's children at the Clanwilliam Youth Centre *"to assist with a program he was undergoing"*.<sup>1970</sup> Ms Mokonyane denied this and Mr Agrizzi said that her eldest son had a drug abuse problem and, being of age, booked himself at the said centre for rehabilitation and that nothing untoward occurred in this regard and that she was not involved.<sup>1971</sup>

1136. According to Mr Agrizzi, another benefit conferred upon Ms Mokonyane was the maintenance of her house when she lived in Silverfields, Roodepoort. This benefit commenced with a visit that he and Mr Watson made to Ms Mokonyane's property one morning. He describes the process from there as follows:

"[Ms Mokonyane] was there and her PA was there as well, Sandy Thomas .... And basically there were a lot of things wrong. The CCTV cameras were not working. The shed where the police guarding her was falling apart. The electric fence was not working. It had been overgrown with leaves and trees and that. The swimming pool was green and there was a lot of issues with regards to lighting. Every second light bulb was out. I remember the floor lighting which is a special bulb that we had to get on the entrance was missing. ... [W]e then phoned Mr Richard le Roux who was then told to come and fix ... [T]he generator was not working. We had to call in a specialist for that. But every time there was something wrong it was a phone call and it would get sorted out. Irrespective of cost it would get done. ... even like gardening stuff had to be sorted out."

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<sup>1969</sup> Transcript, day 75, p 69 & p 70.

<sup>1970</sup> Mr Agrizzi's Supplementary Affidavit, p 12 at par 14.8.

<sup>1971</sup> Ms Mokonyane affidavit, p 16, para 48.



1137. Mr Agrizzi explained that it would be very difficult for him to quantify the costs of this benefit over a couple of years, but he was estimating approximately R350,000 to R400,000.<sup>1972</sup>
1138. Mr le Roux testified that Mr Watson contacted him in 2013 to meet him and Mr Agrizzi at Ms Mokonyane's premises in Noord-Heuwel, Krugersdorp. Mr Watson instructed him to look at the electric fence, CCTV system, the generator, distribution board, the pool pump and attend to a green pool and garden clean up. This project was code-named "Project Blouberg". This project endured from 2013 to 2017. The garden clean-up was a once-off, but the maintenance of all the equipment was ongoing during this period. Either Mr Watson would contact him, *"or I would get a phone call from Nomvula's PA Sandy ... she would either send me a WhatsApp or she would phone me and say there is a problem with the gate or there is a problem with the cameras or there is a problem with the electric fence, the electric fence keeps on screaming in the garage and etcetera, etcetera, and then basically what we would do is I would task a technician ... to go and sort that problem out"*.<sup>1973</sup>
1139. In his further affidavit,<sup>1974</sup> Mr le Roux stated that he could not match the work done at Ms Mokonyane's residence in Krugersdorp with invoices as the work occurred in 2013 and the invoices from Regal Distributors are from 2014 onwards. He confirmed, however, that the work undertaken by the Special Projects team at Ms Mokonyane's residence included repair of the electric fence, installation of CCTV, repair of gate motor, fixing of intercom system and rewiring of the police guard house at the main gate. The invoices for the purchase of the equipment would have been put down to the maintenance at the Bosasa office park. Mr le Roux estimated the cost of the

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<sup>1972</sup> Transcript, day 75, p 62; Mr Agrizzi's Supplementary Affidavit, p 11 at par 14.5.

<sup>1973</sup> Transcript, day 44, p 57.

<sup>1974</sup> Exhibit T21.



equipment to be in the region of between R100,000 and R130,000. The cost of labour and travelling to undertake this work would have been approximately R58,080.<sup>1975</sup>

1140. In addition to the above, Mr le Roux stated that he used the Bosasa Garden Maintenance team to do an initial garden clean-up before they repaired the electric fence. Bosasa also purchased new pots and new water feature pumps for the residence on Mr Watson's instruction and with cash provided by Mr van Zyl.

1141. Mr le Roux confirmed that they received numerous call-outs for maintenance issues at the premises over the following four years. Mr le Roux used sub-contractors such as Mr Van Biljon and Mr Charl le Roux to perform this maintenance work. This work included lighting, electrics, swimming pool, ponds electrical work, generator and air conditioners. These invoices were most likely paid in cash.

1142. Mr le Roux attached a copy of a WhatsApp message from Ms Thomas requesting assistance with the house alarm.<sup>1976</sup>

1143. Ms Mokonyane disputed the evidence relating to maintenance at her residence and said that her late husband was responsible for the maintenance and upkeep of their household. Ms Mokonyane said that in her capacity as MEC, Premier and Minister, she was entitled to security which included electric fencing, CCTV cameras etc. and that there was no reason at all that Bosasa would have been relied on for such security measures.<sup>1977</sup> Ms Mokonyane testified thus:

"I never requested Bosasa to do anything at my house. My primary security was provided by the State. This included, as far as I was concerned, the provision of close

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<sup>1975</sup> Exhibit T21, pp 3-4.

<sup>1976</sup> Exhibit T21, p 39.

<sup>1977</sup> Ms Mokonyane affidavit, p 13, para 37.1.

circuit televisions. I personally never requested such service to be done by Bosasa at my house and was unaware that they had done so."<sup>1978</sup>

1144. In her evidence Ms Thomas dealt with her role in relation to maintenance issues when they arose at Ms Mokonyane's private home. "The ladies" (referring to the helpers employed there) would call her, for example, if the lights went off. She would get them to check with security if it was just Ms Mokonyane's home that was affected. If so, she would call Mr Mokonyane as he was responsible for maintenance at the home. Maintenance issues included lights going off, water going off, problems with the security features such as the electric fence, plumbing issues, "*that kind of thing*". Who she would call would depend on the problem. She referred to a day when the alarm kept going off. She called Mr Mokonyane and he advised her to call the person she knew as "Richard". She did not know his surname or who he worked for.<sup>1979</sup> She confirmed that it happened a number of times that she was asked to call him. She went on to say -

MS THOMAS: He would try to attend to it and often I would ask him to please let me know whether it is attended to or sorted or whatever.

...

CHAIRPERSON: Ja and he ... would he report back to you?

MS THOMAS: Yes, he would, he would tell me no, it is sorted. I would ask him, what was the problem so that if it happens in future what do I do, you know?

CHAIRPERSON: Yes, yes. And would he tell you?

MS THOMAS: He would tell me that no, it is the switch or that switch, but

CHAIRPERSON: Yes.

MS THOMAS: And that is where it ends."

1145. She went on to say that it was not over a long period and changed her stance to say that it was a few times that she had called Richard.<sup>1980</sup> She testified in relation to the

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<sup>1978</sup> Ms Mokonyane affidavit, p 14, para 37.2.

<sup>1979</sup> Transcript, day 258, p 66.

<sup>1980</sup> Transcript, day 258, pp 53-61.

particular WhatsApp or SMS dated 1 June 2017 when she had, on Mr Mokonyane's instructions, messaged Mr le Roux about the alarm that kept going off. She confirmed that this was not her first contact with him. Because he had been to Ms Mokonyane's residence before for more or less the same problem, it was not necessary to give him the address. Her evidence suggested that "Richard" was only called in relation to problems with the alarm. Service providers would leave the invoice at the home, although she did not know if Mr le Roux would leave an invoice when he attended to the alarm.<sup>1981</sup>

1146. Ms Thomas said that she would not be involved if new equipment was being ordered and fitted at the house. That would be dealt with by Mr Mokonyane. She was never instructed about people installing CCTV at the home. However, at the time when Ms Mokonyane was MEC for housing, she was called by the office of the Premier to arrange a security and risk assessment and thereafter to install an electric fence, gate, CCTV cameras and a room for the police. It was put to her by the evidence leader that the Commission's investigators had contacted the office of the premier and they said that they did not install any security features at the house. Following this she said that it was done through the (provincial) Department of Housing and the responsible person's name could have been Thabo. This was in a period predating the time when she would contact Richard.<sup>1982</sup>

1147. Mr Charl le Roux testified that he was employed as an apprentice electrician from mid-2014 until 2019 at SAN Electrical, owned by Mr Van Biljon. Mr Charl le Roux testified to various repair and maintenance works undertaken on instruction from Mr Van Biljon at a house in Krugersdorp, including works on the lights, water feature and

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<sup>1981</sup> Transcript day 258, pp 62-64.

<sup>1982</sup> Transcript, day 258, pp 66-86



backup power system.<sup>1983</sup> Mr Charl le Roux testified that the house had high fencing with a guardhouse to the left when entering the premises. He also testified that he had observed an Aston Martin at the premises parked in the middle garage and covered with a car cover.<sup>1984</sup> Mr Charl le Roux testified that he had attended at the premises many times.

1148. The first time that Mr Charl le Roux attended at the premises, in 2014, he met (Richard) le Roux and Mr Van Biljon at the premises when the backup power system was not working. On the next occasion Mr Charl le Roux visited the premises, the lights on the staircase and the walkway were not working and had to be repaired. On the third occasion, Mr Charl le Roux fixed the water feature and downlights in the ceiling of the entertainment area.<sup>1985</sup> Whenever Mr Charl le Roux attended at the premises, the guard stationed at the property would open for him. Mr Charl le Roux attended to repair work at the premises from 2014, including in 2017/18.

1149. Mr Charl le Roux confirmed the contents of the memorandum relating to the pointing out / inspection in loco, that he had visited the premises with staff of the Commission and Ms Mokonyane and her legal representatives where he pointed out:<sup>1986</sup>

1149.1. the high fence and guardhouse to the left side, at the entrance;

1149.2. the generator situated behind the garage in a cage, with the wires fed through the wall into the garage where they were connected to the control panel;

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<sup>1983</sup> Transcript, day 230, pp 42-44.

<sup>1984</sup> Transcript, day 230, p 45.

<sup>1985</sup> Transcript, day 230, pp 46-47.

<sup>1986</sup> Exhibit T16, transcript, day 230, pp 67-71.

- 1149.3. lights fitted to the side of the walls on either side of the stairs that were replaced;
- 1149.4. repairs on the fountain situated in the corner;
- 1149.5. the garage / place where the Aston Martin vehicle covered with a tarpaulin was parked; and
- 1149.6. ceiling lights in the covered patio (which was not covered when work was done).
1150. The memorandum was supported by photographs, as confirmed by Mr Charl le Roux. Mr Charl le Roux also confirmed Mr Agrizzi's evidence that the generator room with an automatic switch mechanism, which was supplied by Bosasa, was situated outside.<sup>1987</sup>
1151. Mr Van Biljon provided an affidavit that confirmed that:<sup>1988</sup>
- 1151.1. he had started a business called Sanimmo Electrical (SAN Electrical) in 2012.
- 1151.2. he had undertaken work at Mr Agrizzi's house in 2015 where he met Mr le Roux, who asked him if he would do other work at another property.
- 1151.3. when he undertook work for Bosasa as a sub-contractor, the usual manner of operations was as follows:

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<sup>1987</sup> Transcript, day 230, pp 74-75.

<sup>1988</sup> Exhibits T15 and T17. See also transcript, day 230, pp 24-38.

- 1151.3.1. Mr le Roux would provide him with an address where services were to be provided and he would meet Mr le Roux on site;
- 1151.3.2. he would evaluate the work to be done and would provide a quote;
- 1151.3.3. he would not stipulate the residential address on the quotation but would simply refer to Bosasa on the quotation with a broad description of the work to be done. This was done on the instruction of Mr le Roux; and
- 1151.3.4. he would email the invoices to Mr le Roux who would arrange for payment.
- 1151.4. He confirmed that he undertook work at Ms Mokonyane's house in Krugersdorp and that, at the time he undertook the various works, he did not know that Ms Mokonyane lived there.
- 1151.5. On most occasions, he met Mr le Roux at the premises. He estimated that he went to Ms Mokonyane's house to perform work on approximately ten occasions and could recall attending to the following works, whereby he -
- 1151.5.1. repaired and reprogrammed the generator changeover;
- 1151.5.2. replaced the distribution board for the swimming pool;
- 1151.5.3. replaced the outside stair lights leading to the house;
- 1151.5.4. repaired the electric fence;
- 1151.5.5. was called out to repair the air-conditioning system;
- 1151.5.6. was called out to repair the generator; and



- 1151.5.7. replaced and rewired some of the water features.
- 1151.6. In support, Mr Van Biljon attached copies of invoices and quotations for work performed at Ms Mokonyane's house.
1152. Ms Mokonyane said that she had checked with Ms Thomas and there was only one instance during which Ms Thomas contacted Mr Watson to assist with Ms Mokonyane's house alarm. Mr Watson referred Ms Thomas to someone (but not Mr Agrizzi) within Bosasa who could assist. This was on Ms Mokonyane's husband's instruction to find someone that could assist. It was during a storm and the alarm was going off continuously. The usual service providers could not be reached in this instance. Because Bosasa was also involved in the security business -

"that's when ... they came and what they found was that there was a tree that fell on the fence and that was it, any other thing, never".<sup>1989</sup>

1153. Ms Mokonyane said that Ms Thomas contacted Bosasa on her late husband's instructions when he failed to locate their usual service provider. Ms Mokonyane did not request this.
1154. Ms Mokonyane testified that she was not aware of the work done by Mr Charles Roux as this was not on her instruction. She was not aware if her family paid for the work authorised by her husband as these were the responsibilities of her husband.<sup>1990</sup> She said that her husband took responsibility from 2014 when she was appointed as a Minister. She asserted however that security for her private residence was done by the State, including close circuit television. She explained that she did not get confirmation from the State that the security upgrades were performed by it or obtain

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<sup>1989</sup> Transcript, day 235, pp 76, 77 and 103.

<sup>1990</sup> Transcript, day 235, pp 106 and 107.

copies of the receipts for the work allegedly done by the State. She said that the State would not do this.<sup>1991</sup> She referred to the evidence of Mr Alan Nixon, Commission investigator, but accepted that whilst he said that the CCTV security equipment could not be linked to a purchase by Mr Agrizzi, it also could not be linked to provision by the State. She confirmed that she had never asked the State pertinently for proof of installation by it. She said she would do so.<sup>1992</sup>

1155. She accepted the proposition that it would be strange, if the services had been provided by Bosasa as alleged by Mr Van Biljon and the two le Rouxs', and her husband had been responsible for this, that he would not have shared this information with her.<sup>1993</sup> It was put to her that she could not dispute that Mr Van Biljon's company had done the work at her house. She responded -

"Van Biljon was never asked, by us to come and do work, nor have we ever been told that van Biljon has come to do work because, amongst other things, ... we had a company called Mafuta which is a company that was doing gardening services for my house."<sup>1994</sup>

1156. On Mr Charl le Roux's allegations, she said *"I cannot dispute nor challenge whether he has been in the house but he has never been in the house to do things on my instruction or in my knowledge."*<sup>1995</sup>

1157. The WhatsApp message from Ms Thomas to Mr le Roux dated 1 June 2017 seeking assistance with a problem at the house with the alarm system, was explained on the basis that this was the single occasion where Ms Mokonyane accepted that Bosasa's involvement had been sought by Ms Thomas. However, it was put to her that it was strange if this was a once-off item of work that she says in the message that there is

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<sup>1991</sup> Transcript, day 235, pp 128 and 129.

<sup>1992</sup> Transcript, day 235, p 137.

<sup>1993</sup> Transcript, day 235, p 144

<sup>1994</sup> Transcript, day 235, pp 144-145.

<sup>1995</sup> Transcript, day 235, p 145.

a problem at "the house" without saying which house is spoken of, as if he knows the house. Her response was -

"There is only one house and that house is my house. And I take it because Sandy did not just talk to him Sandy was asked to communicate with Bosasa because they were the guys available also in the vicinity over and above other security companies. And surely, he was - I do not know how he came to know which house but it does show that there was communication about the - the house that is being referred to."

1158. She also speculated about the possibility that there might have been telephone calls that resulted in the WhatsApp message.<sup>1996</sup>

1159. Ms Mokonyane confirmed Mr Charl le Roux's evidence on the following issues:

1159.1. there was a guardhouse to the left of the entrance to her property.

1159.2. the generator was behind the house.

1159.3. the generator was in a cage with wires fed through the wall into the garage.

1159.4. there were lights on the staircase getting into the house.

1159.5. there was a fountain at the back of the house, although she had no knowledge of work done on the pump as the fountain was not in use.

1159.6. there was an Aston Martin in her garage.<sup>1997</sup>

1160. Ms Mokonyane denied, however, that the Aston Martin was black or blue. She stated that it was white and cream. Ms Mokonyane testified that the car had always been white/cream and she had had the car since 2013. Further, the connections to the

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<sup>1996</sup> Transcript, day 235, pp 155-156.

<sup>1997</sup> Transcript, day 235, pp 163 to 168.



generator were not inside the garage, but outside. She believed that this demonstrated that Mr Charl le Roux might have been misleading the Commission.<sup>1998</sup>

1161. I put it to Ms Mokonyane that it appeared indisputable that Mr Van Biljon's company did some work at her residence, that he, together with Charl and Richard le Roux had had all been to her house, that Mr Van Biljon's company had been paid by Bosasa and were there on Bosasa's instructions. If anybody came to do this type of work, it would have been her husband's responsibility, but in this case, as she had said, he would have shared this information with her. Thus far she said she agreed.

1162. I then said to Ms Mokonyane "*what remains is whether your husband actually made the arrangements for these people to come*". In this regard, she stated that her husband's response to the Sunday Times<sup>1999</sup> ought to be taken to mean that he never asked for assistance on the house other than the single occasion when there was a problem with the alarm.<sup>2000</sup> She then provided the following explanation, insisting that both she and her husband considered there only to have been a single visit of persons at the instance of Bosasa:

"They might have been to the house because of the challenge of those alarms that went on and off and upon them being in the house, they might have then done all these things but not as per my instructions and not to my knowledge."

1163. On the issue of the Aston Martin, Ms Mokonyane was asked how she could afford to pay a deposit of R2,2 million on the car (which cost over R3 million in 2013) when her total income was R143,137.66. She explained that her husband was trying to get a contract from Eskom and from Denel and he had people that were mentoring and

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<sup>1998</sup> Transcript, day 235, pp 168 to 170.

<sup>1999</sup> Saying "These people are crazy."

<sup>2000</sup> Transcript, day 235, p 176.

supporting him.<sup>2001</sup> These people could see that the business had a chance of growing. Her husband then made arrangements with the firm that was not doing business with government to provide them a partnership in his work on the Eskom contract for exchange for their assistance with the deposit. Ms Mokonyane explained that she also made a direct contribution to the deposit.<sup>2002</sup>

1164. When pressed about who paid the deposit, Ms Mokonyane stated that it was their friend, Thaba Mufamadi, and this was a business arrangement with her husband who had been short-changed in the bids with Eskom.<sup>2003</sup> A letter from the firm De Klerk Mandelstam to the Commission confirms that payment was made by Mr Mufamadi from a legitimate source of funds.<sup>2004</sup>

1165. During her second day of testimony, Ms Mokonyane revisited, amongst other things, the security and maintenance work on her home.

1166. I pointed out to Ms Mokonyane that there was a convergence in the testimony of Mr Agrizzi about a team attending to problems in the home, and Ms Thomas where the latter said that there were a number of times when Ms Mokonyane's late husband would call her when there was a problem in the house and ask her to ask Richard to go and attend to the problem. When afforded the opportunity to comment, Ms Mokonyane said -

"I would not comment on it...because...at no point is there a reference to me... being part of that arrangement...and at no point have I interacted with Mr Le Roux... [A]s I have stated before my husband was responsible for the maintenance and the running of the house."<sup>2005</sup>

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<sup>2001</sup> It appears as if the contract from Eskom appeared promising but did not actually transpire and there is an ongoing dispute about the contract.

<sup>2002</sup> Transcript, day 260, p 108.

<sup>2003</sup> Transcript, day 260, p 111.

<sup>2004</sup> Transcript, day 260, p 114.

<sup>2005</sup> Transcript, day 260, p 79-81.



1167. When it was put to her that it was strange that her husband would not have mentioned the arrangement with Mr le Roux, her response was to say that she did not know how frequent it was and to say that she knew who the service providers were for their home and they continued to provide those services.<sup>2006</sup>
1168. She informed the Commission that she had written to the office of the Premier to ask for information about the security for her house. A response of "piles of documents" was received the day prior to her testimony and she had not had the opportunity to go through them. It was put to her that she ought to have signed a document acknowledging receipt of the security. Ms Mokonyane stated that she did not remember signing anything as it was done through the SAPS and the people responsible for security in government.<sup>2007</sup> She testified that she did not know of any installation done by Bosasa of any security measure at her house. She assumed everything had been done by the State.<sup>2008</sup>
1169. A letter was produced by the evidence leader, from the Department of Public Works stating that the Department did not have a record of a formal request for security measures in Ms Mokonyane's private residence either by the Gauteng Housing Department, the Gauteng Office of the Premier, the Department of Infrastructure Development, or the Department of Water and Sanitation. The Department indicated that generally security measures are administered by the province and not the national department.<sup>2009</sup> Ms Mokonyane responded by pointing out that it was her

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<sup>2006</sup> Transcript, day 260, p 79-81 82-83.

<sup>2007</sup> Transcript, day 260, pp 87-88.

<sup>2008</sup> Transcript, day 260, pp 89-90.

<sup>2009</sup> Transcript, day 260, p 91.



assumption that security was done by the State and this letter simply refers the Commission to the provincial government.<sup>2010</sup>

1170. Ms Mokonyane went on to draw a distinction between the time before and after she became a Minister at national government level. She said that, after she had become a Minister at national level, the State did not take care of security at her home and she had to make private arrangements. She could not dispute that Bosasa installed CCTV at her house but she said that she knew of the payment made to service providers that dealt with security at her house.<sup>2011</sup>

1171. As part of the Commission's investigations, Mr Mlambo visited sites with Mr le Roux that he pointed out from memory as having benefitted from installations by the Special Projects team. Mr Mlambo later conducted property searches on these addresses. The property searches confirmed that the first site that he pointed out is a property registered to Ms Mokonyane and Mr Abel Mantununu Mokonyane.<sup>2012</sup>

#### Money allegedly paid to Ms Mokonyane

1172. Mr Agrizzi testified that in 2014, at the time that Ms Mokonyane was the Minister of Water Affairs, Bosasa was requested to do an analysis and report on the securing of the dams in South Africa for the Department of Water Affairs. The report was done under time pressure and at the cost of some R1.3m.<sup>2013</sup>

1173. Mr Agrizzi was also instructed by Mr Watson to recommend a consultant group who would assist the Department of Water Affairs in managing the award of the tender for

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<sup>2010</sup> Transcript, day 260, p 94.

<sup>2011</sup> Transcript, day 260, pp 101 and 102.

<sup>2012</sup> Transcript, day 46, p 87.

<sup>2013</sup> Transcript, day 37, p 19.

securing the dams. This resulted in Mr Agrizzi scheduling a meeting with Chiefton Consultants, represented by Paul Silver and Raymond Moodley. The specifications of the contemplated project were discussed as well as their potential role as consultants. The evidence continued as follows:

- EVIDENCE LEADER: Was any expectation expressed to the consultants in relation to who would be awarded the tender?
- MR ANGELO AGRIZZI: That is correct.
- EVIDENCE LEADER: What was discussed?
- MR ANGELO AGRIZZI: They would be awarded the tender and they had to ensure that they would be pro the group going forward.
- EVIDENCE LEADER: Pro the Bosasa Group?
- MR ANGELO AGRIZZI: That is correct, chair.
- EVIDENCE LEADER: Well, what does that mean in relation expressly to the award of the tender?
- MR ANGELO AGRIZZI: It would mean they would manipulate the tender in such a way that it would benefit Bosasa and Bosasa would get the business."<sup>2014</sup>

1174. In passing, the observation is made that Mr Agrizzi's evidence on this issue is sometimes unclear as to whether the consultants would receive the ultimate tender envisaged or whether they would be managers of the tender process with the final project to be awarded to another entity. Ms Mokonyane denies these allegations.<sup>2015</sup>

1175. In relation to this work, Mr Agrizzi's Initial Affidavit says:

- "22.10.4 That Watson was 'seeing to' the Minister and that we would need their [i.e. Chiefton Consultants] registration form to submit to the Minister."<sup>2016</sup>

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<sup>2014</sup> Transcript, day 37, p 22.

<sup>2015</sup> Ms Mokonyane's affidavit, p 14, para 39.

<sup>2016</sup> Mr Agrizzi's Initial Affidavit, p 39 at para 22.10.4.

1176. Mr Agrizzi explained the words "seeing to" as being that "*Watson would take money with to see to the Minister when he was seeing the Minister.*" This referred to a monthly amount of R50,000 that was paid to Ms Mokonyane. Mr Agrizzi knew of this because he would pack the money and Mr Watson would often deliver it in front of Mr Agrizzi. At this stage she was living in a house in Eccleston Drive, Bryanston and he would sometimes accompany Mr Watson. The amount of R50,000 "*was a monthly amount on a few occasions*" but the payments continued for years. He could not remember the exact time though. In relation to the Christmas benefits, these continued from 2002/2003 until the time he left Bosasa. In this regard he recalled two days before he went on his last leave with Bosasa in December 2016, issuing the instructions for the acquisition and delivery of the Christmas benefits.
1177. Mr Agrizzi was also, he said, able to describe the interior of both her houses in Roodepoort and Bryanston and proceeded to give a description of each. While Ms Mokonyane admitted that Mr Agrizzi's description of her house had some features of the property, she testified that it was not accurate and appeared as if someone might have given him a description as opposed to him having personally observed the features of the layout.<sup>2017</sup> Ms Mokonyane pointed out that features such as the guardhouse could be seen on Google Maps.<sup>2018</sup>
1178. Ms Mokonyane denied receiving any cash from Mr Watson or Mr Agrizzi. She testified that Mr Agrizzi did not visit her home in her presence. She speculated that representatives from Bosasa may have met with her husband or when she experienced a bereavement. She denied having a wooden staircase as described by Mr Agrizzi. She speculated further that Mr Agrizzi might have become familiar with some features of her house when her fence was being looked at. Ms Mokonyane

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<sup>2017</sup> Transcript, day 235, pp 118 to 120.

<sup>2018</sup> Transcript, day 235, p 127.



accepted that it would be fair to expect her husband to have told her if Mr Agrizzi had been at their home, but his response in this regard had been that “they are talking nonsense”.<sup>2019</sup>

1179. In response to a question of why Mr Agrizzi would go to such lengths to obtain a description of her house in order to cast the impression that he had been there, Ms Mokonyane described Mr Agrizzi's acts as “desperate”. She said that he was ignorant and naïve to think that the ANC would be dependent on her to remain a popular organisation. Further, she said that Mr Agrizzi was at pains to tarnish Mr Watson due to “whatever...has happened between [them]”. Ms Mokonyane pointed out that Mr Agrizzi had not denied the fact that he hates black people or that he had complained about the relationship she had with Mr Watson.<sup>2020</sup>

1180. Reverting to Mr Agrizzi's evidence, in any event, Chiefton Consultants were never appointed, and nothing came of the report that had been prepared as far as Bosasa was concerned. Later in his evidence he clarified that the monthly payments that he was aware of, because he used to pack them, would have been from 2009 continuing until the time he left.<sup>2021</sup>

1181. Chiefton Consultants were never appointed because *“they did not comply with the specifications in terms of the contractors. The specific problem as I recall was their PSIRA registration and as a consequence Bosasa did not bid for the tender that came out, if it came out.”*<sup>2022</sup>

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<sup>2019</sup> Transcript, day 235, pp 111 and 112.

<sup>2020</sup> Transcript, day 235, pp 124 to 126.

<sup>2021</sup> Transcript, day 37 pp 19 to 31. Mr Agrizzi's Initial Affidavit p 38 - 39 at paras 22.8 to 22.12.

<sup>2022</sup> Transcript, day 37, p 29.

1182. This led to a discussion that took place in the car outside Ms Mokonyane's house between Mr Watson and Mr Agrizzi. Mr Agrizzi pointed out to Mr Watson that a lot of money had been paid to Ms Mokonyane with no return to Bosasa. Mr Watson's response was that "*she has a lot of clout*" and that her support was needed for protection from the SIU investigation, the Hawks and the NPA. In this conversation Mr Agrizzi said that he complained about Mr Watson's method of doing business using bribery and corruption, saying that it threatened to close down the business and lose the jobs of Bosasa's employees. Mr Agrizzi says that he "*pleaded with him that we stop being politically based as a company*".<sup>2023</sup>
1183. In the ensuing exchanges with the evidence leader and me, Mr Agrizzi to some extent contradicted himself as to whether his complaint regarding the investment on Ms Mokonyane was that it was not delivering returns for the Bosasa Group or whether his complaint was that it was not an appropriate and ethical way to do business. His evidence appeared to be that he was making both points. He conceded however that other bribery in which they were engaged did lead to successful contracts.<sup>2024</sup>

#### Ms Mokonyane's scope of influence

1184. Mr Agrizzi was asked about the reason for the continued assistance being given Ms Mokonyane after her connections as Premier ceased. Mr Agrizzi explained that Ms Mokonyane was very powerful in politics and Mr Agrizzi had seen prosecutions being stalled on account of Ms Mokonyane and he was told categorically that she should not be messed with.<sup>2025</sup> She had influence over Mr Zuma, the prosecution authorities and individuals in various government departments who would take decisions on

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<sup>2023</sup> Transcript, day 37, pp 29-30.

<sup>2024</sup> Transcript, day 37, pp 29-44; Mr Agrizzi's Initial Affidavit, p 39 at paras 22.12-22.13.

<sup>2025</sup> Transcript, day 75, p 75.

matters that could affect Bosasa.<sup>2026</sup> Mr Vorster testified that he was told by Mr Watson, Mr Agrizzi and other directors that Ms Mokonyane was an influential person with links to former Presidents Mbeki and Zuma.<sup>2027</sup>

1185. Mr Agrizzi's Supplementary Affidavit refers to the fact that Bosasa would have to intervene and pull out all the possible stops to assist Ms Mokonyane and her family whenever a request was made. He explained during his oral testimony that because of the protection, Bosasa never had contracts cancelled even when contracts were challenged.<sup>2028</sup>

1186. Ms Mokonyane denied that she could protect Bosasa from any prosecution, denies that Bosasa ever received any contract from any department where she was appointed as the executive head, and further denies payment ever being made to her.<sup>2029</sup>

#### Potential conflict of interest

1187. An example of Ms Mokonyane's continued ability to affect Bosasa was her involvement in the adjudication of an appeal on an environmental impact assessment undertaken for a wind farm project in respect of which the Watsons' had an interest.

1188. In order to expand on this example, Mr Agrizzi was referred to annexure GG to his Supplementary Affidavit which was an article from the Mail & Guardian titled "*The Minister, the gifts, the Watsons and the wind farm*" dated 13 March 2019. The article pertains to the Inyanda-Roodeplaas Wind Energy Facility that the Watson family

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<sup>2026</sup> Mr Agrizzi's Supplementary Affidavit, p 13 at para 15.1.

<sup>2027</sup> Transcript, day 43, p 157.

<sup>2028</sup> Transcript, day 75, p 88.

<sup>2029</sup> Ms Mokonyane's affidavit, p 14, para 40.



wanted to build on a farm situated on approximately 12,200 ha between three portions of the Groendal Nature Reserve in the Eastern Cape. The Groendal wilderness area is protected under the National Forests Act<sup>2030</sup> and is critical to biodiversity and environmental sensitivity.<sup>2031</sup>

1189. The entities owned or controlled by the Watsons involved in this project were Inyanda Energy Projects (Pty) Ltd, Laidback Investments (Pty) Ltd and O’Feh Investments (Pty) Ltd. The Watsons in this instance were Mr Ronnie Watson, Mr Valence Watson, Mr Jared Watson and Mr Ronnie Watson’s daughter, Tandy Snead.<sup>2032</sup>

1190. The project proposal drew strong objections from *inter alia* the Eastern Cape Parks and Tourism Agency, the Eastern Cape’s Department of Environment and Tourism, BirdLife South Africa, Wilderness Foundation Africa and the Elands River Conservancy.<sup>2033</sup> Notwithstanding these objections, the project received environmental approval from the national Department of Environmental Affairs in April 2018. This decision was under appeal at the time of Mr Agrizzi’s testimony.<sup>2034</sup>

1191. This appeal was to be heard by Ms Mokonyane in her capacity as the Minister of Environmental Affairs. There were concerns that this posed a significant conflict of interest given that Ms Mokonyane was receiving benefits from Bosasa but was also required to deal with the appeal relating to the Watsons and the wind farm.<sup>2035</sup>

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<sup>2030</sup> No. 84 of 1998.

<sup>2031</sup> Annexure GG, Exhibit S9 p 82.

<sup>2032</sup> Transcript, day 75, pp 76 and 77; Mr Agrizzi’s Supplementary Affidavit, p 13 at para 15.1.

<sup>2033</sup> Annexure GG, Exhibit S9 p 83.

<sup>2034</sup> Transcript, day 75, p 79.

<sup>2035</sup> Transcript, day 75, p 80.

1192. The Mail & Guardian article recorded Ms Mokonyane's response to the allegation was that she would not withdraw from the adjudication process and there is no conflict of interest.<sup>2036</sup>

1193. According to Ms Mokonyane, at the time of Mr Agrizzi's testimony, she was not aware of the appeal as it was being dealt with internally by officials at the Department, and she alleges that the Mail & Guardian article is incorrect. Ms Mokonyane alleges that the acting Minister, Ms Lindiwe Zulu, attended to the matter and that she did not.<sup>2037</sup>

#### Ms Mokonyane's involvement in the SIU matter

1194. Mr Agrizzi testified that there were numerous discussions between Mr Watson and Ms Mokonyane regarding the SIU matter. He recalled the one issue discussed was that Adv Jiba had pointed out the need to "*bring the file back to the NPA*" and that Anwar Dramat ("**Mr Dramat**")<sup>2038</sup> needed to release it.<sup>2039</sup> This was conveyed to them at a meeting with Mr Mti.

1195. Ms Mokonyane denied having had anything to do with the SIU and its authority.<sup>2040</sup> She explained that she had never been part of the Criminal Justice System Cluster and had never been in meetings with any people responsible for the SIU investigation. She maintained that Mr Agrizzi was lying about her scope of influence.<sup>2041</sup>

1196. Mr Agrizzi recalled there being constant pressure for a meeting to be convened with Mr Dramat so that the matter could be returned to Adv Jiba's office so she could

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<sup>2036</sup> Transcript, day 75, p 80.

<sup>2037</sup> Ms Mokonyane's affidavit, p 18, para 53.2.

<sup>2038</sup> Former head of the Hawks.

<sup>2039</sup> Transcript, day 75, p 81.

<sup>2040</sup> Transcript, day 235, p 64.

<sup>2041</sup> Transcript, day 235, p 190.

arrange for the matter not to be prosecuted.<sup>2042</sup> Ms Mokonyane denied these allegations and stated that she was not a party to any arrangement with Mr Dramat or Adv Jiba, who are not known to her.<sup>2043</sup> Ms Mokonyane however supported Adv Jiba through the ANC Women's League because of the onslaught against female leaders and the attempt to vilify them.<sup>2044</sup>

1197. Mr Agrizzi testified that he was present in meetings during which Mr Watson would put pressure on Ms Mokonyane to ask Mr Dramat for the files back.<sup>2045</sup> Ms Mokonyane referred to this as a "damn lie" and stated that she did not have the kind of relationship with these individuals that she could influence them and had never met with them.<sup>2046</sup> In his supplementary statement, Mr Agrizzi recalled an occasion in 2014 when the ANC's election campaign was being run from the Bosasa call centre and an impromptu meeting was held where Mr Watson raised the matter of the SIU case and Ms Mokonyane confirmed that it was all under control, and that they should not concern themselves with it.<sup>2047</sup>

1198. Mr Agrizzi attended a meeting during which Mr Gumede and Mr Watson discussed the involvement of Ms Mokonyane. During this meeting, Mr Agrizzi questioned her involvement and said that the company should become apolitical. Mr Agrizzi recalled being told to back off. He did not understand everything stated during this meeting because Mr Watson would use isiXhosa words. He described this as Mr Watson

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<sup>2042</sup> Transcript, day 75, p 81.

<sup>2043</sup> Ms Mokonyane's affidavit, p 19, para 54.

<sup>2044</sup> Transcript, day 235, p 197.

<sup>2045</sup> Transcript, day 75, p 81.

<sup>2046</sup> Transcript, day 235, p 195.

<sup>2047</sup> Mr Agrizzi's Supplementary Affidavit, p 14 at para 15.11.



shoving him off. Later, Mr Watson would phone and apologise but it was clear that he did not want to stop this political alliance with Ms Mokonyane.<sup>2048</sup>

1199. Mr Agrizzi also recalled a specific incident when he went on tour to Italy with Mr Watson and Mr Gumede. During this tour, he again questioned why the business was political in relation to Ms Mokonyane. According to Mr Agrizzi, he was scolded and told to shut up and to do as he was told to do.<sup>2049</sup>

#### Ms Mokonyane's comments on Mr Agrizzi's evidence generally

1200. Ms Mokonyane testified that she did not know the reason why Mr Agrizzi falsely accused her of many things, other than that, in her view, hatred was involved.

1200.1. She pointed out that the allegations were made at a time when there were tensions within the ANC about differences concerning "preferential leaders". She believed Mr Agrizzi was playing into the perception that anyone that supported Mr Zuma was corrupt. Ms Mokonyane was clear that Mr Zuma was her preferred candidate.

1200.2. She said that Mr Agrizzi was on the record to have admitted to have been a racist. Mr Agrizzi's evidence on Ms Mokonyane demonstrates hatred, misogyny, and racism. Ms Mokonyane described it as being character assassination and opportunism. She said that Mr Agrizzi flirted with all political parties and the media and, "*he has protected himself as an extension of the Watson family only to find that he is at an extreme opposite of the Watson family*".

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<sup>2048</sup> Transcript, day 75, p 82; Mr Agrizzi's Supplementary Affidavit, p 14 at para 15.4.

<sup>2049</sup> Transcript, day 75, p 84.

1200.3. She pointed out that Mr Agrizzi had *"gone out himself to be the one who was frustrated about me not helping them"*. She believes he is punishing her for not giving them the assistance he thought she had the capacity to provide.

1200.4. She added that Mr Agrizzi "wants everybody to believe that he is a holy cow". She said that there was nothing untoward about Bosasa funding the ANC as the Ruperts wine and dine the presidents of the ANC and the Guptas funded the DA.<sup>2050</sup>

### **Ms Duduzile Myeni**

1201. Mr Agrizzi testified that he was informally introduced to Ms Myeni in and around 2012/2013 while with Mr Watson.<sup>2051</sup>

#### Payments to Myeni

1202. Mr Agrizzi testified that Mr Watson was open about the fact that he paid Ms Myeni R300,000 in cash on a monthly basis. Mr Agrizzi was told by Mr Watson that this money was intended for the Jacob G Zuma Foundation ("**Foundation**"). At the time, Ms Myeni was chair of the Foundation.<sup>2052</sup> Mr Agrizzi said that he suspected that the money was paid to Mr Zuma.

1203. Ms Myeni was referred to her affidavit in response to the evidence of Mr Agrizzi in which she had stated that all funds received by the Jacob G Zuma Foundation were transferred by electronic transfer and not cash.<sup>2053</sup> When asked about this, Ms Myeni

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<sup>2050</sup> Transcript, day 235, pp 197 - 200.

<sup>2051</sup> Transcript, day 41, pp 51 and 53; Mr Agrizzi's Initial Affidavit, p 83 at para 41.1.

<sup>2052</sup> Transcript, day 41, pp 51 and 52; Mr Agrizzi's Initial Affidavit, p 83 at para 41.2.

<sup>2053</sup> Transcript, day 299, p113.

initially took up the attitude that she refused to answer questions relating to donations to the Foundation firstly, because she was not the Foundation, it was not her business and it was an entity, and, secondly, because foundations linked to other former presidents were not being subjected to similar scrutiny.<sup>2054</sup> She explained however that donations from Bosasa for purposes of the Foundation's event for the birthday of Mr Zuma were deposited electronically to service providers for the Foundation after it had indicated to Bosasa what it would like done for the event.<sup>2055</sup> She appeared to accept that in respect of donations emanating other than from Bosasa, cash deposits might be made. At another point, she stated however, that some of the questions she was being asked were "too operational" as she was neither a bookkeeper nor a fundraiser.<sup>2056</sup> She testified that she had never dealt with Mr Agrizzi<sup>2057</sup> and denied that he had ever given R300,000. This part of her oral evidence culminated as follows:

**MS MYENI:** Now Chairperson I am specific, I have dealt with Mr Watson, we never dealt with Mr Agrizzi Chair, I was very clear and direct that I have never received in person as Dudu I have never received any money from Mr Agrizzi. ... I have never received any gift or anything from, BOSASA has assisted the Foundation. (sic)

...

**EVIDENCE LEADER:** So because you don't know who is depositing cash you cannot rule out that BOSASA did so, can you?

**MS MYENI:** May I not answer that question Chairperson in case I incriminate myself."

1204. This included a refusal to answer questions in order to avoid self-incrimination, pertaining to numerous cash deposit slips which were signed with a signature

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<sup>2054</sup> Transcript, day 299, pp 116 - 121.

<sup>2055</sup> Transcript, day 299, pp 120, 127.

<sup>2056</sup> Transcript, day 299, p 127.

<sup>2057</sup> Transcript, day 299, p 126.



resembling Myeni's in substantial amounts, including amounts of R20,000, R50,000, R80,000 and R100,000. She refused to answer for the same reason when asked to "assist the Commission as to where you got these large cash amounts from to deposit them into the Jacob Zuma Foundation bank account."<sup>2058</sup>

1205. Ms Myeni also stated that it was unclear why Mr Agrizzi, a person she had never dealt with, would purportedly trust her with R300,000.<sup>2059</sup> She later refused to answer a question on the basis of avoiding self-incrimination, put on the following basis:

"What I would like to just confirm is that you were aware of this specific allegation that Mr Watson told Mr Agrizzi that Mr Watson was giving you R300,000 a month of (sic) the President and that it was being paid to the Jacob Zuma Foundation."<sup>2060</sup>

1206. Mr Agrizzi suspected the funds were going directly to then President Jacob Zuma and were not in fact destined for the Foundation, given that the payments were always paid in cash and hand delivered to Ms Myeni as opposed to being paid by bank transfer to the Foundation.<sup>2061</sup>

1207. Mr Agrizzi was responsible for drawing the cash for Mr Watson and, on occasion, assisted with packing the money.<sup>2062</sup> When asked whether Ms Myeni's details were recorded in his "black book", Mr Agrizzi explained that Mr Watson often made these payments himself and did not want to keep a record of this because he did not want to get caught out.<sup>2063</sup> Ms Myeni testified that she never dealt with Mr Agrizzi.<sup>2064</sup> She

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<sup>2058</sup> Transcript, day 300, pp 23-28.

<sup>2059</sup> Transcript, day 299, p 131.

<sup>2060</sup> Transcript, day 300, p 21.

<sup>2061</sup> Transcript, day 41, p 70.

<sup>2062</sup> Transcript, day 41, pp 53 and 58; Mr Agrizzi's Initial Affidavit, p 83 at para 41.2.

<sup>2063</sup> Transcript, day 41, p 58.

<sup>2064</sup> Transcript, day 299, p 126.

later refused to answer a question about how well she knew Mr Agrizzi or Mr Watson as she did not want to incriminate herself.<sup>2065</sup>

1208. Mr Agrizzi witnessed the payments being delivered to Ms Myeni on three occasions – twice by Mr Watson and once by Mr Mathenjwa.<sup>2066</sup>

1209. Ms Myeni denied having received money from Mr Agrizzi. She stated that she only dealt with Mr Watson. She also denied having received gifts from Bosasa.<sup>2067</sup>

### Gifts to Ms Myeni

1210. Mr Agrizzi testified that, at some stage, Mr Watson requested assistance with an idea to impress Ms Myeni. Mr Agrizzi's wife suggested they purchase a Louis Vuitton handbag for her and arranged for its purchase.<sup>2068</sup> The handbag was delivered to the Bosasa offices and Mr Watson filled it with R300,000 in cash and it was delivered to Ms Myeni.<sup>2069</sup> Although Mr Agrizzi did not witness the handbag being handed over to Ms Myeni, Mr Watson informed him that Ms Myeni was "*over the moon*" and she thanked him for choosing the right handbag at a later stage.<sup>2070</sup> In her affidavit Ms Myeni denied "possess[ing] a Louis Vuitton handbag which was allegedly filled with cash to the amount of R300,000". She later refused to answer any further questions on the issue as she did not want to risk incriminating herself.<sup>2071</sup>

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<sup>2065</sup> Transcript, day 300, p 6.

<sup>2066</sup> Mr Mathenjwa is the managing director of the Bosasa subsidiary formerly known as Sondolo IT. This subsidiary is now known as Global Technology Systems ("GTS"). See transcript – day 41, pp 54 and 93.

<sup>2067</sup> Transcript, day 299, p 133.

<sup>2068</sup> Transcript, day 41, pp 77 and 78.

<sup>2069</sup> Transcript, day 41, p 55.

<sup>2070</sup> Transcript, day 41, pp 55, 56 and 57; Mr Agrizzi's Initial Affidavit, p 83 at para 41.3.

<sup>2071</sup> Transcript, day 300, p 22.

1211. Ms Myeni often called upon Mr Watson to arrange high-end functions for Mr Zuma. For example, Bosasa catered a birthday dinner for Mr Zuma on short notice.<sup>2072</sup> The cost of these functions was approximately R3.5m per year.<sup>2073</sup> Mr Agrizzi approved the claims for these functions and the claims were allocated as corporate social investment payments in the company's financial records.<sup>2074</sup>
1212. Ms Myeni confirmed Bosasa's involvement in arranging and funding birthday celebrations for Mr Zuma.<sup>2075</sup>
1213. Apart from gifts, Ms Myeni also called upon Bosasa to attend to the security at her home. Mr Le Roux said that her claims were approved without interrogation.<sup>2076</sup> Mr le Roux testified that he was instructed by Mr Mathenjwa and Mr Watson to attend to security work in the form of electric fencing, a full CCTV IP system with offsite monitoring, and alarm system with perimeter beams at Ms Myeni's home in Richard's Bay.<sup>2077</sup> Mr Mathenjwa denied instructing Mr le Roux to do so. He states that Mr Agrizzi requested him to travel to Ms Myeni's Richard's Bay residence, together with Mr le Roux, to survey her security system which was apparently not fully operational. According to Mr Mathenjwa, he was requested to accompany Mr le Roux because his mother tongue is isiZulu and neither Mr le Roux nor his technicians were conversant

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<sup>2072</sup> Mr Agrizzi's Initial Affidavit, Annexure V, p 697 is a note from Ms Myeni thanking Bosasa for its assistance on short notice.

<sup>2073</sup> Transcript, day 41, p 64.

<sup>2074</sup> Transcript, day 41, p 64.

<sup>2075</sup> Transcript, day 299, pp 120, 127.

<sup>2076</sup> Transcript, day 41, p 58.

<sup>2077</sup> Transcript, day 44, p 69.



in Zulu.<sup>2078</sup> The survey was completed and it was Mr le Roux's responsibility to report the findings of the survey to Mr Agrizzi.<sup>2079</sup>

1214. Mr le Roux attended the site survey of Ms Myeni's home with Mr Mathenjwa. He later attended at the premises when Ms Myeni's house had been broken into and was instructed by Mr Mathenjwa to ensure that he told the investigators of the burglary, that they were independent contractors.<sup>2080</sup> Mr le Roux was later informed by Mr Agrizzi that the police sought to arrest him (Mr le Roux) for the burglary. However Mr Agrizzi got Mr Mathenjwa to sort it out.<sup>2081</sup> Mr Mathenjwa stated that he received a telephone call from Ms Myeni on the morning after the visit regarding a burglary that had taken place the previous night.<sup>2082</sup> He went back to Ms Myeni's residence with Mr le Roux, as they were the last people to visit the residence prior to the incident.<sup>2083</sup> Mr Mathenjwa denied that he gave Mr le Roux instructions to return to Richard's Bay and to undertake work at Ms Myeni's residence, and that he did not have the authority or the mandate to do so.<sup>2084</sup> Mr Mathenjwa denied that he was told by Mr Agrizzi to "*sort it out*".<sup>2085</sup>

1215. Mr le Roux initially estimated that the value of the project was R250,000.<sup>2086</sup> In his further affidavit,<sup>2087</sup> Mr le Roux was able to identify a series of invoices for components in respect of the work done at Ms Myeni's home in the aggregate amount of

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<sup>2078</sup> Mr Mathenjwa's affidavit, para 8, p 4.

<sup>2079</sup> Mr Mathenjwa's affidavit, para 8, p 4.

<sup>2080</sup> Transcript, day 44, p 69.

<sup>2081</sup> Transcript, day 44, p 74.

<sup>2082</sup> Mr Mathenjwa's affidavit, para 9, p 5.

<sup>2083</sup> Mr Mathenjwa's affidavit, para 10, p 5.

<sup>2084</sup> Mr Mathenjwa's affidavit, para 11, p 5.

<sup>2085</sup> Mr Mathenjwa's affidavit, para 15, p 7.

<sup>2086</sup> Transcript, day 44, p 77.

<sup>2087</sup> Exhibit T21.

R119,375.81 plus two credit notes in the value of R5,751.18.<sup>2088</sup> Again, the person invoiced as customer is "Mr A Agrizzi". The entry in the "order no" field is "Angelo". The supplier is Regal Distributors SA (Pty) Ltd, trading as, variously, "Regal Durban" (a credit note and five invoices), "Regal Pinetown" (a credit note and two invoices) and "Regal West" (three invoices). Mr le Roux also identified further invoices for purchases for Ms Myeni's intercom system as well as additional purchases made at a local security store in Richards Bay which were most likely made on his credit card. This included the cost of an electric fence energiser in the amount of approximately R4,500 to R5,000.

1216. Mr le Roux confirmed that a CCTV recording system was installed by Elvey Electronics. The approximate cost was R55,000 to R65,000. There was also a 40-inch plasma screen purchased for the system, although Mr le Roux could not recall the value.

1217. Mr le Roux personally attended to the installation together with four other technicians. This took approximately 21 days. The total approximate cost of the equipment, vehicle travel and labour was R486,514.63. This is calculated as R113,624.63 for equipment from Regal Distributors; R55,000 for Elvey Electronics; R4,500 for the electric fence energiser; R151,200 for labour; R5,190 for travelling and R157,000 for accommodation.<sup>2089</sup> This excludes the cost of the plasma TV and air travel. In addition, Mr le Roux attended to the maintenance of Ms Myeni's UPS at the cost of R1,000.

1218. Ms Myeni refused to answer any questions pertaining to -

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<sup>2088</sup> Exhibit T21, Annexure RLR 3.

<sup>2089</sup> Exhibit T21, p 7.

- 1218.1. the installation of the security system at her home, its value, its status as a gift to her and her failure to disclose the gift in terms of the conflict of interest policies at SAA and uMhlathuze Water Board; and
- 1218.2. the Hawks operation at her home in Richards Bay to investigate the installation,

on the basis that she may incriminate herself.<sup>2090</sup>

#### Reasons for assisting Ms Myeni

1219. Ms Myeni was assisted because, according to Mr Agrizzi, *"she was very, very important. She could swing deals and she was powerful."*<sup>2091</sup>

1220. An example of a deal that was influenced by Ms Myeni was the fracking transaction in the Northern Cape.

1220.1. Bosasa was approached by Mr Radhakrishna<sup>2092</sup> to participate in a transaction with a company known as Falcon Oil and Gas. Falcon Oil and Gas had expressed an interest in the transaction to Mr Radhakrishna's neighbour, Ms Liezl Oberholzer ("**Ms Oberholzer**"), and were looking for a facilities management company to render security, access control, guarding and operational management services.

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<sup>2090</sup> Transcript, day 300, pp 46 - 53, 63 - 80.

<sup>2091</sup> Transcript, day 41, p 58.

<sup>2092</sup> They worked together on the Home Affairs matter.



- 1220.2. Pursuant to this, Mr Agrizzi was introduced to Phillip O'Quigley ("**Mr O'Quigley**"), the international chairman of the Falcon Oil and Gas group.<sup>2093</sup>
- 1220.3. Mr Agrizzi testified that he was aware that the transaction was brought to Bosasa because of Mr Watson's close relationship with Ms Myeni, who, in turn, would be able to influence Mr Zuma.<sup>2094</sup>
- 1220.4. Mr Agrizzi explained that, with Ms Myeni's influence, Bosasa was able to demand that the normal rules regulating meetings with potential participants in the transaction not apply to it. For example, Chevron and Standard (it is unclear which entity is referred to here) required prospective partners to the transaction to interview at their offices. Bosasa was the only party able to insist that the interview take place at their own offices.<sup>2095</sup>
- 1220.5. In around May/June 2016, Ms Myeni facilitated a meeting between Mr Zuma, Mr Watson, Mr O'Quigley and Ms Oberholzer to seek Mr Zuma's assistance in advising the then Minister of Minerals and Energy, Ngoako Ramathodi, to make certain amendments to what were considered restrictive regulations applicable to the oil and gas industry.<sup>2096</sup> Although Mr Agrizzi did not attend the meeting with Mr Zuma, he was informed about it in independent accounts by Mr Watson, Mr Radhakrishna and Ms Oberholzer.<sup>2097</sup>
- 1220.6. Following the meeting referred to above, the Minister of Minerals and Energy's legal advisors were instructed to meet with Ms Oberholzer to make the

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<sup>2093</sup> Transcript, day 41, pp 64 and 65; Mr Agrizzi's Initial Affidavit, p 84 at para 41.6.

<sup>2094</sup> Transcript, day 41, p 65.

<sup>2095</sup> Transcript, day 41, pp 65 and 66.

<sup>2096</sup> Transcript, day 41, p 66.

<sup>2097</sup> Transcript- day 41, pp 67 and 76.

necessary amendments to the regulations.<sup>2098</sup> Mr Agrizzi was uncertain if such amendments were actually effected.<sup>2099</sup>

1220.7. Mr Agrizzi was advised by Mr Radhakrishna and Ms Oberholzer that Mr Zuma indicated that Bosasa was favoured by him (Zuma).<sup>2100</sup>

1221. Ms Myeni denied allegations that she had influence in the fracking matter, although she admitted in her affidavit that a meeting took place at Nkandla in this regard. Her affidavit, as put to her in cross-examination read as follows:

"This is just ingenuous for Mr Agrizzi to allege that I had an influence over former President Jacob Zuma to affect (*sic*) certain amendments to regulations which are required to facilitate the Karoo fracking. I vehemently deny these allegations. The meeting did in fact take place in Nkandla. There was no alleged bag of cash that was handed over to the President and that statement is denied."<sup>2101</sup>

1222. When cross-examined about the meeting she conceded having taken place, she refused to answer on the basis that she may incriminate herself.

1223. She denied having set up a meeting between Mr Zuma, Mr O'Quigley, Mr Watson and Ms Oberholzer pertaining to fracking, but, for the same reason, refused to answer cross-examination based on Ms Oberholzer's affidavit, which confirmed that Myeni arranged the meeting.<sup>2102</sup> Ms Oberholzer's confirmation in her affidavit was based on an email that she provided dated 20 July 2014 from [dudumyeni@telkomsa.net](mailto:dudumyeni@telkomsa.net), seemingly addressed to Mr Watson and later the same day forwarded by him to Ms Oberholzer, which, under the subject line "Forward address by President Jacob Zuma

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<sup>2098</sup> Transcript, day 41, p 67.

<sup>2099</sup> Transcript, day 41, p 68.

<sup>2100</sup> Transcript, day 41, p 67; Mr Agrizzi's Initial Affidavit, p 84 at para 41.8.

<sup>2101</sup> Transcript, day 300, p 11.

<sup>2102</sup> Transcript, day 300, pp 11 - 12.

at the launch of operation Phakisa big fast results implementation methodology" which read -

"For my Mkhokheli, I hope you are well. By God's grace we are all well. I have to get this speech of the launch of yesterday's event because I felt you have to know what the event or launch was about. Please be assured all is under control. I am trying to set up a meeting for the 27<sup>th</sup>.

Regards."

1224. Ms Myeni refused to answer any questions on the email as she did not want to incriminate herself.<sup>2103</sup>
1225. Mr Agrizzi testified that after this event there were numerous meetings coordinated by Ms Myeni at Mr Zuma's Nkandla residence.<sup>2104</sup>
1226. At some stage, Mr Watson grew concerned that Mr Zuma was not receiving the R300,000 per month paid to Ms Myeni purportedly for the Foundation. Mr Watson therefore asked Mr Agrizzi to pack the money so the funds could be delivered directly to Mr Zuma.<sup>2105</sup>
1227. Around the time of Mr Zuma's birthday party in April 2016<sup>2106</sup> and prior to him departing for a trip to Russia, Mr Watson and Mr Gumede met with him at Nkandla. Mr Watson and Mr Gumede relayed to Mr Agrizzi that they delivered the money to Mr Zuma and

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<sup>2103</sup> Transcript, day 300, p 16 - 20.

<sup>2104</sup> Transcript, day 41, p 68.

<sup>2105</sup> Transcript, day 41, p 69; Mr Agrizzi's Initial Affidavit, p 84 at para 41.9.

<sup>2106</sup> Transcript, day 41, p 76. The likely period during which this meeting occurred is April to early May 2016. From independent research, it was identified that Mr Zuma met with Vladimir Putin in Moscow on 9 May 2016 – see <http://en.kremlin.ru/catalog/persons/177/events/49449>.



that he had confirmed during this meeting that he was receiving the monthly payments from Ms Myeni.<sup>2107</sup>

1228. Mr Watson also raised the issue of the Hawks investigation of Bosasa during this meeting and Mr Zuma informed him that that he would “*make a call or two*”.<sup>2108</sup> Mr Gumede subsequently advised Mr Agrizzi that had indeed made these calls which gave rise to the Hawks contacting Mr Gumede to arrange a meeting.<sup>2109</sup>

#### Meetings with Bosasa

1229. Ms Myeni would have frequent meetings with Mr Mathenjwa. Mr Mathenjwa was tasked with handling the NPA prosecution of Bosasa and Ms Myeni.<sup>2110</sup> Therefore, insofar as the Bosasa investigation was concerned, Mr Watson and Mr Agrizzi dealt with Mr Mti and Mr Mathenjwa dealt with the same issue through Ms Myeni.<sup>2111</sup> Mr Mathenjwa denied that he had frequent meetings with Ms Myeni and states that he was not involved in, nor was he aware of, discussions regarding the NPA or the prosecution of Bosasa.<sup>2112</sup>

1230. Mr Agrizzi was present at a meeting where the contemplated prosecution of Bosasa was discussed with Ms Myeni and this led to the involvement of Mr Zuma directly.<sup>2113</sup> Previously, before he became president of the country, Mr Watson had been introduced to Mr Zuma by a Ms Zuki Madonga. After “[*doing*] a couple of things for her guest house” she fell out of the picture. The “*second introduction*” to Mr Zuma was

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<sup>2107</sup> Transcript, day 41, pp 69 and 71; Mr Agrizzi’s Initial Affidavit, p 85 at para 41.10.

<sup>2108</sup> Transcript, day 41, p 73.

<sup>2109</sup> Transcript, day 41, p 74.

<sup>2110</sup> Transcript, day 41, p 93.

<sup>2111</sup> Transcript, day 41, p 93.

<sup>2112</sup> Mr Mathenjwa’s affidavit, para 32.2, p 16.

<sup>2113</sup> Transcript, day 41, p 93.

then done by Ms Myeni. As far as Mr Agrizzi could recall, Mr Mathenjwa was the one that introduced Bosasa to Ms Myeni.<sup>2114</sup>

1231. Mr le Roux testified on his return from the United Kingdom, he was placed in charge of the security camera systems at the Bosasa offices as well as maintenance of the server and the footage on the server. He was instructed by Mr Watson and Mr Agrizzi on numerous occasions to delete footage of VIP and VVIP guests that attended at the offices. This included the footage of Ms Myeni's visit to the premises along with Mr Zuma and Mr Bheki Cele.<sup>2115</sup>

#### Meeting at the Sheraton Hotel

1232. Mr Agrizzi's affidavit refers to one afternoon (on a date he could not recall) that Mr Watson asked him to attend a meeting with Ms Myeni regarding information on the Hawks investigation and discussions she had with the NPA.<sup>2116</sup>

1233. Mr Watson prepared the R300,000 in cash. When they arrived at the Sheraton Hotel, Pretoria they were escorted to a private lounge area with stringent access control on a member's only floor which was possibly the 6<sup>th</sup> floor.

1234. During this meeting, Ms Myeni indicated that she was trying to arrange that the investigation be terminated. She produced a police case docket that had purportedly been obtained from the NPA and insisted that Mr Agrizzi could not make copies. Mr

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<sup>2114</sup> Transcript, day 41, p 94.

<sup>2115</sup> Transcript, day 44, p 37; Mr le Roux's Affidavit, p 4 at para 17. Mr le Roux was stripped of his responsibility to monitor the systems at the beginning of 2017 – transcript, day 44, p 38.

<sup>2116</sup> Mr Agrizzi's Initial Affidavit, pp 85-86, para 41.12 to 41.15.

Agrizzi, therefore, requested that he be excused to study it and make notes in his journal.

1235. Mr Agrizzi took a few photographs of the docket on his cell phone but was later interrupted by Ms Myeni who seemed very nervous.<sup>2117</sup> The docket was placed on the carpeted floor when Mr Agrizzi took the photographs. The result was that the pictures of the docket that Mr Agrizzi took also reflected the carpet on the floor of the room.

1236. At the meeting with Ms Myeni, Mr Watson requested that the matter “be put to bed and shut down”. He also requested that Ms Myeni speak to Mr Zuma as a matter of urgency.

1237. Mr Dutton testified that he met Mr Agrizzi at his home on 18 December 2018. During this visit, Mr Agrizzi displayed a series of photographs of documents on his laptop which had been taken at the Sheraton Hotel. These appear to be photographs of confidential documents of the South African Police Service’s Anti-Corruption Task Team relating to the progress of the police criminal investigation into corruption allegations against Bosasa. Mr Agrizzi had explained to Mr Dutton that Ms Myeni had shown him a file of these documents at the Sheraton Hotel and he had managed to photograph some of the documents using his iPhone on 23 September 2015.<sup>2118</sup>

1238. Mr Dutton explained that Mr Agrizzi had described the layout of the 6<sup>th</sup> floor of the Sheraton Hotel where he said the meeting between himself and Ms Myeni as well as Mr Watson had been held. He described this area as being a restricted lounge and

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<sup>2117</sup> Copies of the photographs appear as Annexure Y to the Mr Agrizzi’s Initial Affidavit, pp 710-726.

<sup>2118</sup> Transcript, day 46, p 66.



dining area which was access controlled. Mr Agrizzi had explained to Mr Dutton that he had met Ms Myeni in an alcove to the left of the lifts as one exited the lifts.<sup>2119</sup>

1239. Mr Agrizzi had told Mr Dutton that the photographs displayed on his laptop were taken on 23 September 2015. Mr Agrizzi copied these photographs onto a memory stick and handed them over to Johan Hershling who is a member of the Commission's digital forensic team.<sup>2120</sup>

1240. After the photographs had been printed, Mr Dutton examined them and identified a pattern which appeared to be the pattern of a carpet which Mr Agrizzi may have placed the document on prior to them being photographed.<sup>2121</sup>

1241. The document photographed is titled 'ACTT Monthly Progress and Audit Report' that was put in by the police providing monthly reports on the status of the Bosasa investigation.<sup>2122</sup> Mr Dutton referred to several of the photographs, in particular page 14 of Exhibit T7 which clearly indicated a pattern of what is apparently a carpet. Mr Dutton then visited the Sheraton Hotel to see whether he was able to match the patterns in the photographs to the carpet on the 6<sup>th</sup> floor.<sup>2123</sup>

1242. Mr Dutton visited the Sheraton Hotel on 21 December 2018. Mr Agrizzi's description of the 6<sup>th</sup> floor aligned closely to what Mr Dutton observed. In addition, he observed that the carpet was the same as that featured in Mr Agrizzi's photographs.<sup>2124</sup>

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<sup>2119</sup> Transcript, day 46, p 66.

<sup>2120</sup> Transcript, day 46, p 67.

<sup>2121</sup> Transcript, day 46, p 67.

<sup>2122</sup> Annexure "FKDA", Exhibit T7, p 4

<sup>2123</sup> Transcript, day 46, p 69.

<sup>2124</sup> Exhibit T7, p 20; transcript, day 46, pp 70 to 71.

1243. On 14 January 2019 formal inquiries in the form of a request for information from the Commission was sent to the manager of the Sheraton Hotel and thereafter a member of the investigation team visited the hotel to interview the general manager.<sup>2125</sup> Mr Dutton was advised by the investigation team that on 22 and 23 September 2015 Ms Myeni had been a guest of the Sheraton Hotel and she had been accommodated in Room 616.<sup>2126</sup> This was confirmed in an affidavit from the hotel's general manager, Pascal Foquet, who confirmed through hotel records that Ms Myeni had booked into the hotel on 22 September 2015 and there were no further transactions on her invoice after 24 September 2015. From that the general manager had deduced that she had booked out on the date. The account was settled on 5 October 2015.<sup>2127</sup>
1244. Although Mr Foquet's affidavit refers to the fact that the invoice refers to Ms Myeni booking the Mopani Boardroom on the 7<sup>th</sup> floor on 24 September 2015 and that she could have used it on one of those days while she was staying there, Mr Dutton confirmed that he did not do an investigation on the 7<sup>th</sup> floor, because Mr Agrizzi had emphatically told him that the meeting had occurred on the 6<sup>th</sup> floor.<sup>2128</sup> Mr Dutton explained that he could not comment on whether the 7<sup>th</sup> floor was similar to the 6<sup>th</sup> floor save for the fact that it was also a restricted area of the hotel.<sup>2129</sup>
1245. Mr Dutton confirmed that the account for Ms Myeni's stay was paid off from the FNB account of one Nicole Stone and on top of the customer registration card it stated,

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<sup>2125</sup> Transcript, Day 46, p71.

<sup>2126</sup> Transcript, Day 46, p71.

<sup>2127</sup> Mr Foquet's affidavit appears at p21 of Exhibit T7 and the invoice referred to in his affidavit appears at p30 of Exhibit T7.

<sup>2128</sup> Transcript, Day 46, p72.

<sup>2129</sup> Transcript, Day 46, p73.

'Account Jacob Zuma Foundation',<sup>2130</sup> Nicole Stone is a travel agent from either Richards Bay or Empangeni.<sup>2131</sup>

1246. The Commission's investigation team showed Mr Agrizzi's photographs to both General Moodley and Senior State Advocate de Kock who was originally the prosecutor assigned to the matter and they both advised the documents appeared to be an ACTT progress report dated 24 August 2015. They however had not been able to find the original document.<sup>2132</sup> These documents are not publicly available and are confidential documents or correspondence between the police and the NPA.<sup>2133</sup>

1247. The memory stick handed over by Mr Agrizzi to the Commission did not contain the metadata of the photographs. When Mr Agrizzi had completed his evidence, he voluntarily handed over his iPhone and in his presence members of the Commission's digital forensic team continued an examination of the iPhone upon which they found the photographs as originally recorded.<sup>2134</sup>

1248. Upon examination of the metadata, it was revealed that the photographs on Mr Agrizzi's phone were taken on 23 September 2015 at 10:37:06. The longitude and latitude co-ordinates of the location of the photograph is within the vicinity of the Sheraton Hotel.<sup>2135</sup>

1249. In respect of the invoice which appears at page 30 of Mr Dutton's affidavit,<sup>2136</sup> being an invoice from the Sheraton Hotel addressed to Ms Myeni, it states that her arrival

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<sup>2130</sup> Transcript, Day 46, p73-74.

<sup>2131</sup> Transcript, Day 46, p75.

<sup>2132</sup> Transcript, Day 46, p77.

<sup>2133</sup> Transcript, Day 46, p77.

<sup>2134</sup> Transcript, Day 46, p78.

<sup>2135</sup> Transcript, Day 46, p 79.

<sup>2136</sup> Mr Dutton's Affidavit, marked Exhibit T7.



was 22 September 2015 and departure was 5 October 2015. Mr Dutton explained that the departure date was likely to have been indicated as being 5 October 2015 as that is when payment was received. The arrival date corresponds with what the general manager had declared in his affidavit and all expenditures generated by the guest had stopped by 24 September 2015.<sup>2137</sup>

1250. Ms Myeni refused to answer questions regarding the meeting of 23 September 2015 as she did not want to incriminate herself. She similarly refused to answer questions relating to Mr Blake's evidence regarding payment in respect of her stay at the Sheraton between 4 and 6 May 2014.<sup>2138</sup>

1251. Ms Myeni also refused to answer questions relating to handing over a police docket containing information regarding the investigation into Bosasa as she did not want to incriminate herself.<sup>2139</sup>

1252. Ms Myeni understood the impact of her refusal to answer questions on the evaluation of her evidence.<sup>2140</sup> The exchange with me included the following:

"CHAIRPERSON:

... I will be evaluating evidence in circumstances where I will not have your evidence to say no there, was nothing wrong with these - with BOSASA paying for these air tickets and paying for accommodation because of a, b, c, d. And if there is no evidence that gives an explanation on these things it might be difficult not to accept the reason being advanced by Mr Agrizzi just to mark because Mr Agrizzi says BOSASA spent the monies they spent on you for a particular reason that he has given.

So I am just mentioning that so that you understand the impact of there being no answers from you on or evidence

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<sup>2137</sup> Transcript, day 46, p 80.

<sup>2138</sup> Transcript, day 300, p 7 and 129.

<sup>2139</sup> Transcript, day 300, p 37.

<sup>2140</sup> Transcript, day 300, p 143.

from you that either denies or explains some of these things. You understand?

MS MYENI: I do understand, Chairperson.<sup>2141</sup>

Myeni's statement to eNCA

1253. Subsequent to Mr Agrizzi's testimony before the Commission in January 2019, Ms Myeni made a statement on eNCA regarding meetings held at Bosasa's offices. To this end, Ms Myeni stated that she had only attended one official visit which was Mr Zuma's visit to SeaArk during which he spent four hours on the Bosasa campus with Mr Watson and the rest of the directorate.
1254. Mr Agrizzi commented that Ms Myeni's statement was not true and recalled at least three meetings at the Bosasa offices. One such meeting was regarding the fracking transaction.<sup>2142</sup>
1255. A third meeting was held at what Mr Agrizzi described as "the Intercontinental, I think it is the Sheraton Hotel at OR Tambo Airport", after a meeting in the conference venue. Ms Myeni arranged this meeting to enable Bosasa officials to meet the then CEO or acting CEO of SAA, Nico Bezuidenhout.
1256. During the pre-meeting, a tender for security services was discussed and Ms Myeni wanted Bosasa to look into the possibility of taking over the security contract and the catering contract for SAA.<sup>2143</sup>

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<sup>2141</sup> Transcript, day 300, pp 142 - 143. She went on to explain that some of her responses to the questions she refused to answer were to be found in her affidavit and that "if I am charged I will be able to give proper responses that are not muddled by ... any other narrative that ... has been happening in this country." See pp 143 - 144.

<sup>2142</sup> Transcript, day 76, p 73.

<sup>2143</sup> Transcript, day 76, p 73.

1257. Confirmation that the meeting took place at the Intercontinental Hotel at ORTIA and details of the meeting were provided in an affidavit from Mr Bezuidenhout. Ms Myeni refused to answer any questions put to her on the basis of his affidavit because of her concern that she could incriminate herself.<sup>2144</sup>
1258. In relation to this catering and security contract for SAA, Mr Agrizzi testified that he realised that this was “going south” and he conveyed to Mr Watson that he did not think there was any money in it. Mr Watson agreed with Mr Agrizzi.<sup>2145</sup> Mr Agrizzi testified that the real reason why he did not want to engage in these contracts with SAA was because he wanted to stay far away from Ms Myeni and the Foundation.<sup>2146</sup>
1259. During mid-August 2016, Mr Agrizzi and his wife encountered Ms Myeni on a flight from Johannesburg to King Shaka International Airport in Durban. Ms Myeni asked Mr Agrizzi how Mr Watson was doing. Mr Agrizzi recalled being aloof with her and said he did not know. Ms Myeni asked him what was wrong and he responded by advising her that he had resigned from Bosasa.<sup>2147</sup>

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<sup>2144</sup> Transcript, day 300, pp 53 - 62.

<sup>2145</sup> Transcript, day 76, p 74.

<sup>2146</sup> Transcript, day 76, p 75.

<sup>2147</sup> Transcript, day 76, p 75; Mr Agrizzi’s Supplementary Affidavit, p 43 at para 121.



## Former President Jacob Zuma

### Mr Watson's introduction to Mr Zuma

1260. According to Mr Agrizzi, a Ms Zukiswa Madonga ("**Madonga**"), who ran a guest lodge in East London, had a very good relationship with President Zuma. Madonga was introduced to Mr Watson by a director of Bosasa, Thandi Makoko ("**Ms Makoko**"). Following this meeting, Mr Agrizzi received an instruction to top up the limit on Ms Makoko's credit card so that she could buy dresses for Ms Madonga.

1261. Subsequently, Mr Watson was introduced to Mr Zuma by Ms Madonga at his Forest Town house. This occurred before May 2009, when Mr Zuma was President of the ANC but had not taken office as President of South Africa.<sup>2148</sup> Although he took Mr Watson to Mr Zuma's house, Mr Agrizzi did not participate in the meeting.<sup>2149</sup>

### Meetings at the Bosasa office park

1262. When high profile individuals were introduced to the directors of Bosasa, they were taken on a tour of the Bosasa office and given an overview of its entire operations and staff. Mr Agrizzi described this as a 4.5 hour long "*smokes and mirrors exercise*". He testified that Ms Myeni visited the office park as well as Mr Zuma and the then Minister of Health.<sup>2150</sup>

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<sup>2148</sup> Transcript, day 41, p 92. Mr Agrizzi's Initial Affidavit, p 86 at para 42.1.

<sup>2149</sup> Transcript, day 41, p 91 at lines 1-20.

<sup>2150</sup> Transcript, day 41, p 92.

### Meetings at Nkandla

1263. Mr Agrizzi testified that after the exposé on Nkandla, Mr Watson and Mr Gumede met Mr Zuma at Nkandla. The purpose of this visit was to discuss shutting down the Hawks investigation into Bosasa.<sup>2151</sup>
1264. During this meeting, Mr Watson asked Mr Zuma to call Mr Dramat to tell him to shut down the matter. At the time, Mr Dramat was avoiding Ms Mokonyane.<sup>2152</sup>
1265. Mr Watson relayed the details of his visit with Mr Zuma during an Exco meeting convened by Mr Agrizzi the following Monday.<sup>2153</sup> Mr Watson commented during this meeting that he was shocked at the poor standard of the workmanship at Nkandla.<sup>2154</sup>
1266. Mr Agrizzi also presented a recording of a meeting arranged by Mr Gumede during which the meeting with Mr Zuma was discussed.<sup>2155</sup> The transcript of this recording makes reference to Mr Watson and Mr Gumede seemingly having been advised to “*go and see the old man, the president, on this matter*” when the investigation by the Hawks was “*starting to brew again.*” Mr Gumede confirms having visited the President, saying “*[w]e went to see him and he told me to say, he was going to Russia, I remember when we had a chat with him he said, no, before I go, I will phone the two people, and we didn’t phone them because we got feedback and that’s the reason why*”. In the recording, Mr Gumede goes on to say:

“Then the next thing, the guy from the Hawks, he even showed us, the meeting we were having, every month you were having a meeting, where he decides all those things. It’s confidential information, he showed us, that meeting, the guy said the person they wanted to charge was Angelo and Ryker, none of you guys. Even if I showed this one and showed

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<sup>2151</sup> Transcript, day 41, p 96.

<sup>2152</sup> Transcript, day 41, p 96.

<sup>2153</sup> Transcript, day 41, p 94.

<sup>2154</sup> Transcript, day 41, p 95.

<sup>2155</sup> Mr Agrizzi’s Initial Affidavit, Annexure X, pp 705-708.

that guy was never gonna allow, I said please can I take the minutes? I took them on my phone. But the guys they want to charge, if at least they can throw this thing on the charging, it was four hundred, but they're charging two, he said, no, but the other people we are not worried. It was him and Patrick. I said but you're charging two, are you comfortable? We'll replicate the case. They said no, the other people we are not even worried about. Even Angelo knows that copy, I took a copy of those minutes in my phone, and I showed him alone with Trevor. We had two meetings. Every month we were getting those minutes through that \*inaudible\*. And again, it was twice, those people came back to say hey, these guys, the only people they can charge, is those two. We said no, over our dead body, it cannot happen. And Angelo knows that, that's why, for him to even try and involve other people, he knows, he knows that even on that number, because he had minutes twice, I showed him the minutes of that number. Even he had a meeting at the Sheraton at four o'clock, and he was very clear to say that for them to close this project, the only people they think they will charge, is those two. He was aggrieved, because Gavin did not appear on the list of the suspects."

#### Mr Zuma and the Bosasa investigation

1267. In a later meeting between Mr Watson, Mr Agrizzi and Mr Mti, Mr Watson told Mr Mti that he should convey to Adv Jiba that he was waiting for her to make a move in the process to shut the Bosasa investigation down. Mr Watson referred to Adv Jiba as the "*President's person*".<sup>2156</sup>
1268. Mr Agrizzi was also present at a meeting at Mr Mti's house during which Mr Watson spoke to Mr Zuma on the telephone. During this call, Mr Watson handed the telephone to Mr Mti saying "*your boss wants to speak to you*". Mr Agrizzi recalled Mr Mti taking the phone and speaking in either Xhosa or Zulu and when he was about to finish, he said in English "*I am ready to be deployed*".<sup>2157</sup>
1269. During the morning meetings held at Bosasa, Mr Watson would praise Mr Zuma. Mr Agrizzi commented that Mr Watson believed that he was "*totally bulletproof*" with Mr Zuma on his side.<sup>2158</sup>

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<sup>2156</sup> Transcript, day 41, p 96.

<sup>2157</sup> Transcript, day 41, p 97.

<sup>2158</sup> Transcript, day 41, p 99.



**Mr Cedric Frolick**

1270. Mr Frolick met Mr Watson through the acquaintance of Mr Daniel Watson. His relationship with Mr Daniel Watson started in the late 1980s when Mr Frolick became involved in non-racial sports. When Mr Frolick was elected as a member of the National Assembly, he served on the Sports and Recreation Committee. Mr Daniel Watson was elected as the President of Eastern Province Rugby in 2006/2007 and Mr Frolick was roped in as an advisor and, later, joined the board in 2012 and served as director of the company, the professional arm of the union.<sup>2159</sup> It was around this time he got to know the other Watson brothers.<sup>2160</sup>
1271. Mr Agrizzi testified that he was first introduced to Mr Frolick by Mr Daniel Watson during a period when Bosasa was under severe attack from the media. Mr Frolick was a longstanding friend of the family.<sup>2161</sup> Mr Daniel Watson informed Mr Agrizzi that Mr Frolick would be visiting Bosasa Business Park which, at that stage, was known as the Mogale Business Park, with a certain Buti Komphela ("**Komphela**"). At that stage, Mr Agrizzi was not aware of the purpose of the meeting.<sup>2162</sup>
1272. Mr Agrizzi was thereafter advised by Mr Watson that the purpose of the meeting was to showcase the magnitude of the Bosasa business and the diversity of the office park as well as how as a "*quasi-BBEE*" company it was performing in terms of development in Southern Africa. Mr Watson stressed that Mr Frolick would be instrumental in assisting them to cross the impasse that had developed with Mr Smith. Mr Smith, at that stage, was chairperson of the Portfolio Committee on Correctional

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<sup>2159</sup> Transcript, day 275, p 28.

<sup>2160</sup> Transcript, day 275, p 26.

<sup>2161</sup> This is confirmed by Mr Frolick's affidavit, p 31 at para 4.

<sup>2162</sup> Transcript day 76, p 8; Mr Agrizzi's Supplementary Affidavit, p 32 at para 50.

Services and Justice.<sup>2163</sup> Mr Agrizzi described Mr Smith as being very anti-Bosasa.<sup>2164</sup> Given that Mr Frolick had served as "*chairman of chairman's*" in Parliament,<sup>2165</sup> it is believed that he would be able to influence Mr Smith to sort out this problem with Bosasa.<sup>2166</sup> Mr Frolick stated that the reference to him being the "chair of chairs" could not be correct as he was only elected to the position on 18 November 2010.<sup>2167</sup>

1273. Mr Agrizzi testified that the meeting took place and he recalled having to book flights for the gentlemen to attend the meeting. In addition, he had to arrange a golf cart to assist Mr Komphela as he was disabled and would not be able to manage the 4.5-hour tour of the facilities. After a tour of the office park, the visitors were taken to lunch.<sup>2168</sup> Mr Frolick disputed the duration of the meeting and stated that it did not last longer than an hour because they had intended to see the youth facility and not the office park.<sup>2169</sup> He also disputed that Mr Komphela was driven around in a golf cart.<sup>2170</sup> He advised that Mr Komphela agreed with his account of events. A confirmatory affidavit from Mr Komphela was put up by Mr Frolick in this regard.<sup>2171</sup>

1274. According to Mr Agrizzi, a meeting was then held in a boardroom with Messrs Watson, Komphela, Frolick and Agrizzi. During this meeting they discussed a way of dealing with Mr Smith. Mr Frolick requested Mr Agrizzi to

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<sup>2163</sup> Transcript - day 76, p 8.

<sup>2164</sup> Transcript, day 76, p 9.

<sup>2165</sup> A reference to his having served as House Chairperson of Committees.

<sup>2166</sup> Transcript, day 76, p 8; Mr Agrizzi's Supplementary Affidavit, p 33 at para 53.

<sup>2167</sup> Mr Frolick's affidavit, p 31 at para 18.

<sup>2168</sup> Transcript, day 76, p 9.

<sup>2169</sup> Transcript, day 275, p 81.

<sup>2170</sup> Mr Frolick's affidavit, p 31 at para 16.

<sup>2171</sup> Transcript, day 275, pp 53 and 68. There was debate during the testimony whether Mr Komphela's affidavit confirmed all of Mr Frolick's assertions in his affidavit, or only the parts that related to him. In the confirmatory affidavit Mr Komphela states "I have read the affidavit of Cedric Thomas Frolick and confirm the contents thereof as far as it relates to me." Mr Frolick's affidavit, p 31 at para 16.



prepare a document and said that he would arrange with a Ms Bailee at the Parliamentary offices to meet with Mr Smith.<sup>2172</sup>

1275. Mr Frolick does not dispute that Mr Smith was discussed during his meeting with Mr Watson but denies, in his affidavit filed in terms of rule 3(4), that Mr Agrizzi was present. He stated that Mr Watson was unhappy with the treatment Bosasa had received from the Portfolio Committee and Mr Khompela suggested that he request a meeting with Mr Smith and for Mr Frolick to assist as he was friends with Mr Smith.<sup>2173</sup> After discussion, they determined the best way forward was to approach Mr Smith directly. Mr Frolick undertook to attend to this as he was friends and colleagues with Mr Smith. He advised Mr Watson to request an audience with Mr Smith and that he would then talk to Mr Smith about a meeting with Bosasa.<sup>2174</sup> Mr Frolick explained that he entertained this discussion with Mr Watson because, as a member of parliament, he had a general interest in concerns being raised by the public.<sup>2175</sup> As pointed out above, Mr Frolick denied that Mr Agrizzi was present during the discussion regarding Mr Smith.<sup>2176</sup>

1276. Mr Agrizzi testified that he prepared the document requested by Mr Frolick. It showcased the benefits of having outsourced certain operations at correctional services. A formal introduction of Bosasa portfolio was to be used as a cover.<sup>2177</sup>

1277. After Mr Agrizzi drew up the introductory document requested by Mr Frolick. He asked Mr Watson whether he wished to sign it. Mr Watson's position was that one must

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<sup>2172</sup> Transcript, day 76, p 9.

<sup>2173</sup> Mr Frolick's affidavit, p 31 at para 17.

<sup>2174</sup> Transcript, day 275, p 31.

<sup>2175</sup> Transcript, day 275, p 61.

<sup>2176</sup> Transcript, day 275, p 82.

<sup>2177</sup> Transcript, day 76, p 9.



always have a "*whitey and a darky or it depends*" sign documents. It was therefore suggested for a document addressed to Parliament, that Mr Gibson Njenje would sign the document. Mr Njenje was for a brief period of time the Chairman of Bosasa, although he was not actively involved in the business, Mr Agrizzi described him as a figurehead.<sup>2178</sup>

1278. In essence, the purpose of the meeting which had been held was for Mr Frolick and Mr Komphela to see Bosasa's operations and its BEE work so they could go back and win over Mr Smith who was extremely anti-Bosasa.<sup>2179</sup> As far as Mr Agrizzi knew, Mr Frolick and Mr Komphela were not part of the Portfolio Committee on Correctional Services.<sup>2180</sup>

1279. Mr Frolick testified that the visit to Bosasa was initiated after discussions with Mr Daniel Watson who informed them that there was a youth facility that required sport activities. The purpose was to get parliamentarians to note the role of sports in rehabilitating youth offenders. Mr Watson specifically requested Mr Frolick's presence since he was going to be in Johannesburg to meet with a potential sponsor for the Eastern Province Rugby Union.<sup>2181</sup>

1280. Mr Agrizzi was asked whether Mr Watson ever addressed Mr Frolick directly in relation to any influence over Mr Smith. Mr Agrizzi responded in the affirmative and stated that there was a specific meeting where Watson told Mr Frolick to do whatever was possible to ensure they could win over Smith. As an alternative measure, Mr Frolick was told to try and move Mr Smith out of the position so he could not be detrimental

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<sup>2178</sup> Transcript, day 76, p 11.

<sup>2179</sup> Transcript, day 76, p 10.

<sup>2180</sup> Transcript, day 76, p 11.

<sup>2181</sup> Transcript, day 275, pp 28 and 29.

to Bosasa or its contract. Mr Agrizzi recalled that, while discussing the approach to Mr Smith, Mr Watson excused himself and went to the vault. Upon his return, Mr Watson called Mr Frolick into the passageway and placed a security bag in Mr Frolick's pocket. Mr Agrizzi was certain that the security bag contained money.<sup>2182</sup>

1281. Mr Frolick disputed that Mr Watson left the meeting to go to the vault.<sup>2183</sup> Mr Frolick denied receiving money from Mr Watson or any person during this visit or that he was alone with Mr Watson.<sup>2184</sup> He describes the suggestion that he met alone with Mr Watson as being "untrue and artificial" because he was in the company of Mr Komphela for the duration of the visit.<sup>2185</sup>

1282. Mr Agrizzi described Mr Smith as being a 'thorn in the flesh' and a person who opposed anything Bosasa had done. He was therefore a major concern for Mr Watson.<sup>2186</sup>

1283. At around the time to which Mr Agrizzi was referring in his evidence (approximately 2010),<sup>2187</sup> Mr Smith was instrumental in allowing Adv Willie Hofmeyr to present the SIU Report on Bosasa to the Portfolio Committee. Certain people were not happy with Adv Hofmeyr being allowed to speak to the Parliamentary Portfolio Committee about the Report and the allegations contained therein.<sup>2188</sup> Mr Agrizzi recalled Mr Biebuyck authoring a letter to several people informing them that Bosasa intended to bring an application to prevent the State Attorney and Adv Willie Hofmeyr from presenting any

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<sup>2182</sup> Transcript, day 76, p 13.

<sup>2183</sup> Transcript, day 275, p 62.

<sup>2184</sup> Mr Frolick's affidavit, p 32 at para 18.

<sup>2185</sup> Transcript, day 275, pp 35, 55 and 56.

<sup>2186</sup> Transcript, day 76, p 14; Mr Agrizzi's Supplementary Affidavit, p 34, para 61.

<sup>2187</sup> Mr Agrizzi undertook to provide a timeline of the exact dates to the Commission upon receipt of full access to his email and documentation.

<sup>2188</sup> Transcript, day 76, p 16.



details of the SIU Report.<sup>2189</sup> Mr Oellermann explained that the SIU is required by statute to report to Parliament on various matters. Mr Oellermann attended Parliament with Adv Willie Hofmeyr because he was involved in the investigation, as the SIU was giving feedback on the DCS investigations in general. Mr Oellermann testified that in 2009 Adv Willie Hofmeyr presented some of the key findings made during the course of the investigation but was not specific with names or detail. Adv Willie Hofmeyr did provide an indication of some of the major concerns arising during the course of the investigation.<sup>2190</sup> Mr Oellermann described the members of the Portfolio Committee as being shocked. He recalled that a member had approached them after the presentation and informed them that he had never experienced such blatant irregularities and evidence of possible corruption and asked them to ensure that the matter gets finalised and handed over to the relevant authorities.<sup>2191</sup>

1284. Mr Agrizzi explained that, after each meeting he would provide Mr Watson with a report and in relation to the meeting with Mr Frolick and Mr Komphela, Mr Agrizzi advised Mr Watson that they seemed impressed with Bosasa and its operations. At that stage, Mr Watson advised Mr Agrizzi that he did not have to worry about Mr Frolick who was 100% on board.<sup>2192</sup>

1285. Mr Agrizzi testified that he vividly remembered Mr Watson instructing him to arrange R40,000 to be delivered to Mr Frolick every month. Mr Watson said this would be the standard arrangement and that he would arrange to take it to Mr Frolick whenever he went to Port Elizabeth or give it to his brother Mr Valence Watson to take down for him. Mr Agrizzi questioned how Mr Watson would be able to take that amount of

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<sup>2189</sup> Transcript, day 76, p 16 and p 17.

<sup>2190</sup> Transcript, day 77, p 90.

<sup>2191</sup> Transcript, day 77, p 91.

<sup>2192</sup> Transcript, day 76, p 18.



money in cash on a plane without security picking it up. Mr Watson responded that they never checked and he would get "*Bosasa guys*" to carry his bags and surround him so that no-one would really worry to check his bags.<sup>2193</sup>

1286. In particular, shortly after the visit from Mr Frolick and Mr Komphela, Mr Agrizzi was informed by Mr Watson to meet Mr Valence Watson in Port Elizabeth and to take a parcel of R40,000 cash in R200 notes with him.<sup>2194</sup> Upon arrival in Port Elizabeth he went to Mr Valence Watson's house in Waverley. Thereafter, Mr Frolick arrived. Although Mr Agrizzi tried to avoid the conversation between Mr Frolick and Mr Valence Watson, they then started talking about the strategy and how to handle Mr Smith.<sup>2195</sup> Mr Agrizzi handed over the package of money to Mr Valence Watson and he was told by Mr Watson that Mr Valence Watson would give this money to Mr Frolick.<sup>2196</sup> Mr Agrizzi recalled seeing Mr Valence Watson hand over the security bag to Mr Frolick.<sup>2197</sup> Although Mr Agrizzi did not pack the bag himself (this was done by Mr Watson), he noted that it contained one hundred R200 notes and that the package thus contained R20,000.<sup>2198</sup>

1287. About a week after this meeting, Mr Watson received a call from Mr Frolick to say that Mr Agrizzi and Mr Njenje should fly to Cape Town to have an introductory meeting with Mr Smith.<sup>2199</sup>

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<sup>2193</sup> Transcript, day 76, p 19.

<sup>2194</sup> Transcript, day 76, p 22.

<sup>2195</sup> Transcript, day 76, p 23.

<sup>2196</sup> Transcript, day 76, p 24.

<sup>2197</sup> Transcript, day 76, p 25.

<sup>2198</sup> Transcript, day 76, p 27.

<sup>2199</sup> Transcript, day 76, p 27.

1288. Mr Frolick confirmed having visited Mr Valence Watson's house on a number of occasions. He did not recall being in a meeting with Mr Agrizzi at the house. Mr Frolick checked his recollection with Mr Valence Watson who could also not remember such a meeting.<sup>2200</sup> Mr Frolick pointed out that Mr Agrizzi could remember details about Mr Valence Watson's furniture, but could not provide a timeframe when the meeting for the handover of money allegedly took place.<sup>2201</sup> Mr Frolick denied a meeting at Mr Valence Watson's house or anywhere else in Port Elizabeth. He further denied having received money from Mr Valence Watson. He stated that Mr Agrizzi provided no information on how monthly payments were made to Mr Frolick.<sup>2202</sup>
1289. Generally, Mr Frolick denied receiving money from Bosasa, Mr Watson or Mr Valence Watson. He received amounts totalling R25,000 from Mr Valence Watson during 2014 as a contribution to the ANC's election fund. These funds were handed to the regional treasurer of the ANC. He also received a desktop computer for his office from Mr Daniel Watson for use by learners/students. This, together with two shirts, two pairs of shoes and a belt from Mr Daniel Watson for Mr Frolick's birthday was declared.<sup>2203</sup>
1290. In respect of other benefits to Mr Frolick, Mr Agrizzi testified that he was able to get a copy of an invoice from Blakes Travel Agency for a stay at City Lodge OR Tambo for "Guest Frolich Mr C" from 21/8/2010 to 22/8/2010 in an amount of R2,744.28. The Dr is made out to "EP Rugby c/o Mr D Watson".<sup>2204</sup> The invoice was emailed to Dr Smith on 14 December 2010. On the same day Dr Smith forwarded the email and invoice to Mr Agrizzi with the following message:

"Angelo

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<sup>2200</sup> Transcript, day 275, pp 88-94.

<sup>2201</sup> Transcript, day 275, p 102.

<sup>2202</sup> Transcript, day 275, p 43.

<sup>2203</sup> Mr Frolick's affidavit, p 38 at para 34 and 35. Transcript, day 275, p 42.

<sup>2204</sup> Annexure KK at page 118 of Mr Agrizzi's Supplementary Affidavit.

Cheeky told me that this invoice must also be paid by Bosasa.  
Please advise.  
Doc."

1291. As appears from the email, Mr Daniel Watson had called Dr Smith and told him that Bosasa must pay for this invoice.<sup>2205</sup>
1292. Mr Frolick stated that the invoice from Blake's Travel was for accommodation while he attended a test match between the Springboks and All Blacks in his capacity as an advisor to the Eastern Province Rugby Union ("EPRU"). He was under the impression that these costs were borne by the EPRU.<sup>2206</sup> Mr Frolick testified that he did not get involved in operational issues such as the travel arrangements. Mr Daniel Watson did not explain to him why the travel was arranged by Bosasa.<sup>2207</sup>
1293. Mr Agrizzi testified that although the invoice was made out to EPRU care of Mr D Watson, Bosasa paid all the invoices in relation to travelling for Mr Frolick and Mr Komphela.<sup>2208</sup> The 'D Watson' on the invoice referred to Mr Daniel Watson.<sup>2209</sup>
1294. In his affidavit filed at the Commission, Mr Blake confirms that this booking was made through Blake's Travel, and provides the details of further bookings made on behalf of Mr Frolick. Mr Blake states that the bookings were initially issued to EPRU, later changed to C Venter and were paid for in cash by Mr Agrizzi or his wife, as per the agreed procedure. Mr Blake identifies four invoices that were paid for by EPRU, and one paid for by Mr Frolick on behalf of Ms Goliath.<sup>2210</sup>

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<sup>2205</sup> Transcript, day 76, p 20.

<sup>2206</sup> Mr Frolick's affidavit, p 31 at para 22. Transcript, day 275, p 36.

<sup>2207</sup> Transcript, day 275, pp 64 and 66. Mr Frolick's affidavit, p 31 at para 22.

<sup>2208</sup> Transcript, day 76, p 21.

<sup>2209</sup> Transcript, day 76, p 21.

<sup>2210</sup> Mr Blake's Affidavit (T18, para 28, pp 12-16).



1295. Mr Agrizzi recalled travelling to Cape Town with Mr Njenje and staying at a "*beautiful hotel*" close to Parliament. He indicated that records of the flight, car hire and the like could be sourced as this was arranged by Ms Magdel Wilson at Blake's Travel and billed to Bosasa. Further, Mr Agrizzi stated that South African Airways could be subpoenaed for their flight records.<sup>2211</sup>
1296. Mr Agrizzi explained that he had a meeting with Mr Njenje before meeting with Mr Smith to inform him that he was simply there to dilute Mr Agrizzi's whiteness and that he should just follow Mr Agrizzi's lead.<sup>2212</sup> Mr Agrizzi recalled Mr Njenje not being comfortable with the situation but he was doing it because Mr Watson asked him to do so.
1297. Mr Agrizzi and Mr Njenje went to Parliament and were met by Mr Frolick and taken to wait in a specific office. Mr Frolick testified that they did not expect Mr Agrizzi to attend the meeting.<sup>2213</sup>
1298. Mr Frolick thereafter returned with Mr Smith who appeared visibly annoyed to see Mr Agrizzi and Mr Njenje there. Mr Agrizzi did not think that Mr Smith knew about the meeting.<sup>2214</sup> Mr Frolick confirmed that Mr Smith, Mr Agrizzi and Mr Njenje briefly met. He said that the meeting took place in his absence and he does not know what was said.<sup>2215</sup> Mr Frolick testified that Mr Smith did not raise a concern that he was ambushed by the meeting or that it was unannounced.<sup>2216</sup> Mr Frolick did not engage

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<sup>2211</sup> Transcript, day 76, p 29.

<sup>2212</sup> Transcript, day 76, p 29 and p 30.

<sup>2213</sup> Transcript, day 275, p 33.

<sup>2214</sup> Transcript, day 76, p 30.

<sup>2215</sup> Mr Frolick's affidavit, p 31 at para 21. Transcript, day 275, p 34.

<sup>2216</sup> Transcript, day 275, p 109.

further with Mr Smith on this issue because he did not want to come across as putting him into a situation he was uncomfortable with.<sup>2217</sup>

1299. Mr Agrizzi described his meeting with Mr Smith as being very abrupt. While he tried to provide Mr Smith with the documents providing an introduction of the business, Mr Smith indicated that he was very busy and had to go to a meeting. Mr Frolick confirmed that Mr Smith was in a hurry due to another engagement. It most definitely did not seem as if Mr Smith had changed his mind on Bosasa.<sup>2218</sup>

1300. Mr Smith testified that Mr Agrizzi (and the delegation's) visit was "*facilitated by the Chair of Chairs, Mr Frolick*", who had indicated to Mr Smith that there was a delegation that wanted to see him. Mr Smith could not recall if Mr Frolick was the Chair of Chairs in 2009 but testified that "*towards the end*", Mr Frolick held this position.<sup>2219</sup> Mr Smith did not know the capacity in which Mr Frolick brought the delegation to him.<sup>2220</sup> Mr Smith testified that he went to see the delegation at a venue that Mr Frolick had arranged,<sup>2221</sup> and that the meeting took place in 2009 when he was elected Chairperson.<sup>2222</sup> At the time, Mr Smith knew the name Bosasa by virtue of his relationship with Mr Watson.<sup>2223</sup>

1301. Mr Smith admits that in this instance, Mr Agrizzi and Mr Njenje arrived at Parliament unannounced in an attempt to present Bosasa credentials to him and that he went to meet with them after being brought to the room where they were sitting by Mr Frolick.

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<sup>2217</sup> Transcript, day 275 Mr Frolick's affidavit, p 11131 at para 21.

<sup>2218</sup> Transcript, day 76, p 31.

<sup>2219</sup> Transcript, day 261, p 35. Mr Smith explained the reference to "Chair of Chairs" as the chairperson responsible for, and in charge of the work of, all Portfolio Committees.

<sup>2220</sup> Transcript, day 261, pp 37-38.

<sup>2221</sup> Transcript, day 261, pp 33-34.

<sup>2222</sup> Transcript, day 261, p 35.

<sup>2223</sup> Transcript, day 76261, p 3136.

He confirms that he did not receive them positively.<sup>2224</sup> Mr Smith testified that he did not meet with them because he was very uncomfortable and thought it was an ambush. He recalls that they left a brochure with him and that he had no exchange with them. At the time, Mr Smith was not meeting with stakeholders until he was up to speed with the workings of the Department.<sup>2225</sup> When asked whether the meeting with Mr Agrizzi took place before or after a meeting in the Portfolio Committee, held on 14 October 2009, where the extension of the catering contract and the SIU investigation was discussed, Mr Smith testified that he was not sure when he met with them but that the chances are that it was before the Portfolio Committee had seen the report.<sup>2226</sup>

1302. Mr Agrizzi testified that after this meeting Mr Njenje and Mr Agrizzi joined Mr Frolick for lunch at the canteen and Mr Frolick paid for the lunch on his card.<sup>2227</sup> Mr Frolick confirms this.<sup>2228</sup>

1303. Mr Smith was referred to minutes of a meeting of the Portfolio Committee held on 17 November 2009, which confirm that the issue of corruption in Bosasa had been raised before it in 2009. Mr Smith was unable to confirm whether Mr Frolick would have been privy to the minutes or the discussion of the Portfolio Committee and said that there was no obligation on the Portfolio Committee to submit their minutes to any person and so it was possible that Mr Frolick never had sight of the minutes.<sup>2229</sup> Mr Smith

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<sup>2224</sup> Mr Smith's affidavit, para 97, p 30.

<sup>2225</sup> Transcript, day 261, pp 41-42.

<sup>2226</sup> Transcript, day 261, pp 39-40.

<sup>2227</sup> Transcript, day 76, p 31.

<sup>2228</sup> Mr Frolick's affidavit p 31 at para 21. Transcript, day 275, p 34.

<sup>2229</sup> Transcript, day 261, p 48.



testified that the SIU Report was a very worrisome report and that all members of the Portfolio Committee unambiguously agreed with that position.<sup>2230</sup>

1304. Mr Agrizzi recalled that in and around 2015, Mr Watson was very excited because he was going to be meeting the Minister of Justice and Constitutional Development.<sup>2231</sup> Mr Watson explained that there was going to be an ANC meeting or rally in Port Elizabeth and Mr Frolick was going to help him organise accommodation for Minister Masutha and that they would have a meeting.<sup>2232</sup> Mr Agrizzi recalled Mr Watson explaining to him that Mr Frolick had offered Minister Masutha accommodation at a game reserve or wildlife estate at a house which belonged to Mr Watson.<sup>2233</sup> Mr Frolick denied the house was on an estate, stating that it was "literally a few minutes away from the Nelson Mandela Bay Stadium".<sup>2234</sup>
1305. Mr Frolick stated that accommodation was arranged for Minister Masutha and other comrades involved in community- and sector-related matters in the run-up to the 2016 local government elections. It was arranged by Mr Valence Watson's wife as no other accommodation could be found. The house was used by the Minister for one night and it was situated in a residential area.<sup>2235</sup> Mr Frolick explained that the arrangements were not for the Minister alone. Mr Frolick also secured accommodation for the support staff of Deputy Minister Bapela.
1306. Mr Agrizzi explained that Mr Frolick and Mr Watson had planned to make it seem as if there was no accommodation to accommodate members of the ANC and on that

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<sup>2230</sup> Transcript, day 261, p 50.

<sup>2231</sup> Transcript, day 76, p 33.

<sup>2232</sup> Transcript, day 76, p 34.

<sup>2233</sup> Transcript, day 76, p 35.

<sup>2234</sup> Transcript, day 174, p 42.

<sup>2235</sup> Mr Frolick affidavit, p 35 at para 27 and 30. Transcript, day 275, p 41.

basis, accommodation could be offered by Bosasa or by Mr Watson.<sup>2236</sup> To Mr Agrizzi's knowledge, the meeting with Minister Masutha took place. Mr Watson was accompanied by Mr Valence Watson, probably because Mr Valence Watson was more known in political circles than Mr Watson.<sup>2237</sup> Mr Agrizzi did not believe the meeting with Minister Masutha was a success. He testified that if it was successful, he would have received a phone call from Mr Watson exclaiming so, as he usually did.<sup>2238</sup> On this occasion, he "*did not really comment much*".

1307. In late 2016, a tender was submitted for the catering contracts for the DCS. The then Commissioner was "*Zach Modise and he was being attended to by Leshabane. That was the contact and Sesinyi Seopela*". Mr Agrizzi was concerned about the catering tender of the DCS and used other consultants namely Mr Nkabinde and Mr Sekgota. Mr Agrizzi explained that it was a "*straight tender*" and he had got information that Bosasa was the cheapest at that stage and "*we should have got everything*".<sup>2239</sup> There were ten management areas of the DCS. However it appeared the DCS had issued out two other management areas to other companies.<sup>2240</sup>

1308. On the advice of Mr Watson, Bosasa instituted proceedings to set aside the award of these contracts to its competitors. In this regard, it utilised the services of Mr Biebuyck as well as Adv Etienne Theron. The day before the application was to be heard, Mr Watson arrived with some of the directors and stated that they had to take a resolution that they were not going to proceed with the application. The reason for this was because Mr Watson had received political advice that it would be suicide if they went

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<sup>2236</sup> Transcript, day 76, p 35.

<sup>2237</sup> Transcript, day 76, p 36.

<sup>2238</sup> Transcript, day 76, p 37.

<sup>2239</sup> Transcript, day 76, p 38.

<sup>2240</sup> Transcript, day 76, p 38.



ahead with the application.<sup>2241</sup> Mr Agrizzi challenged Mr Watson's suggestion that they abandon the court proceedings on the basis that he believed they had a strong legal footing to challenge the award of the tenders. According to Mr Agrizzi, Mr Watson then informed Mr Agrizzi to hear the advice directly from the horse's mouth and put Mr Frolick on the phone who advised that the litigation must be withdrawn.<sup>2242</sup>

1309. Mr Frolick denied having a telephonic discussion or having instructed that the litigation be withdrawn. He stated that Mr Watson called him on a Wednesday morning while he was with his attorneys and two Bosasa directors to obtain a view on the litigation against the DoJ&CD. Mr Frolick advised them to consider the impact the litigation could have on their future business relationships with government. Mr Frolick however advised them to proceed with the case if they believed it was in Bosasa's best interests.<sup>2243</sup> Mr Frolick stated that he advised Mr Watson as a friend but stated ultimately it was their decision whether or not to proceed with the litigation.<sup>2244</sup>

1310. In explaining why Mr Frolick and Mr Smith were consulted on the litigation against the DCS, despite Mr Smith's attitude to Bosasa having not changed, Mr Agrizzi stated that for a long period of time Mr Smith was friendly towards Bosasa following a meeting (discussed above) that was held at a hotel on Rivonia Road. Both Mr Smith and Mr Frolick agreed that the litigation should be withdrawn.<sup>2245</sup>

1311. The meeting with Mr Smith at Parliament coincided more or less with the release of the SIU Report for the first time which had been around 2009 and 2010 and the meeting with Mr Smith in Rivonia Road took place during 2011.<sup>2246</sup> The events that Mr

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<sup>2241</sup> Transcript, day 76, p 39.

<sup>2242</sup> Transcript, day 76, p 40. Transcript, day 275, p 36.

<sup>2243</sup> Mr Frolick's affidavit, p 33 at para 23.

<sup>2244</sup> Transcript, day 275, p 113.

<sup>2245</sup> Transcript, day 76, p 42.

<sup>2246</sup> Transcript, day 76, p 43.



Agrizzi was recalling relating to the advice to withdraw the litigation from Mr Frolick and Mr Smith took place in 2016 / 2017.

1312. Mr Agrizzi was asked whether Mr Smith was won over because of Mr Frolick's efforts or through other efforts made by Bosasa. Mr Agrizzi responded that it could be both. Although he did not know specifically the position with Mr Frolick, he did know that Ms Winnie Ngwenya and Mr Magashula were the people that eventually won Mr Smith over during the meeting that was held in Rivonia Road in 2011.<sup>2247</sup>

1313. Mr Frolick was referred to his call records which showed a call from Ms Mokonyane on 6 March 2017.<sup>2248</sup> He testified that he did not recall receiving a call from Ms Mokonyane. He only recalled a discussion with her in and around 2017 when she was unhappy with an issue in relation to her water and sanitation committee. The telephone records showing a call to his phone from Ms Mokonyane relates to a phone that is used by his child who is very active in the ANC in the Western Cape.<sup>2249</sup>

1314. Mr Frolick was also referred to a telephone record showing a call from Mr Gumede on the 11 December 2017. He described Mr Gumede as an old comrade who worked for Bosasa and Mr Leshabane as someone who worked for a subsidiary of Bosasa. He did not know Mr Dlamini. He explained that his number was publicly available on the Parliamentary website.<sup>2250</sup>

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<sup>2247</sup> Transcript, day 76, p 44.

<sup>2248</sup> Exhibit T17.5.

<sup>2249</sup> Transcript, day 275, pp 120 and 121.

<sup>2250</sup> Transcript, day 275, pp 122-126.

**Mr Gwede Mantashe**

1315. Another high profile person who benefitted from Bosasa's Special Projects is Mr Samson Gwede Mantashe who was the Secretary-General of the ANC at the time. Mr Agrizzi's version is that he was tasked by Mr Watson to attend to "special projects" which included installation and maintenance of security at Mr Mantashe's residences. Mr Agrizzi stated that he was aware that the installations done at the homes of Mr Mantashe were, according to Mr Agrizzi, "*all ... paid [for] by Bosasa Operations and not by a director as alluded to*", i.e. not by Mr Leshabane in his personal capacity. The reason why Mr Agrizzi said this was as follows. The whole issue was kept away from him by Mr Leshabane. They had arranged with one of the other technical heads, Mr Francois Cronjé, to go out and to do a site survey at a property in Boksburg, Sunward Park. This was the first installation undertaken where they appointed a subcontractor. Mr Agrizzi explained that he did not know about this until the subcontractor needed to be paid and he refused to sign off for payment of the subcontractor. Mr Cronjé then submitted the invoices to Mr Agrizzi again "*but [Mr Cronje] was being very evasive*". It was after Mr Agrizzi started to query the matter that Mr Leshabane approached him and said that he had arranged this with Mr Watson.<sup>2251</sup>

1316. Mr Agrizzi confronted Mr Watson about this and he initially denied having any knowledge of having agreed to fund the installations, but later conceded that he had done so.<sup>2252</sup>

1317. Mr Agrizzi knew that Mr Leshabane would not have made a personal donation to fund the installations and had committed Bosasa to doing them. Knowing this, Mr Agrizzi

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<sup>2251</sup> Transcript, day 76, p 119 and p 120.

<sup>2252</sup> Transcript, day 76, p 120.

instructed Mr le Roux to continue with it and Mr le Roux made the payments from money that he received in cash from Mr Van Zyl.<sup>2253</sup>

1318. Mr le Roux testified that Mr Leshabane instructed him to attend to the following at three of Mr Mantashe's premises:

1318.1. CCTV, lighting, perimeter and DVR at a house in Sunward Park, Boksburg;

1318.2. CCTV, IP system and lighting at a farm in Elliot in the Eastern Cape; and

1318.3. CCTV, IP system and lighting at a house in Cala in rural Eastern Cape.<sup>2254</sup>

1319. Mr le Roux estimated the cost of the project as having been R300,000.<sup>2255</sup>

1320. Mr Agrizzi stated that, although people bandied about amounts of R14,000 or R15,000 for the installation, the actual cost of an installation was far greater. He estimated a total cost of R145,000 excluding VAT for a basic installation.<sup>2256</sup>

1321. In his supplementary affidavit Mr Agrizzi stated that, when conducting the installations, employees needed to be accommodated close to the various sites. These costs were always attributed to Bosasa and would be reflected by the relevant guest houses used when completing the installation in those areas.

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<sup>2253</sup> Transcript, day 76, p 120.

<sup>2254</sup> Transcript, day 44, pp 62 and 63.

<sup>2255</sup> Transcript, day 44, p 66.

<sup>2256</sup> Transcript, day 76, p 120.



1322. In addition, employees were remunerated by Bosasa / African Global Operations. Projects of this nature would normally take 2.5 days<sup>2257</sup> and the labour costs excluding the equipment of a support team of five people would normally be charged as follows:

1322.1. labour team per day (five technical) at an amount of R8,750 per day which is inclusive of two travel days = an aggregate amount of R48,125;<sup>2258</sup>

1322.2. accommodation and transport (five technical) at R4,200 per day for 5.5 days including subsistence = R23,100;

1322.3. management fee of 20% of labour = R14,245.<sup>2259</sup>

1323. The total labour cost excluding material internal costs was R85,470 per installation within 200km of the West Rand.<sup>2260</sup>

1324. The equipment costs would be reflected on a basic medium range as follows:

1324.1. cabling and trunking was R7,800 per site;

1324.2. cameras (six day-night) Hik Vision in IP 66 containment or similar at an aggregate amount of R23,100;

1324.3. digital video recorder with modules (Cathexis) at R19,500;

1324.4. peripheral hardware racks etc. at R5,000;

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<sup>2257</sup> This is probably a typographical error and should read 5.5 days.

<sup>2258</sup> It is unclear from the affidavit whether this was 5 technical teams working for one day or one technical team working for 5 days.  $R8,750 \times 5 = R43,750$ .

<sup>2259</sup> Mr Agrizzi's Supplementary Affidavit, p 57 at para 198.

<sup>2260</sup> Mr Agrizzi's Supplementary Affidavit, p 58 at para 199.

1324.5.       licensing software of R4,500

The total equipment cost would therefore be R59,900 calculated on a conservative basis.<sup>2261</sup>

1325. Mr Agrizzi conservatively estimated the total cost of installations for three sites for Mantashe to be R650,000.<sup>2262</sup> This would be based only on an alarm system and 6-zone camera installation.<sup>2263</sup> Mr Agrizzi confirmed that the same equipment, lights and fencing were used for all the people who benefitted from what was called the "special projects".<sup>2264</sup> Mr Agrizzi said there was no doubt in his mind that the payments for these installations were done by Bosasa and they were covered up by using cash.<sup>2265</sup>

1326. Mr Agrizzi stated that the account that the technicians opened up at Regal and other suppliers was in Mr Agrizzi's name and he could pull up all the invoices for the investigators if required.<sup>2266</sup> Once he conceded having authorised the installations, Mr Watson explained to Mr Agrizzi that Bosasa's purpose in assisting Mr Mantashe was because Mr Mantashe is a "*brilliant connection*" to have. At that stage, he was Secretary-General of the ANC "*who controls the rest of the people*". He was also highly placed with the trade unions and in government.<sup>2267</sup>

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<sup>2261</sup> Transcript, day 58, p 200.

<sup>2262</sup> Transcript, day 76, p 121.

<sup>2263</sup> Mr Agrizzi's Supplementary Affidavit, p 58 at para 202.

<sup>2264</sup> Transcript, day 76, p 121.

<sup>2265</sup> Transcript, day 76, p 124.

<sup>2266</sup> Transcript, day 76, p 124.

<sup>2267</sup> Transcript, day 76, p 124; Mr Agrizzi's Supplementary Affidavit, p 59 at para 205.

1327. When it was pointed out to Mr Agrizzi that he did not mention any assistance that Mr Mantashe gave him, he answered that one did not know what other assistance was happening behind the scenes, similar to the situation with Ms Mokonyane.<sup>2268</sup>
1328. In his further affidavit,<sup>2269</sup> Mr le Roux identified several invoices in respect of components for work done at Mr Mantashe's houses at Cala and Elliot. The total value of these invoices was R69,723.54, less two credit notes of R12,713.28.<sup>2270</sup> Again, the invoices were made out to Mr Agrizzi, as customer, but in the "order no." field appears, variously, "farmhouse 1", "farmhouse 2" or "farmhouse".<sup>2271</sup> Mr le Roux recalled flying down to Port Elizabeth to meet with the person in charge of Mr Mantashe's security, Mr Mzonke. He later attended to the installation with two other technicians which took approximately 16 days. The aggregate cost for the equipment, labour, vehicle travel costs and accommodation was R201,460,26. This excludes the cost of air travel and additional purchases made on Mr le Roux's credit card.
1329. The above also excludes work done at Mr Mantashe's Boksburg residence which was done by a sub-contractor whose name Mr le Roux could not recall. These invoices were submitted directly to Bosasa. At the Boksburg premises, a security system was installed by a sub-contractor, as well as access control and external lights. All security and containment equipment was supplied by Bosasa. The labour was performed by the subcontractor. When these items required replacement, Mr Leshabane also instructed that a DVR and UPS be booked out of the Bosasa store to Lindela, but installed at Mr Mantashe's Boksburg premises.<sup>2272</sup>

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<sup>2268</sup> Transcript, day 76, p 124.

<sup>2269</sup> Exhibit T21.

<sup>2270</sup> Exhibit T21, p 8 and RLR4.

<sup>2271</sup> The supplier in each instance is "Regal Distributors SA (Pty) Lt t/a Regal West".

<sup>2272</sup> Exhibit T21, p 11.



1330. Mr le Roux also confirmed that they assisted Mr Mantashe with maintenance work and also assisted his security person, Mr Mzonke, with playing back security camera footage. To this end, he attached a WhatsApp message from Mr Mzonke requesting such assistance.<sup>2273</sup>
1331. Mr Mantashe admits that cameras were installed at his properties in Boksburg, Elliot and Cala in the Eastern Cape.<sup>2274</sup>
1332. Mr Mantashe explained that he had experienced attempted break-ins at his property in Boksburg. He therefore had a discussion with his security advisor (employed by the ANC) to deal with his security. It was then agreed that cameras should be installed. The task was handed over to his security advisor, Mr Mzuphela "Mzonke" Nyakaza ("**Mr Nyakaza**"), to attend to. However, Mr Leshabane later offered to give Mr Nyakaza "better cameras because the cameras we got from Game, were of [a lesser] quality".<sup>2275</sup> The camera installation at the Boksburg premises was done in July 2013.<sup>2276</sup> After the success of the installation done in Boksburg, this was repeated at Mr Mantashe's Eastern Cape properties in 2016.<sup>2277</sup>
1333. When asked who he engaged to install the cameras at his Eastern Cape properties, Mr Mantashe explained that, in the political setting, there is a very strict division of labour. He therefore kept out of the security arrangements and this was handled by Mr Nyakaza.<sup>2278</sup>

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<sup>2273</sup> Exhibit T21, Annexure RLR 5.

<sup>2274</sup> Transcript, day 364, pp 174 and 177.

<sup>2275</sup> Transcript, day 364, pp 176 and 179.

<sup>2276</sup> Transcript, day 364, p 177.

<sup>2277</sup> Transcript, day 364, pp 177 and 178.

<sup>2278</sup> Mr Nyakaza submitted a confirmatory affidavit in support of Mr Mantashe's affidavit confirming the contents thereof insofar as it related to him. See SEQ 6/2019 at pp 27 and 28.

1334. Mr Mantashe testified that Mr Leshabane arrived at his Boksburg house while Mr Nyakaza was installing cameras, remarked that he could find better ones and offered to install the cameras at his own cost.<sup>2279</sup> He described the “arrangement in Boksburg” (i.e. Mr Leshabane paying for the security cameras) continued at the Eastern Cape properties.<sup>2280</sup>
1335. Later, Mr Mantashe testified that he was not aware of who paid for the security installations at the time.<sup>2281</sup> When asked who he thought was paying for the security installations, he said *“Papa and Mzonke and had arrangement that Papa would offer security that were of higher quality and he will do that his own costs (sic).”*
1336. There was a time, however, when he had a discussion with Mr Leshabane about the offer for the cameras at his Boksburg property and who would be responsible for the costs.<sup>2282</sup> Mr Leshabane said that he would assume responsibility for paying the costs. He was not sure what was discussed between Mr Nyakaza and Mr Leshabane regarding the payment of the security cameras at the other properties. He did not enquire whether Mr Nyakaza had approached Mr Leshabane.<sup>2283</sup> Mr Mantashe described the “nitty gritty” of the security arrangements as resting with Mr Nyakaza and that he was approached by his security team on a “need to know” basis. He initially stated that his security was financed by the ANC but later said *“I did not say the ANC would pay for the installation”* and instead remarked that the ANC was “responsible” for his security.<sup>2284</sup>

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<sup>2279</sup> Transcript, day 364, p 186.

<sup>2280</sup> Transcript, day 364, p 188.

<sup>2281</sup> Transcript, day 364, p 188.

<sup>2282</sup> Transcript, day 364, p 190.

<sup>2283</sup> Transcript, day 364, p 196.

<sup>2284</sup> Transcript, day 364, pp 192, 194 and 197.

1337. When I put it to Mr Mantashe that he surely must have asked Mr Nyakaza how it came about that the Eastern Cape properties were also provided with security cameras and who had paid for them, Mr Mantashe said -

"You see, there were difficulties between a legal process and a traditional arrangement .... we help one another in dealing with a number of projects, you see? If Mantashe is going to get married, we come together and [speaking vernacular] and people contribute. The questions that are legal that you are asking now do not arise because we are a group, in a family arrangement we are in a traditional arrangement, people make contributions and those contributions are not looking suspicious until years later there is a Commission."<sup>2285</sup>

1338. In response to further questioning, he said that he had been told that Mr Nyakaza and Mr Leshabane had agreed to extend the arrangement to the Eastern Cape properties, but he did not establish who had approached who in this regard.<sup>2286</sup>

1339. At the time the security installations were funded by Mr Leshabane (approximately 2013), Mr Mantashe was the Secretary-General of the ANC. The installations undertaken in 2016 occurred when he was still Secretary-General of the ANC.<sup>2287</sup>

1340. Mr Mantashe explained that the ANC "does not have a pile of money to pay for that and that" and may not have budgeted for security for a person notwithstanding them needing it. That is the reason why his security was handled by his own team and Mr Leshabane assisted them as opposed to the ANC. This arrangement with Mr Nyakaza was done "*with that setup of a family*".<sup>2288</sup>

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<sup>2285</sup> Transcript, day 364, p 195.

<sup>2286</sup> Transcript, day 364, p196.

<sup>2287</sup> Transcript, day 364, p 199.

<sup>2288</sup> Transcript, day 364, p 198.



1341. Mr Mantashe was aware that Mr Leshabane was working at Bosasa at the time he funded the security installations, but stated that "we [as in the ANC] had no tensions with Bosasa at the time".

Yes. Even if he worked for the Department of the Justice, whether he would have been working for the ANC or somebody, that is not material. Papa Leshabane offered to give us cameras of superior quality in a project we are undertaking." (sic)

1342. He did not enquire whether Mr Leshabane was funding the security from his own pocket or through Bosasa as he considered it none of his business. He furthermore did not ask how much the installation cost because the security team was working on that and they were satisfied with it.<sup>2289</sup>

1343. He went on to say that he did not have a problem at the time that Mr Leshabane was working at Bosasa because it was a group that was initiated by ANC women.<sup>2290</sup> Mr Mantashe was asked if Mr Leshabane indicated whether the money was going to come from his pocket or from Bosasa. He answered that Leshabane said that "he will carry the cost". Then came the following exchange:

"EVIDENCE LEADER: And you did not bother to ask him where he would get the money to carry the cost?

MINISTER MANTASHE: Why would I do that? I do not ask people's earnings, it is not my business, I do not tell people my earnings"

1344. When asked whether he was aware at the time that Bosasa had been awarded contracts by the government, Mr Mantashe responded that he was not in government at the time and that the only thing he knew about Bosasa was the West Rand Youth

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<sup>2289</sup> Transcript, day 364, pp 199 to 202.

<sup>2290</sup> Transcript, day 364, p 203.

Centre. Other contracts "were really not [his] business".<sup>2291</sup> Mr Mantashe was not uncomfortable with Mr Leshabane paying for his security installations because, even though Bosasa had contracts with a number of government departments who had ministers, he was not one of those ministers.<sup>2292</sup>

1345. It was put to Mr Mantashe that the Secretary-General and the executive committee of the ANC were very influential in government appointments including the appointment of government ministers. Mr Mantashe confirmed that, as Secretary-General of the ANC, he formed part of the NEC. He however stated that it would be unfair to ask him questions on the appointment of ministers and high-ranking government officials given that the Commission has asked the NEC to "come here and explain the issue of deployment" and it would be incorrect for him to be asked to give that evidence on 19 March 2021. Nevertheless, Mr Mantashe explained that there was a deployment committee in the ANC and the Secretary-General was not a member of this committee. Deployment of ministers is the prerogative of the President. However, in terms of ANC policy, the President should first consult with the officials and then the NEC. It is not the NEC appointing cabinet, it is the President.<sup>2293</sup>

1346. Mr Mantashe knew of Mr Watson from his time working with the mines. To his knowledge, Mr Watson had tried to bribe shop stewards to secure catering contracts at the time. He was aware that Mr Watson was the CEO of Bosasa. When it was put to him that it was strange to accept the funding from Mr Leshabane who was employed by a company headed by a person that previously attempted to bribe shop stewards, Mantashe stated that he was not worried about this because he is not a person amenable to bribes and is known for this.<sup>2294</sup> When questioned further in this regard

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<sup>2291</sup> Transcript, day 364, p 204.

<sup>2292</sup> Transcript, day 364, p 211.

<sup>2293</sup> Transcript, day 364, pp 206-208.

<sup>2294</sup> Transcript, day 364, p 214.



he said “[w]hen you run a project and in a collective situation of a similar arrangement people make contributions, it happens from time to time, I contribute to many of such projects”. Now that he is a minister, Mr Mantashe stated that gifts arising from a social arrangement would be declared.<sup>2295</sup>

1347. It was put to Mr Mantashe that Mr Watson adopted a clan name and was asked whether he knew it. He answered “I do not know. If you know that he has the clan name, tell us.” Mr Mantashe did not dispute that Mr le Roux was present at the installation of the security cameras but did not remember speaking to him. He was questioned about Mr le Roux’s recollection that Mr Mantashe arrived in a red “FJ Toyota Cruiser” and was asked whether he remembered having a car like that. He said, “I do not remember I had it”. He did not recall that, using Mr Watson’s clan name, he told Mr le Roux that he should thank Mr Watson on Mr Mantashe’s behalf for the installations. Mr Mantashe said that that was the reason why he wanted to cross-examine Mr le Roux.<sup>2296</sup>

1348. Mr Mantashe was again questioned about Mr Watson’s clan name<sup>2297</sup> and whether it was Scally or Secaly. He answered “[i]t is not Secaly. It is not close to that. I know that”, demonstrating that he did in fact know Mr Watson’s clan name. He was again asked what the clan name was. He answered “People, you see you want me to give you information to use it against me, you know.” When pressed on the issue, he said “Gavin Watson was known as Radebe”.

1349. No invoices were sent to Mr Mantashe for the installations at the Boksburg or Eastern Cape properties. He therefore did not know the cost of the installations. Mr Mantashe

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<sup>2295</sup> Transcript, day 364, p 214.

<sup>2296</sup> Transcript, day 364, p 217.

<sup>2297</sup> The transcript refers to a “claim name” but this is clearly a reference is to a clan name.



did not dispute the costing provided by Mr le Roux because he had no dealings with Mr le Roux or Mr Agrizzi. He pointed out, however, that there was a dispute regarding the cost as between Mr le Roux and Mr Agrizzi, with Mr Agrizzi almost doubling the cost, which, to Mr Mantashe appeared suspicious. When asked whether he discussed the discrepancy as between the cost from Mr le Roux and Mr Leshabane, Mr Mantashe explained that he had no reason to get involved because Mr Leshabane assumed the cost of the installations.<sup>2298</sup>

1350. Under examination by his counsel Mr Mantashe confirmed that he was familiar with the Commission's terms of reference and that at the time of the security installations at his properties he was not (i) a Minister in government; (ii) an office bearer of any State institution; (iii) an office bearer in any organ of state or (iv) a director of a board of a State-owned entity. At the time, he was the Secretary-General of an NGO, i.e. the ANC. Mr Mantashe said that the obligation to declare gifts only arises now that is a Minister, an obligation with which he said he complied strictly.<sup>2299</sup>

1351. Mr Mantashe testified that he did not remember meeting Mr Agrizzi and therefore did not discuss any of Bosasa's business with him. He did not do any favours for Bosasa, nor had any influence on the work of Ministers.<sup>2300</sup> He furthermore did not discuss Bosasa business with Mr Watson, nor was he aware that he was called a "special project" within Bosasa. Mr Mantashe denied receiving anything from Bosasa or being assisted by it. He referred to the impression that he had some influence as being an

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<sup>2298</sup> Transcript, day 364, pp 226-230.

<sup>2299</sup> Transcript, day 364, pp 232 and 233.

<sup>2300</sup> Transcript, day 364, pp 234 and 244.

assumption. Mr Mantashe denied doing any business with Mr Leshabane or being asked for a business favour.<sup>2301</sup>

1352. When asked to comment on the list of equipment Mr Le Roux stated was installed at Mr Mantashe's premises, Mr Mantashe confirmed there were security cameras but denied there being an intercom because there is no fence.<sup>2302</sup>
1353. Mr Mantashe pointed out that there was clearly no "malice" associated with the upgrades at his properties, nor any agreement with Mr Agrizzi and Mr Watson regarding the upgrades, given that Mr le Roux referred to his upgrades as "Project Mantashe" whereas the other Bosasa special projects had code names. He pointed out that Mr Leshabane had confirmed under oath that Mr Leshabane had acted of his own volition in installing the upgrades.<sup>2303</sup> It was later put to Mr Mantashe that Mr le Roux referred to his project as GM.<sup>2304</sup> Mr Mantashe's response was "Mr Le Roux in his affidavit says: 'My project was called Project Mantashe.' Now as I am after told he is giving the name Project GM that would be my submission (sic)."
1354. Apart from the above, Mr Mantashe pointed out that the cost of the upgrades provided by Mr le Roux were clearly described as an estimate because Mr le Roux could not match certain invoices to premises. The vast discrepancy between the estimates from Mr Agrizzi (R650,000), Mr le Roux (R300,000) and Leshabane (between R30,000 and R70,000) demonstrates the confusion on the estimates.<sup>2305</sup>

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<sup>2301</sup> Transcript, day 364, pp 234-236.

<sup>2302</sup> Transcript, day 364, p 237.

<sup>2303</sup> Transcript, day 364, pp 239 and 240.

<sup>2304</sup> Transcript, day 364, p 252.

<sup>2305</sup> Transcript, day 364, pp 242 and 243.

1355. Mr Mantashe pointed out that he had offered to come before the Commission even though he was not working within a State institution at the time of the security installations.<sup>2306</sup> In response to assertions that he had "aided and abetted to help state capture", he pointed out that, as the ANC, they had supported the Commission and replicated research on corporate or state capture. It is only once the Commission has unearthed evidence of state capture that it can be claimed to exist. He denied having assisted in state capture in any way.<sup>2307</sup>

1356. Following questions posed by the Chairperson, Mr Mantashe confirmed:

1356.1. He had no knowledge of whether the security installations were paid for by Mr Leshabane personally or through Bosasa.

1356.2. His knowledge is simply that a family friend, Mr Leshabane, had offered to have cameras of a better quality installed at Mantashe's properties. This was an arrangement between Mr Leshabane and Mr Nyakaza.<sup>2308</sup>

1357. However, he states that this was not done at his request nor was it done to solicit any favours from him by officials of Bosasa. At the time of the upgrade, he was not in executive government. He stated that Mr Leshabane (as a long-time friend) offered to provide his head of security with high quality CCTV and security systems and that the costs were borne by Mr Leshabane. Mr Mantashe was advised by Mr Leshabane that this project did not form part of the special projects referred to by Mr le Roux. In

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<sup>2306</sup> Transcript, day 364, p 244.

<sup>2307</sup> Transcript, day 364, p 246.

<sup>2308</sup> Transcript, day 364, p 250.



addition, there was no agreement with Mr Watson or Mr Agrizzi regarding the security upgrades.<sup>2309</sup>

### **Mr Thabang Makwetla**

1358. Mr le Roux testified that the Special Projects team attended to Project Bramley. This involved a security installation for Mr Thabang Makwetla, the Deputy-Minister for Correctional Services. According to Mr le Roux, this was on instruction from Mr Watson and, at the time, even Mr Agrizzi was not aware of the project.<sup>2310</sup>

1359. Mr le Roux stated that the work undertaken for Mr Makwetla included the installation of a full electric fence and alarm systems, maintenance on these systems, installation of an IP CCTV system, Cathexis Server and off-site monitoring capabilities. The approximate value of the work undertaken was R308,754.25.<sup>2311</sup>

1360. Save in respect of its value, Mr Makwetla testified that Mr le Roux's version, generally, about the security installation that was done by Bosasa at his residence is accurate.<sup>2312</sup> In providing context to the matters raised, Mr Makwetla testified that he received a telephone call in early-2015 from Mr Watson, requesting an urgent meeting. Mr Makwetla obliged and met with him. At the meeting, Mr Watson raised concerns that the DCS did not understand the catering industry which, according to Mr Watson, was on the verge of a crisis. Mr Watson indicated that an upward adjustment to the pricing (of the rates in terms of the catering contract with Bosasa) was required.<sup>2313</sup> Mr Watson explained to Mr Makwetla that two other companies also providing catering services

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<sup>2309</sup> Mr Mantashe's application to cross-examine, p 5.

<sup>2310</sup> Transcript, day 44, p 95.

<sup>2311</sup> Exhibit T21 paras 53-67 pp 12-14.

<sup>2312</sup> Transcript, day 364, p 264.

<sup>2313</sup> Transcript, day 364, p 265.

to the DCS at the time, had wanted to sell to Bosasa, and that Mr Watson had discovered that these companies' rates were higher than Bosasa's rates.<sup>2314</sup> Mr Watson had requested that Bosasa be paid at the same rate as the other two companies.<sup>2315</sup> He requested the Ministry's intervention to assist in the renegotiation of the rates because Bosasa's catering operations were not making money. Mr Watson indicated that Bosasa should be paid at the same rate as the other two companies and requested Mr Makwetla's assistance. Mr Makwetla took this suggestion to the accountant general of the Department.<sup>2316</sup>

1361. In the course of a discussion about the festive season that had recently passed, Mr Makwetla informed Mr Watson of a burglary that had taken place at his residence in Johannesburg and explained that he had been unable to source a service provider to install an electric fence at his premises because of the time of year. Mr Watson indicated that Bosasa could assist him very quickly. Mr Makwetla testified that he was surprised because he had visited Bosasa in December 2014 to familiarise himself with its operations and the services being provided to the Department, and that he was not aware that Bosasa was involved in home security.<sup>2317</sup> Mr Makwetla said that he was pleased to be advised that Bosasa did home security and had asked Mr Watson to send a team to his residence to do an evaluation and to provide a quotation.<sup>2318</sup>

1362. Mr Makwetla was questioned on whether he found it strange that Bosasa would provide him with security services when it had a contract with the Department and had requested his intervention on its behalf regarding its rates in terms of its contract. He

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<sup>2314</sup> Transcript, day 364, pp 280-281.

<sup>2315</sup> Transcript, day 364, p 282.

<sup>2316</sup> Transcript, day 364, pp 282-283.

<sup>2317</sup> Transcript, day 364, p 266.

<sup>2318</sup> Transcript, day 364, p 267.

said "[n]o, not at all" because he requested a service that he was going to pay for, so there was no conflict of interest. He further pointed out that Mr Watson had requested his assistance on the rates before he raised his home security.<sup>2319</sup>

1363. When Mr Makwetla returned to his residence a week or two after he had met with Mr Watson, he found that the installation of security features was almost complete, and the only outstanding work was because the Bosasa team did not have access to the inside of his house. He arranged for his son to allow them access during the week to complete the work as he was in Cape Town during the week and lived in a government house in Pretoria.<sup>2320</sup>

1364. Mr Makwetla testified that he telephoned Mr Watson enquiring about the cost because he had not yet been provided with a quote. Mr Watson said that it should not worry him and that he would explain everything when they next met. Mr Makwetla was anxious because he observed aspects of the installation that he had not requested and did not understand the purpose of, and was keen to meet with Mr Watson as soon as possible.<sup>2321</sup>

1365. Mr Makwetla testified that he could not do much at the time because the works were almost complete and because of his relationship of mutual respect with Mr Watson. He did not want to undermine their comradeship and he sought a resolution in a way that would not suggest that he was "playing to the gallery and wanting to make [himself], you know, a better more disciplined person in terms of, you know, appearance, you know, to procedure."<sup>2322</sup>

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<sup>2319</sup> Transcript, day 364, pp 283-284.

<sup>2320</sup> Transcript, day 364, p 268.

<sup>2321</sup> Transcript, day 364, p 268.

<sup>2322</sup> Transcript, day 364, pp 286-287.



1366. Upon his return to Johannesburg at the end of the week, Mr Makwetla met with Mr Watson who said that he would not charge him for the work because the cost was insignificant to him. Mr Makwetla said that he was shocked at the time because he thought that Mr Watson would appreciate that he could not make such an offer because Bosasa was doing business with the DCS at the time. Mr Makwetla explained to Mr Watson that he could not accept a favour from Bosasa for this reason. Mr Makwetla also testified that he did not expect Mr Watson to make such a proposal because he had heard about reports in the media about Bosasa, as far back as six years prior to 2015 when he was the Premier of Mpumalanga, and that a person would not want to be involved with Bosasa.<sup>2323</sup>

1367. Mr Makwetla said that he was left frustrated at the time and was worried. He testified that Mr Watson, who was a very strong character, was insistent. Mr Makwetla said that he put continuous pressure on Mr Watson to provide an invoice to him, but that Mr Watson refused. He knew that he was caught in "an unfortunate situation" where a comrade said he would do him a favour that he rejected, and that Mr Watson did not want to understand his material conflict of interest.<sup>2324</sup>

1368. Mr Makwetla testified that he resolved to take the matter up with then-President Zuma because Mr Watson had indicated that he had access to the President whom he saw from time to time. Mr Makwetla was of the view that the President would take it up with Mr Watson and explain that it could not be allowed. Despite several attempts by Mr Makwetla to meet with President Zuma, no meeting took place. According to Mr Makwetla his pursuance of an audience with the President "got compromised by a stance I had taken [concerning] positions that were taken by the leadership of the

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<sup>2323</sup> Transcript, day 364, pp 268-269.

<sup>2324</sup> Transcript, day 364, p 270.

military veterans. of MK, MKMVA....[which were] very problematic and were very controversial."<sup>2325</sup>

1369. Mr Makwetla indicated that he secured a meeting with President Ramaphosa in December 2018 (although he had requested a meeting from January 2018) to brief him about the matter. By the time he met with President Ramaphosa, the fact of the installation at his residence had been made public. Mr Watson had contacted him, acknowledged that Mr Makwetla had been correct and apologised for what he had done. Mr Watson indicated that he would send an invoice to Mr Makwetla who advised Mr Watson that the damage had been done and that he should direct his apology to Parliament's Ethics Committee. Mr Makwetla attached a draft letter that Mr Watson had sent him at the time to his submission to the Ethics Committee. In the letter, Mr Watson proposed that Mr Makwetla pay the amount to a charity organisation, which Mr Makwetla refused to do instead insisting Mr Watson send him the invoice.<sup>2326</sup>

1370. The invoice was for an amount of R90,000 including VAT but it was not itemised. Mr Makwetla indicated to Mr Watson that he "[did] not have that budget" and that he was only going to pay for the items that he had requested and not for the items installed that he had not requested. Mr Makwetla paid R25,000, which was never queried or disputed by Bosasa.<sup>2327</sup> Mr Makwetla testified that he did not obtain a quotation to assess the value of the work at the time; instead he used a previous report by the government that had assessed the security measures at his residence.<sup>2328</sup> Mr Makwetla had made the payment by the time that he met with President

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<sup>2325</sup> Transcript, day 364, pp 270-272.

<sup>2326</sup> Transcript, day 364, pp 272-273.

<sup>2327</sup> Transcript, day 364, pp 273-275.

<sup>2328</sup> Transcript, day 364, pp 308-310.



Ramaphosa.<sup>2329</sup> The payment was made in two separate amounts – one of R15,000 (for the installation of the electric fence) and a second of R10,000 (for the repair to the home installation).<sup>2330</sup> It was done on this basis because Mr Makwetla did not have the full amount at his disposal to pay at one time.

1371. Mr Makwetla testified that he did not disclose the security installation in the declaration of member's interest to Parliament because he had refused the favour and was attempting, at the time, to obtain an audience with the President. He had intended to pay it after President Zuma had discussed the matter with Mr Watson. Mr Makwetla also indicated that he chose to take the matter to the President in terms of the Executive Ethics Code as it arose within the realm of his duties as Deputy Minister and not as a member of Parliament.<sup>2331</sup> In response to a question from the evidence leader regarding the Ethics Committee's finding against Mr Makwetla that he should have brought the situation to the registrar's attention if in doubt, Mr Makwetla said that he did exactly that – he brought the matter to the President's attention, under the Executive Ethics Code, within the realm of his duties as Deputy Minister.<sup>2332</sup>

1372. Mr Makwetla testified that he had no knowledge of the confirmation of the Ethics Committee's finding by the Joint Committee. Mr Makwetla indicated that he is in the process of challenging the procedure undertaken by the Ethics Committee as he was not provided with an opportunity to appear before the Committee. Mr Makwetla further testified that the matter was not put before the plenary as required because Parliament

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<sup>2329</sup> Transcript, day 364, p 277.

<sup>2330</sup> Transcript, day 364, p 311.

<sup>2331</sup> Transcript, day 364, pp 290-291.

<sup>2332</sup> Transcript, day 364, pp 299-300.



had come to the end of its term. Mr Makwetla was of the view that the matter was dealt with in a highly irregular manner.<sup>2333</sup>

1373. The Ethics Committee found Mr Makwetla guilty of breaching certain provisions of the code in that he had breached the public trust when he allowed Bosasa to conduct work at his private residence that was not paid for. Mr Makwetla explained that he did not agree with the Ethics Committee that buying from a company that did business with the Department was a conflict of interest.<sup>2334</sup> Mr Makwetla indicated that there may be circumstances where it would differ and be dependent on the specific facts. He said that he had requested a quote from Mr Watson because he had still wanted to confirm the amount to protect himself. Mr Makwetla admitted that he knows now that doing so was a conflict of interest but that at the time, he did not know that a situation such as this would arise.<sup>2335</sup>

1374. In response to a question about why Mr Makwetla was involved with Bosasa personally with the knowledge of the various allegations against it, Mr Makwetla testified that he was unaware of the SIU Report until 2019 when he was provided with a copy one or two months before the end of his term in the Department. The SIU Report was also not mentioned in the hand over report he received when taking up office in the Department.<sup>2336</sup> Mr Makwetla said that he was aware of reports in the media about Bosasa while he was in the provincial government but that he did not understand the issues around it at the time. When he joined the Department, he experienced persons speaking in hushed voices about Bosasa and that it should not

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<sup>2333</sup> Transcript, day 364, pp 300-307

<sup>2334</sup> Transcript, day 364, pp 292-295.

<sup>2335</sup> Transcript, day 364, pp 296-299.

<sup>2336</sup> Transcript, day 364, pp 315-216.

receive contracts, but that he did not know where they were coming from and that he knew that there were negative reports at some point in time.<sup>2337</sup>

1375. Mr Makwetla confirmed that, in hindsight, what transpired regarding the security upgrades at his residence was regrettable because he "never even suspected that Gavin would do what he did". He described it as "a lesson that you know you never know what you are dealing with and I am saying this because now there are the disclosures that we now know that were shared with this ... commission."<sup>2338</sup>

1376. Under re-examination, Mr Makwetla disputed Mr le Roux's evidence that there were five technicians that attended at his residence and testified that there were two technicians who attended with Mr le Roux who arrived in one panel van.<sup>2339</sup> He also disputed the R150,000 labour cost and Mr le Roux's evidence that it took 21 days to complete the installation.<sup>2340</sup> Mr Makwetla testified that the system that was installed never worked.<sup>2341</sup> Mr Makwetla also testified that he only ever had a professional relationship with Mr Watson.<sup>2342</sup>

## **Bosasa and the ANC**

### The "war room" for the ANC

1377. Mr Agrizzi referred to the setting up of operational centres for elections as the "War Rooms". He was asked to explain what the War Room referred to in a newspaper

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<sup>2337</sup> Transcript, day 364, pp 319-320.

<sup>2338</sup> Transcript, day 364, p 328.

<sup>2339</sup> Transcript, day 421, p 90.

<sup>2340</sup> Transcript, day 421, pp 91-93.

<sup>2341</sup> Transcript, day 421, pp 94-95.

<sup>2342</sup> Transcript, day 421, p 109.

article was, how it came about that Bosasa funded and created the War Room, and how it was run.<sup>2343</sup>

1378. Mr Agrizzi testified that "War Rooms" were set up for Mr Zuma for the ANC's national conference in Mangaung in 2012 and for the ANC for the national elections in 2014 and the local government elections in 2016 and certain other elections.<sup>2344</sup> Although Mr Agrizzi was told to get the centres running, he did not get involved in what he referred to as the "*nitty gritty*" because this task would consume the company for up to two or three months at a time.<sup>2345</sup>

1379. Mr Agrizzi testified that Bosasa had a massive call centre. One half dealt with government fleet contracts. The other half was vacant. It was initially built to deal with the integration of CCTV access control for the DoJ&CD but that never happened. Mr Agrizzi was told to kit out the centre with new computers, new video boards and ANC branding. They also had to convert the lodge for volunteers and provide them with food three times a day because some ministers were at the facility. Mr Agrizzi said, if he asked a question about these War Rooms, he was told to just shut up and do it and that everything, like the SIU matter, would go away.<sup>2346</sup>

1380. Mr Vorster testified that in approximately 2014, he was instructed by Mr Watson, Mr Leshabane and Mr Gumede to set up the vacant half of the Kgwerano call centre for the ANC to run its call centre prior to the national elections. All related expenses were covered by Mr Vorster's allocated budget for Kgwerano.<sup>2347</sup>

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<sup>2343</sup> Transcript, day 75, p 84.

<sup>2344</sup> Transcript, day 75, p 84 and 85. The date of 2012 is obtained from research on the internet, not from the evidence. Mr Agrizzi simply referred to Mangaung.

<sup>2345</sup> Transcript, day 75, p 85.

<sup>2346</sup> Transcript, day 75, p 85; Mr Agrizzi's Supplementary Affidavit, p 16 at para 15.14.

<sup>2347</sup> Transcript, day 43, p 161.



1381. Apart from the setup costs of the War Rooms, Bosasa also ended up paying the volunteers. Mr Agrizzi referred to the cost of running the War Rooms as amounting to millions and millions of rand because it was dedicated lines, dedicated data and live streaming for what he referred to as a "*mega operation*".<sup>2348</sup> These War Rooms were done for the ANC on request. In respect of this particular incident, the request was made by Ms Mokonyane. Neither Ms Mokonyane nor the ANC were billed for the operations.<sup>2349</sup>

1382. In response to an email produced by Mr Agrizzi which appears to be a report of the call centre statistics and canvassing information reports, to Ms Mokonyane's PA,<sup>2350</sup> Ms Mokonyane pointed out that there was nothing untoward about the contents of the email. The email was providing information in terms of canvassing and voter turnout.<sup>2351</sup> She indicated that she only had brief interactions with Mr Agrizzi when operations were live at events such as this and all arrangements were done between Bosasa and the ANC directly and not with Ms Mokonyane personally.<sup>2352</sup>

1383. Mr Vorster testified that, after the national elections, Bosasa Operations paid for a function at its premises which was managed by the general manager of the office park, Mr Allister Esau. The process was driven from the ANC side by Ms Mokonyane.<sup>2353</sup>

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<sup>2348</sup> Transcript, day 75, p 85.

<sup>2349</sup> Transcript, day 75, p 86.

<sup>2350</sup> Annexure AG1 to Mr Agrizzi's affidavit in response to Mokonyane's application.

<sup>2351</sup> Transcript, day 235, p 97.

<sup>2352</sup> Transcript, day 235, p 98.

<sup>2353</sup> Transcript, day 43, p 163.

1384. In addition, there were some local election operations conducted by Bosasa during which they provided the software to provide statistics on the new video board. Bosasa ran the facility with military precision.<sup>2354</sup>
1385. Mr Agrizzi was asked whether Bosasa's name was up for everybody to see at the War Rooms. Mr Agrizzi explained that Bosasa was not branded everywhere; however, it was done subtly. For example, people would eat in the diner and see the Bosasa campus and would be impressed by what they saw.<sup>2355</sup>
1386. Mr Agrizzi explained that people would know that Bosasa was involved because there were many times where Ministers and MECs visited the facilities.<sup>2356</sup>
1387. Mr Agrizzi explained that Bosasa ran a branding division that customised its marketing campaigns depending on the visitors or occasion being held at the campus.<sup>2357</sup> For this reason, Mr Agrizzi was certain that the leaders at Mangaung would have known that Bosasa was involved in those operations.<sup>2358</sup>
1388. Reference was made to Exhibit MM to Mr Agrizzi's Supplementary Affidavit. Mr Agrizzi was asked to confirm whether this type of installation showed in the exhibit was the type that was referred to in his evidence to assist the ruling party during the election campaigns. Mr Agrizzi responded that the screenshot was only about 30% of it and that you would normally see distinctively all the screens would have a logo on and there were about 30 or 32 cubicles in total.<sup>2359</sup> Mr Agrizzi indicated that the significant

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<sup>2354</sup> Transcript, day 75, p 86.

<sup>2355</sup> Transcript, day 75, p 86.

<sup>2356</sup> Transcript, day 75, p 86.

<sup>2357</sup> Transcript, day 75, p 86.

<sup>2358</sup> Transcript, day 75, p 87.

<sup>2359</sup> Transcript, day 76, p 129.

parts of the installation were not shown in the screenshot which included large screens which were the size of the Chairperson's backdrop at the Commission. With the additional equipment and items that he states were not visible on this photo (which included a massive screen), the cost of these would be millions.<sup>2360</sup> The photo that appears on Annexure MM of Mr Agrizzi's Supplementary Affidavit reflects more or less what the War Room would look like.

1389. Mr Agrizzi indicated that the installation and its operation for Mangaung lasted two months. The installation and operation for the national elections ran for two to three months. This operation was stationed at the Bosasa head office.<sup>2361</sup>

1390. The call centre at the Bosasa head offices housed 100 call centre seats and it was split in two – the operational side on the right-hand side and the left-hand side is reserved for the "War Room" type of operation.<sup>2362</sup>

#### Response by the President of the ANC

1391. In his opening statement before the Commission, appearing as President and former Deputy-President of the ANC, President Ramaphosa stated that the government and the governing party would not shy away from appearing before the Commission so that they may shed light on the matters it is dealing with and assist the Commission in fulfilling its mandate.<sup>2363</sup> President Ramaphosa indicated that the Commission is the instrument through which South Africa as a nation seeks to understand the nature and extent of state capture and to confront it, to hold those responsible to account and to take the necessary measures and steps to ensure that such events never occur

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<sup>2360</sup> Transcript, day 76, p 129.

<sup>2361</sup> Transcript, day 76, p 130 and 131.

<sup>2362</sup> Transcript, day 76, p 131.

<sup>2363</sup> Transcript, day 384, pp 11-12.



again.<sup>2364</sup> President Ramaphosa explained that the ANC's position was to support the objectives and work of the Commission, knowing that it would be placed under great scrutiny and that the process of examining matters would very likely be difficult and painful for the ANC.<sup>2365</sup>

1392. In the President's affidavit, he explained that, despite the absence of an official policy on donations, there is an expectation in the ANC, based on the ANC constitution, its principles and values, that the ANC would not knowingly accept monies that are the product of a criminal act, are offered in exchange for favours or from a source known to engage in illegal or unethical activities.<sup>2366</sup> President Ramaphosa confirmed the principle that the ANC would not knowingly receive funding from tainted hands. He explained that breaches of the principle present a problem because the money would have already been donated to the ANC, and, as a political party that is strapped for cash, the money would be used for a variety of activities that would not allow for a refund. President Ramaphosa further explained that these issues would be addressed through the Political Funding Act, which would bring about transparency and was in many ways "*revolutionary*".<sup>2367</sup>

1393. It was put to President Ramaphosa that it must have been known to parties in government, the administration and the executive that Bosasa was heavily reliant on government contracts, particularly the Department of Correctional Services, and that it must have been known that the ANC benefitted as well, including through the elections war room and Mr Zuma's birthday party. President Ramaphosa was asked how it could have happened that the ANC continued to receive benefits from a

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<sup>2364</sup> Transcript, day 384, p 13.

<sup>2365</sup> Transcript, day 384, pp 13-14.

<sup>2366</sup> Transcript, day 384, p 139.

<sup>2367</sup> Transcript, day 384, pp 140-141.

company that relied heavily on government contracts without a thorough investigation of what was taking place.<sup>2368</sup> President Ramaphosa responded that *"it did happen."* He said that it was one of the anomalous events that did happen. He said that it was prominent in his mind to see what they could do to prevent it from happening and that, on the one hand, the Political Funding Act *"is going to be our saviour."*<sup>2369</sup> President Ramaphosa further testified that, if a company donated money to a political party, and in some form does business with government, but the funding is not provided in return for getting<sup>2370</sup> contracts, and it happens openly and transparently, then it should not be a problem. Transparency, openness and a limitation on the amount donated were described as measures of control that would stop any entity being able to have control over a political party.<sup>2371</sup> That situation is "in a different category". However, President Ramaphosa went on to say -

"But in this case, it did happen and there is no way of running away from it or even hiding it, because it did happen that company BOSASA had contracts with government and which funded an ANC election room and all that. ...having happened, unless there is something criminal about it, which should be pursued following the investigation by the Commission, we should now say how do we make sure that we move to a new situation where they do not have a capture of that sort."<sup>2372</sup>

1394. I asked President Ramaphosa whether, having regard to the number of years that Bosasa had enjoyed contracts with government departments and the fact that allegations of its involvement in irregular and corrupt contracts were made public in the media over a long period of time, which the ANC ought to have been aware of, the ANC turned a blind eye because it was receiving donations from Bosasa. The

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<sup>2368</sup> Transcript, day 384, pp 141-142.

<sup>2369</sup> Transcript, day 384, p 142.

<sup>2370</sup> The transcript says "vetting", but it must be "getting" that was said.

<sup>2371</sup> Transcript, day 384, p 143.

<sup>2372</sup> Transcript, day 384, p 143.



President indicated that was one of the issues that he would address at the end of his evidence. He acknowledged that I was “*absolutely right*” and that the ANC should have been aware that there were problems in relation to Bosasa obtaining contracts unlawfully and unfairly.<sup>2373</sup>

1395. Relating to the matter of party funding, two issues were put to President Ramaphosa:

1395.1. Firstly, it is difficult to accept that vigilant members of the ANC would not have been aware of the fact that Bosasa was helping the ANC through donations and benefits.

1395.2. Secondly, given that Bosasa was the recipient of large contracts under dubious circumstances from government, how could it be that the party continued to receive benefits from and be financed by Bosasa.<sup>2374</sup>

1396. President Ramaphosa considered the above to be a “very valid” query and accepted that one should have been aware of this at an earlier stage. He stated that he had visited the election centre which Bosasa financed during the election campaign and it “never really...occurred to [him that Bosasa was] bank rolling or [that it] was financing in full that whole centre for – on behalf of the ANC”. He stated that the Treasurer-General and other ANC members who ran the elections were aware but it did not occur to him. President Ramaphosa reiterated that the ANC would not knowingly and intentionally accept donations from companies or donors who had been involved in criminal activity and it should be regarded as a major lapse on the part of the ANC in

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<sup>2373</sup> Transcript, day 384, p 144.

<sup>2374</sup> Transcript, day 385, p 92.



accepting the funding from Bosasa, particularly given that it had been proven that Bosasa had obtained its contracts unlawfully.<sup>2375</sup>

1397. It was put to President Ramaphosa that it was difficult to avoid the conclusion on the facts that, despite stating that the ANC would not knowingly accept donations, there was a breach of this principle in circumstances of the ANC receiving donations from Bosasa while key ANC officials, including the President of the time, knew of the concerns regarding Bosasa's conduct. This was accepted by President Ramaphosa.<sup>2376</sup>

1398. It was put to President Ramaphosa that the reason why there was no reporting of this particular receipt of donations from Bosasa was that the then President was in control of the party. President Ramaphosa responded "Yes, certainly the President plays a very key role in the life [of] the party ... she leads ... and provides leadership and gives direction".<sup>2377</sup>

1399. Turning to the issue of the CR17 donation from Bosasa into the FNB account, President Ramaphosa stated that there were aspects that needed to be considered:

1399.1. The campaign managers had taken a conscious decision that they would not involve President Ramaphosa at all in the fundraising process. This was to create a wall so that those funders who give money would never think that there is anything that they will get in return for such funding. Although he met some of his funders at dinners, it was merely to advise them of what he was seeking to achieve in his candidature.

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<sup>2375</sup> Transcript, day 385, p 93.

<sup>2376</sup> Transcript, day 385, p 94.

<sup>2377</sup> Transcript, day 385, p 95.

- 1399.2. The campaign managers also solicited money directly from President Ramaphosa which he gave and it was put in an account. He had not been and still was not aware of how those funds were managed, save to say that there was proper record-keeping and accounting.
- 1399.3. Seemingly on the basis of hearsay evidence obtained after the event, President Ramaphosa testified that one of his colleagues approached one of the Watson brothers whom the colleague knew from many years previously in the ANC and UDF structures in earlier times. The Watson brother referred to must be Mr Watson, because President Ramaphosa referred to his colleague as knowing him "before he passed away". The colleague specifically indicated to Mr Watson that he wanted him to provide funding in his personal capacity and not through the company. However, the news reports seem to suggest that this money came from Bosasa, although he thought "the money never really came from there".
- 1399.4. President Ramaphosa testified that he was "far away from the finances that financed the CR17 Campaign". He commented that the ANC had arrived at a situation where there were formal campaigns that were now mounted for people to be elected to positions when it should never be a campaign-style type of contestation for leadership. He considered this approach to be regrettable.
- 1399.5. President Ramaphosa testified that it had been said that a billion rand in funding was raised. However, he said that it was never a billion rand but rather that he had been told that the amount that was raised was some R 300 million or so.

- 1399.6. President Ramaphosa said that he had made it clear to his colleagues that he never wanted to be part of a campaign that descended into "deviant ... behaviours that we talk about in the ANC about vote buying and I said that I would rather lose the race ... than have votes bought."
- 1399.7. The campaign funds were used to transport people, for food costs, to hire venues, and for purchasing paraphernalia like T-shirts and caps to be given out for the campaign. There was still a debt that was to be paid after that campaign that happened in 2017.
- 1399.8. The people who were running the campaign were methodical about recording the funds received and the source of these funds. At times, these funds were paid into the accounts of other persons so that they could be used for venues, etc. President Ramaphosa confirmed that he was never involved in this.
- 1399.9. People who donated to the campaign did so before the new law on political party funding came to be and they expected their identity and the fact that they donated to a campaign be kept out of the media. The campaign managers agreed to this confidentiality and President Ramaphosa did not know how much specific donors contributed.
- 1399.10. There was nothing sinister about the CR17 campaign funding. Mr Watson may have transferred money from one account to another which gave the Public Protector the perception that money was being laundered, but there was no such money laundering.
- 1399.11. After the story regarding the alleged Bosasa's contributions broke, President Ramaphosa said to the NEC of the ANC that they needed to regulate how internal leadership contests were managed in the ANC, i.e. the issue of



funding, the management of campaigns, how money should be given and issues of accountability.<sup>2378</sup>

1400. President Ramaphosa accepted that:

1400.1. principles applied to party funding should apply to individual campaigns within the party.

1400.2. there should be a limitation of how much should be given when candidates are raising money for internal contests to avoid a situation where you could have huge amounts coming from one donor. He referred to there now being a limit of R15m. This would allow for greater transparency, openness and confidence in the process.<sup>2379</sup>

1401. President Ramaphosa conceded that there was enough information relating to donations from Bosasa that demonstrated a breach of the principle that the ANC would never knowingly accept donations that were the proceeds of criminal conduct, such that there should possibly have been an internal investigation. However, he pointed out the limitations of a party undertaking such investigations (e.g. the Secretary-General does not have the power to subpoena documents and evidence), but accepted the investigation could have been outsourced.<sup>2380</sup>

1402. The evidence on the role of consultants, former employees and related entities played in furthering Bosasa's business interests is addressed next.

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<sup>2378</sup> Transcript, day 385, pp 96-103.

<sup>2379</sup> Transcript, day 385, p 106.

<sup>2380</sup> Transcript, day 385, p 107.

**The role of consultants, former employees and related entities**

1403. In this section the evidence on the role consultants, former employees and related entities played in furthering Bosasa's business interests is outlined. We canvas –

- 1403.1. Mr Sesinyi Seopela;
- 1403.2. Mr Danny Mansell;
- 1403.3. Venter and Miotto Trading;
- 1403.4. Consilium Business Consultants;
- 1403.5. Lamozeest; and
- 1403.6. Mr Wakeford and Mr George Papadakis.

**Sesinyi Seopela**

1404. Mr Agrizzi was introduced to Mr Seopela during 2005/2006 at a meeting with Mr Watson, Mr Mansell, Mr van Tonder, Mr Leshabane and Mr Watson's children at Tasha's Restaurant at the Hyde Park shopping centre.<sup>2381</sup>

1405. Mr Agrizzi was informed that Mr Seopela was a former bodyguard and driver to the late Mr Peter Mokaba, was a previous ANC Youth League leader, had an LLB degree but had never done articles or practised as an attorney, was very close to the previous detail of the late President Nelson Mandela, was very influential in government circles

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<sup>2381</sup> Transcript, day 76, p 101.

and had been substantially involved with Mr Fana Hlongwane in relation to the arms deal.<sup>2382</sup>

1406. Mr Seopela became employed in Consilium as a consultant and "*was being managed by Dr Jurgen Smith and Watson*".<sup>2383</sup>

1407. Mr Agrizzi referred to a video published by the press in which they referred to Mr Seopela as the "*Commander*". This is because he would command and deal with various people. Mr Watson also referred to Mr Seopela as the "*Commander*".<sup>2384</sup>

1408. Mr Agrizzi described the relationship between Mr Watson and Mr Seopela as being exceptionally close. In this regard, Bosasa paid for Mr Seopela's brother's medical treatment and Mr Watson spoke to Mr Seopela's mother over the phone.<sup>2385</sup>

1409. Mr Watson and Mr Seopela worked on tenders together. In this regard Mr Agrizzi refers to a video that was in the press during which Mr Watson stands up at an imbizo and calls Mr Seopela and asked him to explain as the "*Commander*" what has to be done at night. Mr Agrizzi explained that they would talk about having caucus tenders at night and Mr Gumede would get pulled into these conversations.<sup>2386</sup> Mr Seopela was also instrumental in arranging the meeting with Mr Vincent Smith in 2011 when Mr Agrizzi was asked to accompany Mr Watson.

1410. He was given access to the Bosasa VIP travel account, although his travel expenses were deducted from his Consilium salary.<sup>2387</sup> Although Mr Seopela was provided with

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<sup>2382</sup> Transcript, day 37, p 45.

<sup>2383</sup> Transcript, day 37, p 45.

<sup>2384</sup> Transcript, day 76, p 101.

<sup>2385</sup> Transcript, day 76, p 101.

<sup>2386</sup> Transcript, day 76, p 102.

<sup>2387</sup> Transcript, day 37, p 45.



a company credit card, a fuel card and access to Blakes Travel, Mr Seopela would hire cars on the company account for certain meetings and deliveries but often when Mr Agrizzi met him, he was in a different car. This was prevalent when large sums of the R15,000,000 in cash was paid out in large tranches to his various contacts in the DoJ&CD.<sup>2388</sup>

1411. During 2011, Mr Agrizzi was instructed by Mr Watson to purchase a new vehicle for Mr Seopela along with a company expense card and company credit card for petrol. These expenses were not deducted from his income.<sup>2389</sup>

1412. Mr Agrizzi described Mr Seopela's function as consultant to liaise with potential clients of Bosasa and *"to get involved with politicians which he had introduced us to."*<sup>2390</sup>

1413. According to Mr Agrizzi he was informed by Mr Seopela that the DoJ&CD were looking to investigate the implementation of new security systems, including access control and surveillance equipment. This must have been around 2010.<sup>2391</sup>

1414. Mr Seopela told Mr Agrizzi that he was well-connected with high ranking officials in the NPA, Hawks and the erstwhile Scorpions. Mr Seopela told Mr Agrizzi and others that Bosasa could benefit from his interactions, which went right up to ministerial level, from tenders that were coming out.<sup>2392</sup>

1415. To this end, Mr Agrizzi was instructed by Mr Watson to make cash available to Mr Seopela for purposes of making payments to influential persons. Sometimes, but not

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<sup>2388</sup> Transcript, day 76, p 103; Mr Agrizzi's Supplementary Affidavit, p 52 at para 162.

<sup>2389</sup> Transcript, day 37, p 46.

<sup>2390</sup> Transcript, day 37, p 47.

<sup>2391</sup> Transcript, day 37, p 47.

<sup>2392</sup> Transcript, day 37, p 49.

always, Mr Seopela would inform Mr Agrizzi who the payments were destined for. However, the instruction from Mr Watson was that whatever Mr Seopela asked for should be handed over. Although Mr Watson did not require this, Mr Agrizzi would always still check with Mr Watson about the monies handed over to Mr Seopela, even if it was after the event.<sup>2393</sup>

1416. What impressed Mr Agrizzi about Mr Seopela is that the information which he provided on the basis of his influence would later turn out to be verified as being correct. This was particularly so in relation to the information he gave about the SIU investigation into Bosasa, referred to in more detail above. Mr Agrizzi became involved in supplying the cash to Mr Seopela from 2009 onwards.

#### Payments and the connection to Bosasa's contracts with the DCS

1417. Mr Agrizzi confirmed that all monies handed over for purposes of bribery were recorded in a black book, as discussed above. Each book would last six or seven months, sometimes up to a year. Before the black books, lists were used. Those which he still had, being some lists and one black book, had been handed to investigators.<sup>2394</sup>

1418. Mr Agrizzi then went on to refer to specific beneficiaries of the payments arranged through Mr Seopela. He confirmed expressly that these were bribes. Payments were made on a monthly basis. Bribes to officials in the DCS were initially in the amount of R500,000 per month and, after Mr Tom Moyane was appointed as National Commissioner, increased to R750,000 per month. These payments continued during 2008 to 2016. The reference to the appointment of Tom Moyane as Commissioner is a reference to his appointment as Commissioner of the DCS. The increase from

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<sup>2393</sup> Transcript, day 37, p 51.

<sup>2394</sup> Transcript, day 37, pp 55 and 56.

R500,000 to R750,000 per month was specifically attributed to the appointment of Moyane as Commissioner by Mr Seopela.<sup>2395</sup>

1419. At the time of these payments, Bosasa was enjoying the benefits of contracts with the DCS.

1420. In response to a question from the Chairperson about whether the payment to the DCS was made to a single person or was split amongst a number of officials, Mr Agrizzi testified that *"in terms of the R500,000 initial I know it was being split up ..."* *"and thereafter I presume with the extra they would have split it to the new additions."*<sup>2396</sup>

1421. The money would be packed into a cheap haversack type bag that was bought at the "China Mall", each containing between R50,000 and up to R1m. Mr Agrizzi was confident that Mr Seopela was not pocketing the cash for himself.<sup>2397</sup>

#### Payments and the connection to Bosasa's contracts with the DoJ&CD

1422. The security contract for the DoJ&CD was awarded to a company within Bosasa, being Sondolo IT. Seemingly there was an understanding that 2.5% of the total contract value would be paid out over time to officials of the department by way of bribes. 2.5% of the contract value amounted to R15m in total.

1423. Mr Agrizzi testified that he started calling Mr Seopela the '2.5% man' because Mr Seopela would always insist on a percentage of turnover to be used as the basis for calculating the corrupt fees to be paid, 2.5% of the turnover. In other words, 2.5% had

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<sup>2395</sup> Transcript, day 37, p 57.

<sup>2396</sup> Transcript, day 37, p 59.

<sup>2397</sup> Transcript, day 37, p 60.



to be added to the price because that was the amount that would have to be paid out in gratuities or gratifications.<sup>2398</sup>

1424. From his own knowledge, Mr Agrizzi was aware of four names amongst the DoJ&CD officials who were receiving payments. These were Ms Masha who had a position in the security section within the DoJ&CD, Mr Norman Thobane, Ms Mamsi E Nyambuse head of security, and the fourth person whose name he could not remember at the time of giving evidence. These were smaller amounts in comparison to those paid to some of the other officials. Mr Agrizzi was present when some of these were handed over by Mr Gumede of Bosasa.<sup>2399</sup>

1425. He clarified that he was present on the occasion of one of the payments to Ms Masha. The other three he was present on more than one occasion. In relation to Ms Masha, the handover point was either in a restaurant, the name of which he could not remember, or at the Protea Hotel, Pretoria. This was in "2013/2014 around there".<sup>2400</sup>

1426. Mr Thobane handled the guarding services and was involved with security application services. Mr Agrizzi was present on five or six occasions when moneys were handed over to him. These payments were made at various places including restaurants and at one stage Mr Agrizzi had to take the money to his house. He could not remember the amounts of the payments to Mr Thobane but had them written down somewhere. The same applies to the payments to Ms Nyambuse. One cash handover to Ms Nyambuse took place with Mr Gumede present on "*on the road*". The second time was in a restaurant. He could not recall the other places. He recalled having been

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<sup>2398</sup> Transcript, day 76, p 103.

<sup>2399</sup> Transcript, day 37, p 63.

<sup>2400</sup> Transcript, day 37, pp 65 and 66.

present on the occasion of four or five handovers of money to her. The road was the Pretoria/Krugersdorp road, R24, he thought.<sup>2401</sup>

1427. At a point during his evidence in relation to the DoJ&CD officials who, to his knowledge, received payments, Mr Agrizzi asked to go back to his testimony in relation to Ms Mokonyane. He testified that in relation to her, although no contracts were received –

“When we first met Nomvula Mokonyane we realised that she was extremely powerful. As a matter of fact, we actually referred, myself and Watson, to her as an Energiser bunny. That was the name that we used and the reason for that was because whatever we needed done would be done. If we needed people spoken to it would be done. If we needed protection it would be done. So she was the new person for us and that is why I raised the issue. I think what is – what is very important to note as well is that we knew that if we had any issues we could go to her and it would be sorted.”<sup>2402</sup>

1428. Mr Agrizzi accepted that this was not entirely consistent with his earlier evidence to the extent that it suggested that Bosasa did not receive anything in return from Ms Mokonyane.

1429. Reverting to the payments made to officials of the DoJ&CD, he referred to payments which he said he had been told were made to Dr De Wee, Chief Operations Officer of the DoJ&CD at the time. This name was mentioned to him as a recipient of payments by Seopela. Mr Agrizzi recalled an occasion when he was told that he was late with packing a delivery of cash in an amount in excess of R2m and he was informed that Dr De Wee was very upset with him because he was late in getting the cash delivered to Mr Seopela. This was around 2013/2014. Mr Agrizzi understood that this payment was to be made to a group of people of whom Dr De Wee was one.<sup>2403</sup>

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<sup>2401</sup> Transcript, day 37, p 69.

<sup>2402</sup> Transcript, day 37, p 71.

<sup>2403</sup> Transcript, day 37, p 76.

1430. Dr De Wee, in his statements filed in terms of, *inter alia*, rule 3.4, denied that Mr Seopela had any basis for allegedly mentioning his name to Mr Agrizzi. He denied that he received any payments or was involved in any other wrongdoing and could therefore not have been upset with Mr Agrizzi for any alleged late delivery of money to Mr Seopela. He also made the point that Mr Agrizzi's evidence about him was hearsay.<sup>2404</sup>

1431. Mr Agrizzi filed an affidavit in answer to which Dr De Wee filed a statement in reply.<sup>2405</sup> In his affidavit filed in answer, Mr Agrizzi said that –

1431.1. he was personally aware that Dr De Wee was at all material times very supportive of Sondolo IT; and

1431.2. as told to him by Mr Seopela, Dr De Wee had a difficult relationship with the then Director-General of the DOJ&CD, who was opposed to the appointment as contractors of any Bosasa company, whilst Dr De Wee had always supported Sondolo IT and Bosasa. This allegation was disputed in the replying statement and it was further pointed out that the allegation was not contained in Mr Agrizzi's initial affidavit and evidence.<sup>2406</sup>

1432. In his oral evidence, Dr De Wee read out the statement submitted in support of his rule 3(4) application for purposes of it being recorded under oath. The statement incorporates strenuous denials that Dr De Wee was aware that Mr Seopela was receiving money from Mr Agrizzi and that he received money from Mr Seopela, and that Mr Seopela would have had any basis for mentioning his name or stating that he

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<sup>2404</sup> Exhibit T35, pp 306-308, 313-314.

<sup>2405</sup> Exhibit T35, pp 315-318 and 320

<sup>2406</sup> Index : SEQ15/2019 pp 1-4; 10-16.



(Dr De Wee) was upset with Mr Agrizzi because of a late delivery of money. He pointed to the harm suffered to his dignity and reputation.<sup>2407</sup>

1433. Dr De Wee knew Mr Seopela from their days together on the Azanian Students Organisation, later SASCO.<sup>2408</sup> They may have met again around 2010 but had never had a discussion about security or about business relating to Bosasa. He was unaware that Mr Seopela was a consultant to Bosasa. Dr De Wee said that his professional ethics were demonstrated by his principled decision to step down as first secretary of this Commission when the allegations came out.

1434. Dr De Wee raised as an initial point that, whilst Mr Agrizzi had raised allegations of receipt of moneys during 2012/2013, he had never been given documents pertaining to this period. He also complained about the two-year period it had taken to be given the opportunity to testify in response to the allegations against him.

1435. He confirmed that he was Chief Operations Officer ("COO") for the DOJ&CD from 1 April 2005 until 30 June 2015. Prior to that, he was Director-General for the Free State Province. He was responsible for four directorates within the DOJ&CD, including the security and risk management directorate. He thus had oversight, management and control in relation to all the aspects concerning the operations within the security and risk management directorate.<sup>2409</sup> The chief director of the directorate reported to him.

1436. Dr De Wee asserted that he was not intimately involved in procurement because this was largely driven from the office of the Chief Financial Officer.<sup>2410</sup> However, there were one or two occasions when he chaired the Bid Evaluation Committee ("BEC") ,

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<sup>2407</sup> Transcript, day 425, pp 24 – 27.

<sup>2408</sup> South African Students Congress.

<sup>2409</sup> Transcript, day 425, p 47

<sup>2410</sup> Transcript, 425, p 48.

which made recommendations to the departmental Bid Adjudication Committee ("BAC").<sup>2411</sup> He said that *"the Bid Evaluation Committee will do just technical work to check compliance and so on and maybe see in terms of points who is likely to be ... the best bidder and then submit a recommendation to the departmental BAC. The BAC then makes a recommendation to the accounting officer, being the Director-General, who decides to approve or not to approve."*<sup>2412</sup> He also at times had acted as Director-General. Dr De Wee also explained the concept of a change of scope during implementation of a tender. That, too, had to follow a particular process.<sup>2413</sup>

1437. Reference was made to a service level agreement between the DOJ&CD and Sondolo IT dated 15 July 2009. The contract was for the supply, delivery, installation, commissioning, support and maintenance of a comprehensive CCTV alarm and access control system at various nominated court buildings. The amount of the bid was R601,863,308.80 in respect of 127 court buildings. His signature does not appear on the contract. The agreement in question was signed on behalf of the DOJ&CD by a Deputy Director-General, Mr Vusi Shabalala.<sup>2414</sup>

1438. Dr De Wee confirmed that he was on the BEC for this contract. As COO of the DOJ&CD he "might have been the chairperson of the BEC". Both the BEC and the BAC awarded points.<sup>2415</sup>

1439. Dr De Wee referred to a memorandum dated 10 June 2008 from his office to the BAC<sup>2416</sup> and pointed out that the fact that the bid was issued on 29 February 2008 and closed on 20 March 2008 showed that the market was tested in terms of the PFMA.

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<sup>2411</sup> Transcript, day 425, p 48.

<sup>2412</sup> Transcript, day 425, pp 48-51.

<sup>2413</sup> Transcript, day 425, p 53.

<sup>2414</sup> Transcript, day 425, pp 56 – 60.

<sup>2415</sup> Transcript, day 425, p 61 – 62.

<sup>2416</sup> Exhibit T35, pp 166 – 168.

He could not recall whether it was a closed or open tender. The memorandum also records that pre-qualification was done and, from that process, one bidder was recommended. The bid was evaluated by the BEC on 5 June 2008. The criteria were in the ratio 90/10 where 90 was for price and 10 for functionality. As the memorandum records, the BEC came to the conclusion that the recommended bidder's price was fair and market related.<sup>2417</sup>

1440. Dr De Wee confirmed that two legal opinions were sought before the recommendation was made by the BEC, one from the Department of Justice Law Enforcement Unit and the other from National Treasury.<sup>2418</sup>

1441. In response to the question why these two opinions were sought, Dr De Wee said that they were very worried about the efficacy of physical security in the form of guards with batons and questioned why they were relying solely on that when the security industry had modernised security by using technology. He went on to say -

"it did not start with the 600 million, there was a process before.

So because we did not have capacity in the Department of Justice ... [w]e decided to seek to advertise for this (indistinct - recording distorted) consultant who will then assist us to tell us - to advise us on what specifications would be needed to be able to advertise for such a big tender of 600 million. We did not want to go into this big tender because we did not trust our knowledge, in my understanding".

1442. In answering a request to explain the reason for seeking the two opinions, he referred to a forensic report prepared by Grant Thornton in February 2020 at the instance of

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<sup>2417</sup> Transcript, day 425, p 65.

<sup>2418</sup> Transcript, day 425, pp 67 – 72.



the Director-General at the time, at paragraphs 4.13 to 4.19.<sup>2419</sup> These paragraphs canvas the following developments:

- 1442.1. An internal memorandum dated 23 April 2008 from the "Project Manager", approved by Dr de Wee on 24 April 2008 and recommended by the Director-General on 26 July 2008, sought BAC approval "to proceed to phase one of the National Security Infrastructure Process".
- 1442.2. In response to the issuing of the bid, 18 bid proposals were received by the department. Two bidders were disqualified. 16 bids were evaluated for functionality against a specified minimum threshold of 65%. Four bidders scored above 50%. 11 bidders scored less than 50% and only one bidder scored more than the 65% threshold with a score of 79%.
1443. This was what led to their obtaining the two opinions – "we were just asking whether it is competitive enough ... whether [it] is the right way to proceed."<sup>2420</sup>
1444. The view of the internal departmental legal advisors was that it would not be fair "just to change the prequalification benchmark at this stage" and "would compromise the process". It was therefore recommended that the tender should either be withdrawn and the process started afresh, or the tender should proceed as planned with the sole remaining bidder being allowed to enter the next phase in respect of pricing.<sup>2421</sup>
1445. The Treasury opinion was concerned that "when the bid was advertised with the criterion of 65% prequalification benchmark there might have been potential suppliers who refrained from submitting a bid due to this apparent high qualification score". If

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<sup>2419</sup> Exhibit T35, pp431-432.

<sup>2420</sup> Transcript, day 425, pp 73-78

<sup>2421</sup> Exhibit T35, p 432, para 4.16 – referring to the forensic report prepared by Grant Thornton. Transcript, day 425, pp 77 – 79.

the suppliers who had submitted bids were the only ones given the advantage of a lowering of the threshold to 50%, the potential suppliers who had been put off bidding by the high qualification criteria might claim that the process had been unfair. Treasury therefore recommended that the bid should be re-advertised afresh with the new benchmark.<sup>2422</sup>

1446. Dr De Wee testified that the internal opinion was preferred over that of Treasury because of the urgency of the situation. Following the Treasury opinion would have required a further delay in addressing a problematic situation in the courts.<sup>2423</sup>

1447. In this regard, Dr De Wee referred to a memorandum dated 8 February 2015 referring to physical attacks on magistrates, judges, prosecutors, lawyers and interpreters inside court premises, the stabbing to death of a prosecutor in the Pretoria magistrates' court and the stabbing of a magistrate in the face in Cape Town, along with other instances of criminal activity in the courts.<sup>2424</sup>

1448. Dr De Wee was questioned about why the BAC did not have knowledge of the Treasury opinion calling for the bid to be advertised afresh with the new benchmark.<sup>2425</sup> Dr De Wee responded by contending that the BAC was indeed alerted to the two opinions. In this regard he referred to minutes of a BAC meeting held on 24 April 2008.<sup>2426</sup> Having been alerted to the two opinions, it was up to the BAC to ask for sight of the opinions. In any event, Dr De Wee suspected that the BAC had in fact seen both opinions.<sup>2427</sup>

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<sup>2422</sup> Exhibit T35, p 432, paras 4.17 – 4.18 – again from the Grant Thornton report. Transcript day 425, pp 79-84.

<sup>2423</sup> Transcript, day 425, pp 85-91.

<sup>2424</sup> Exhibit T35, pp 541-542, paras 2.1.1 – 2.1.5.

<sup>2425</sup> Transcript, day 425, p 91.

<sup>2426</sup> Exhibit T35, pp 460-462.

<sup>2427</sup> Transcript, day 425, pp 91-93.

1449. In response to this, Dr De Wee's attention was drawn to an internal memorandum under his signature dated 10 June 2008 addressed to the BAC recommending "that [Sondolo IT] be appointed as the service provider to supply, install and maintain National Security Infrastructure for 127 courts countrywide, for the amount of R601 863 632.22".<sup>2428</sup> It was pointed out to Dr De Wee that the memorandum contained no reference to the two opinions.<sup>2429</sup>
1450. In response, Dr De Wee said that the two opinions were obtained for the tender process relating to the appointment of the consultant who was to draft the specification for the tender. He said that the opinions were not obtained for purposes of the tender for the supply of the security equipment itself.<sup>2430</sup>
1451. Dr De Wee was referred to clauses 2.2 and 2.3 of the Service Level Agreement concluded with the successful bidder. These clauses include provision for renegotiation of "the Bid Price, the number of Facilities or the specifications of the Services".
1452. It was put to Dr De Wee that this created the potential for the R601m contract price not to be the conclusive costs to be incurred from the public purse. Dr De Wee acknowledged that there were price changes and attributed these price changes to delays and the effect of inflation.<sup>2431</sup>
1453. Dr De Wee's attention was also drawn to the forensic report prepared by Grant Thornton who had worked out that, taking into account that no services were delivered at 32 of the 127 court buildings, there were actual cost overruns on the agreed

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<sup>2428</sup> Exhibit T35, p 467, para 3.

<sup>2429</sup> Transcript, day 425, pp 93-95.

<sup>2430</sup> Transcript, day 425, pp 93-96.

<sup>2431</sup> Transcript, day 425, pp 100-103.



contract price, that amounted to R177m, which amounted to unauthorised expenditure.<sup>2432</sup> Dr De Wee asserted that proper authorisation was obtained for the R177m expenditure. He pointed out that the ultimate cost was R567m which was less than the R601m contract price.<sup>2433</sup> He also asserted that the changes in contract price were brought about consistently with schedule 2 to the SLA which established an operational steering committee with equal representation from each of the two parties to the contract.<sup>2434</sup>

1454. Dr De Wee referred to paragraph 3.2 of a memorandum dated 8 February 2015 from the Chief Director: Risk Management and the Director: Security Management, to the Director-General via Dr De Wee and the Chief Financial Officer.

1455. Paragraph 3.2 of the memorandum refers to –

- 1455.1. an 18-month delay in the signing of the SLA;
- 1455.2. the fact that this delay was on account of “internal frustrations” as well as limited cooperation from the Department of Public Works and SAPS as major stakeholders;
- 1455.3. a decision after signing of the SLA to conduct a rapid risk assessment because of the time that had elapsed; and

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<sup>2432</sup> Exhibit T35, p 439 para 4.55. Transcript, day 425, pp 105-106.

<sup>2433</sup> Transcript, day 425, pp 107-112.

<sup>2434</sup> Exhibit T35, pp 506-508, being schedule 2 to the SLA. Transcript day 425, pp 108-109.

1455.4. the discovery during the rapid risk assessment of a wide range of changed, or unanticipated circumstances on the ground at the various sites where the contract was to be carried out.<sup>2435</sup>

1456. On this basis, Dr De Wee asserted that one "can understand why there were these costs imposed by inflationary constraints".<sup>2436</sup>

1457. Dr De Wee was asked why, if 127 facilities were contracted for and only 95 were completed, Sondolo IT received full payment for their services. In response, Dr De Wee referred to the Grant Thornton forensic report where the following appears:

"4.54 'Security Installation: the IDT has submitted tranches requested [sic] for Security Installation for the overall amount of R601 863 632.22. However the monies that have been transferred by DoJCD under NSI Programme is R567 649 108.29."<sup>2437</sup>

1458. With reference to this figure of R567 649 108.29, Dr De Wee testified -

"Ultimately it looks like R600 million was not spent. It was this amount that was spent. It is the forensic auditors themselves saying that ...

And again, maybe the point I want to make, again on the R177 million. My understanding is that, on the R177 million, is the cost of 32 courts as captured in paragraph 4.55. And maybe – I do not know. I understand that to be an opportunity cost rather than the actual payment. I do not know. And on the question, ja, let me stop there, chair."

1459. Dr De Wee was referred to a document being an internal memorandum dated 9 December 2010 from both the BEC and the BAC to the Director-General pertaining to the adjudication of a bid for the appointment of a service provider to render 24-hour security guarding and special services for a period of 24 months at various offices. He

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<sup>2435</sup> Exhibit T35, pp 543 – 545.

<sup>2436</sup> Transcript, day 425, pp 113-119.

<sup>2437</sup> Exhibit T35, p 139.

confirmed having signed the document in the capacity of Acting Director-General of the Department. His signature reflected approval of option 2 of three options in the memorandum. This option involved Bosasa sharing the contract with other companies. Dr De Wee asserted that this "counter[ed] the narrative that Bosasa was privileged in the Department of Justice". It evidenced a move away from monopolies and the giving of an opportunity to as many service providers as possible.<sup>2438</sup>

1460. Dr De Wee was referred to the minute of a briefing given by the DOJ&CD to the portfolio Committee on Justice and Correctional Services on 28 March 2011. The DOJ&CD was confronted about awarding tenders to Bosasa while it was being investigated by the SIU for corruption. The minute records that Dr De Wee in his capacity as COO of the DOJ&CD answered, saying that this was recently of concern to the department as well. He informed the committee that the tenders were compliant and, although cancellation had been considered, none of Bosasa's directors had been charged and a number of departments had awarded to, or renewed contracts with, Bosasa. For this reason the DOJ&CD had continued with the contract.<sup>2439</sup>

1461. On this basis, Dr De Wee accepted that he was well informed as at March 2011 that Bosasa was under investigation by the SIU for allegations relating to tender corruption and that the matter was with the NPA.<sup>2440</sup>

1462. Having this in mind, Dr De Wee was referred to an internal memorandum dated 8 February 2015 from the Chief Director: Risk Management and the Director: Security Management addressed to the Director-General via the Chief Financial Officer and Dr De Wee as COO. This internal memorandum pertained to a "request for funding for

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<sup>2438</sup> Transcript, day 425, pp 127-137.

<sup>2439</sup> Transcript, day 425, pp 138-141. Exhibit T35 pp 386-397, esp. at 391-392.

<sup>2440</sup> Transcript, day 425, p 141.



service, maintenance and support for national security infrastructure ... in 95 offices, the national control room."<sup>2441</sup>

1463. Dr De Wee confirmed that this maintenance contract related to the R601m tender. It arose from a query in relation to whether the original contract included or excluded maintenance, which this new contract was concerned with. Before the evidence leader could take up the issue of the timing of the new contract in relation to Dr De Wee's knowledge of the corruption allegations against Bosasa, Dr De Wee intervened to refer back to the minute of the Portfolio Committee where he had pointed out that, if contracts with Bosasa were blocked on the basis of the SIU report and hearsay alone, the PFMA and regulations' requirements of objectivity, fairness, genuine competition and avoidance of discrimination were likely to be violated.

1464. At this point, I pointed out to Dr De Wee that there were allegations of corruption involving Bosasa and the DCS in the press long before 2010. I enquired how it was possible that in those circumstances, where there were serious allegations of corruption against it, Bosasa was able to continue getting contract after contract from government departments. In response, Dr De Wee suggested that one could not always rely on the media because the media can get it wrong. He said that there were concerns about it but "the difficulty that all of us were confronted with was that we did not have a clear basis to act on this matter. And like I say, if we knew then what we know now, I am sure a different set of considerations would have been made because we share your concern."

1465. I made the point that, if faced with two job applicants, one of whom had serious corruption allegations against it, one would not hire the job applicant facing corruption allegations over the one who did not. Dr De Wee accepted this but said that "this is a

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<sup>2441</sup> Exhibit T35, p 241.

question for reflection from all of us and this is where we hope that your report will guide us on this matter."<sup>2442</sup>

1466. Dr De Wee filed a further affidavit dated 10 August 2021. In the further affidavit Dr De Wee –

- 1466.1. denied being aware of any substantive evidence of corrupt activity influencing the award of tenders at the time;
- 1466.2. denied participation in any such activities;
- 1466.3. asserted that he complied strictly with relevant procurement legislation; and
- 1466.4. asserted that, had he acted on the basis of media allegations and hearsay alone, he would have risked non-compliance with the procurement requirements relating to impartiality, objectivity, fairness, competition and avoidance of discrimination.

#### Payments and the connection with the fleet management contract

1467. Mr Agrizzi also testified about a payment relating to the fleet management contract for Kgwerano, also known as the RT62 contract. Mr Agrizzi would have to pack R300,000 per month which would go via Mr Leshabane to be delivered to various officials. Mr Agrizzi clarified that these payments would sometimes be handed to Mr Leshabane and sometimes to Mr Seopela for distribution to officials. When the money was handed to Mr Seopela he would indicate where Mr Agrizzi was to meet him. Sometimes it would be alongside the road. Sometimes it would be at Montecasino in the parking lot at the Palazzo Hotel. Quite often it would be in a restaurant such as

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<sup>2442</sup> Transcript, day 425, pp 138-153.

Tasha's Morningside, or at the Fishmonger at Thrupps Centre, Illovo. Sometimes it was at a petrol station and he would follow him from the petrol station on "*some obscure road and then stop halfway and then hand it over.*" About 70% of the time the payments would be made via Mr Seopela and the balance would be via Mr Leshabane.<sup>2443</sup>

1468. When asked whether Mr Seopela was in possession of information in regard to the progress of the award of tenders and SIU matters as well as other matters relating to the business of Bosasa, Mr Agrizzi responded "*most of the time*". He explained that at one time, in respect of every bit of information that he received, he would have to phone Mr Seopela and relay this information to him. Mr Seopela would insist that Mr Agrizzi not use names during these phone calls and rather use code names for people. Mr Agrizzi explained that Mr Seopela had incredible influence and recalled an instance where he bumped into Mr Seopela hand-in-hand with one of the NDPP in Sandton City.<sup>2444</sup> Mr Agrizzi was introduced to the NDPP who was Adv Menzi Simelane.<sup>2445</sup>

### **Mr Danny Mansell**

1469. Mr Agrizzi testified that he met Mr Mansell for the first time when he went to Dyambu. Mr Mansell was exceptionally close to Mr Watson and he was a shareholder in the business. In addition, Mr Mansell and Mr Watson had been involved in some dealings in the Small Business Development Corporation. This information was provided to Mr Agrizzi by Dr Smith.

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<sup>2443</sup> Transcript, day 37, p 80.

<sup>2444</sup> Transcript, day 76, p 104.

<sup>2445</sup> Transcript, day 76, p 105.



1470. Mr Agrizzi testified that Mr Mansell was the link between Mr Mti and Mr Gillingham, that it was Mr Mansell who would write up the specifications that were sent to Mr Agrizzi and who was the first person to really get involved with the DCS.<sup>2446</sup>
1471. Mr Agrizzi testified that Mr Mansell left Bosasa after an acrimonious fight with Mr Watson. Mr Agrizzi described the fight as being very embarrassing and Mr Mansell left after he was paid an amount of money. Mr Agrizzi stated that Mr Mansell blamed him for interfering with Mr Watson, which he never did.
1472. Mr van Tonder confirmed that there was a disagreement between Mr Watson and Mr Mansell which led to Mr Watson acquiring Mr Mansell's shares in Dyambu Operations.<sup>2447</sup>
1473. However, Mr Mansell reappeared on the scene in later 2003/2004. Mr van Tonder recalled that this was because his services were required in a potential business deal with Rand Water Board which involved cattle.<sup>2448</sup>
1474. Mr Agrizzi testified that, upon his return, Mr Mansell was actively involved in the building and construction with Riekele at the company's facilities in Randfontein and another hostel in Luipaardsvlei.<sup>2449</sup>
1475. Mr Agrizzi stated that Mr Mansell was involved in meetings with Mr Mti and Mr Gillingham as well as Mr Watson upon his return. The purpose of these meetings was

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<sup>2446</sup> Transcript, day 40, p 153.

<sup>2447</sup> Transcript, day 43, p 55.

<sup>2448</sup> Transcript, day 43, p 55.

<sup>2449</sup> Transcript, day 76, p 47.

to arrange for amongst other things payments from Bosasa to his company called Grande Four (Pty) Ltd.<sup>2450</sup>

1476. Mr van Tonder testified that Mr Mansell introduced him to Mr Gillingham during a visit to the Bosasa offices by officials of the DCS. During this time, Bosasa had commenced extensive upgrades on the kitchen at Lindela and the Youth Centre in Krugersdorp. Mr van Tonder was told that the visit by the DCS officials was to prepare for a kitchen tender.<sup>2451</sup>
1477. Mr van Tonder testified further that on 25 February 2005, Mr Mansell arranged that he fly Mr Gillingham in a private aircraft to Mafikeng and back the next day. This was paid for by Bosasa. Mr Mansell merely indicated that this trip was to enable Mr Gillingham to *"meet people in Mafikeng"*.<sup>2452</sup>
1478. Mr Agrizzi testified that after having done the technical management of four tenders for the DCS, Mr Mansell and his son Jarod started doing work for Phezulu Fencing and Sondolo IT. A company called L&J Civils was used and this was the entity periodically used to purchase items for Mr Gillingham and Mr Mti.<sup>2453</sup>
1479. When asked whether the books for Grande Four and L&J Civils were ever dealt with, Mr Agrizzi responded that he would often walk into the office and Mr Perry would be sitting with Jarod and Mr Mansell busy with cheque books and stubs and doing a reconciliation of what payments had to be made by Bosasa to Grande Four.<sup>2454</sup>

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<sup>2450</sup> Transcript, day 76, p 47.

<sup>2451</sup> Transcript, day 43, p 56.

<sup>2452</sup> Transcript, day 43, pp 56 and 57. See also the flight log in Annexure AT4 of Mr van Tonder's Affidavit, p 38.

<sup>2453</sup> Transcript, day 76, p 48; Mr Agrizzi's Supplementary Affidavit, p 38 at para 86.

<sup>2454</sup> Transcript, day 76, p 48.

1480. In 2012 following Adv Willie Hofmeyr's report to Parliament on Bosasa, Mr Mansell arrived at Mr Agrizzi's office early one morning. He insisted that Mr Agrizzi call Mr Watson as Mr Mansell was extremely nervous and felt that Mr Watson had left the blame on him. Mr Mansell indicated that he wanted to leave South Africa. When Mr Watson arrived that morning, he instructed Mr Agrizzi and Mr van Tonder to put everything in place.<sup>2455</sup>
1481. Mr Agrizzi stated that the instruction received from Mr Watson was to relocate Mr Mansell to the United States of America ("**USA**"). Mr van Tonder recalled Mr Watson informing him that Mr Mansell would be emigrating and instructing him to accompany Mr Mansell to the US to ensure that he does not turn back. The air tickets for Mr van Tonder and the Mansell tickets was paid for by Bosasa.<sup>2456</sup>
1482. Mr van Tonder testified further that there was a concern that Mr Mansell's passport might have been blocked because of the SIU investigation. Mr Leshabane used his contacts in the DHA to ensure that customs control would not block Mr van Tonder and Mr Mansell at ORTIA.<sup>2457</sup>
1483. Mr van Tonder recalled Mr Mansell appearing "*extremely stressed out*" at the airport and had tears in his eyes because he could not accept the reality of having to emigrate. Mr van Tonder described feeling sorry for Mr Mansell and referred to an email in which Mr Mansell stated that he had to start over five times since beginning his association with Mr Watson.<sup>2458</sup>

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<sup>2455</sup> Transcript, day 40, p 154.

<sup>2456</sup> Transcript, day 43, pp 58 and 59.

<sup>2457</sup> Transcript, day 43, p 60.

<sup>2458</sup> Transcript, day 43, p 62; Annexure AT5 to Mr van Tonder's Affidavit, p 39.



1484. Mr Agrizzi testified that a company was established in the USA called Safe SA Fences America.<sup>2459</sup> Bosasa agreed to pay Mr Mansell \$7,000 USD a month for as long as he was alive and stayed in the USA. Mr van Tonder confirmed this arrangement with reference to invoices from Mr Mansell and explained that Mr Mansell needed to stay in the USA because he was very involved with Bosasa's unlawful dealings in the past, specifically with the DCS.<sup>2460</sup>
1485. Mr Agrizzi stated that, in exchange, Mr Mansell agreed not to divulge any details of Bosasa and to remain in the USA.<sup>2461</sup> Mr Mansell would invoice Bosasa on a monthly basis. Bosasa also provided assistance to Mr Mansell in his application for residency in the USA.<sup>2462</sup> Mr Agrizzi was instructed to ensure that Mr Mansell's invoices were paid timeously.<sup>2463</sup> Mr Agrizzi would approve these invoices and send them off to be processed in the normal way, as that was the agreement reached between Mr Mansell and Mr Watson. When Mr Agrizzi questioned this agreement, he was told to shut up.<sup>2464</sup>
1486. Mr Agrizzi testified that the work specified on the invoices from Mr Mansell was not actually done, it was fictitious.<sup>2465</sup> This was confirmed by Mr van Tonder.<sup>2466</sup> The amounts were deducted as expenses in the books of Bosasa.<sup>2467</sup> Mr Agrizzi knew that

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<sup>2459</sup> The company listed on invoices produced by Mr van Tonder as Annexure AT6 to his affidavit is "Mansell American Inc. DBA Safe as Fences".

<sup>2460</sup> Transcript, day 43, pp 59 and 63. See Annexure AT6 to Mr van Tonder's Affidavit, p 41.

<sup>2461</sup> Transcript, day 40, p 155.

<sup>2462</sup> Transcript, day 40, p 156; annexure S, p 569.

<sup>2463</sup> Transcript, day 41, p 20.

<sup>2464</sup> Transcript, day 76, p 49.

<sup>2465</sup> Transcript, day 41, p 21.

<sup>2466</sup> Transcript, day 43, p 64.

<sup>2467</sup> Transcript, day 41, p 21.

the payments to Mr Mansell continued until at least when he left Bosasa in December 2016.<sup>2468</sup>

1487. Mr van Tonder testified that Mr Mansell requested that Bosasa assist him in acquiring American citizenship. To this end, Mr van Tonder and Mr Agrizzi signed a letter to the USA Citizenship and Immigration Services dated 21 February 2017 in which they state that Mr Mansell had been transferred to the US by Bosasa to market speciality high security fences.<sup>2469</sup> The letter further records:

1487.1. Mansell American Inc. d/b/a Safe As Fences is a subsidiary of Solectric CC, a South African company that operates as a security fencing contractor providing gate automation and perimeter security and access control.

1487.2. Solectric CC had a working relationship with Bosasa for several years and in February 2015, Bosasa Operations (Pty) Ltd formally acquired Solectric CC and Mansell American Inc.

1487.3. Mr Mansell founded Solectric CC in 2008 and served as its CEO and CFO before transferring to the USA. As CEO of the company, he determined the overall direction of the company and the types of projects to be undertaken. He managed government contracts for fencing construction and installation.

1487.4. Mr Mansell transferred to the USA in April 2014 to lead the marketing and business development of the USA office.

1487.5. Mr Mansell is the Operations Manager of the business and will oversee company operations, planning, systems and controls. He will oversee the work

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<sup>2468</sup> Transcript, day 41, p 25.

<sup>2469</sup> Annexure S9 of Mr van Tonder's Affidavit, p 44.

of the Finance Manager and provide know-how for a joint venture between Bosasa and the South African Public Private Partnership Correctional Services model.

1487.6. Mr Mansell would continue to receive an annual salary of \$45,000 USD per year plus travelling and accommodation expenses.

1488. Mr van Tonder testified that, contrary to what was stated in this letter, Mr Mansell had no involvement with Bosasa.<sup>2470</sup>

1489. When Mr Mansell left in 2012, Mr Agrizzi was tasked to take over the role that Mr Mansell had played with Mr Gillingham.<sup>2471</sup> This included taking care of Mr Gillingham's meetings and attending a lunch once or twice a month with Mr Gillingham to keep him under control.<sup>2472</sup>

## **Mr Venter and Miotto Trading**

### Miotto Trading

1490. Mr Venter testified that around 2013 he advised Bosasa to make use of a company belonging to Dr Erasmus, the tax attorney, Tax Risk Management Services ("**TRM Services**"), that assisted Bosasa and Mr Venter with the SeaArk SARS audit. Bosasa was hesitant to do so, according to Mr Venter, because Dr Erasmus is a well-known litigator against SARS and they did not want to attract attention.<sup>2473</sup> D'Arcy-Herrman was still providing auditing services to Bosasa at the time.

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<sup>2470</sup> Transcript, day 43, p 66.

<sup>2471</sup> Transcript, day 40, p 157.

<sup>2472</sup> Transcript, day 41, p 20.

<sup>2473</sup> Transcript, day 76, p 124.



1491. In 2016, it was agreed that TRM Services would invoice a dormant company of a family member of Mr Venter, Miotto Trading, for services provided to Bosasa. Miotto Trading would then on-invoice Bosasa to recover the fees for TRM Services/Dr Erasmus. Mr Venter testified that he had questioned the practice and was told by Mr Agrizzi and Mr van Tonder not to worry as they were signing off the invoices. This practice continued until Mr Agrizzi left Bosasa in December 2016, with the last invoice from Miotto Trading being issued in January 2017.<sup>2474</sup> Mr Venter testified that he used Miotto Trading for various things, that he was reflected on the company records but that the intention was to change it, that he considered himself the financial manager of the business and that he took the business over from a family member.<sup>2475</sup>

1492. Once TRM Services had invoiced Miotto Trading for actual services rendered to Bosasa, Mr Venter would approach Mr Agrizzi and Mr van Tonder who would dictate the wording as well as the amount of the invoice to be issued by Miotto Trading to Bosasa. Mr Venter explained that the invoices were always inflated to provide a commission for Mr Agrizzi, Mr van Tonder and himself.<sup>2476</sup> Mr Venter testified that D'Arcy-Herrman did not know of his involvement with Miotto Trading. Mr Venter testified further that D'Arcy-Herrman did not pick up the fact that the introduction of Miotto Trading increased the costs of Bosasa because there were invoices and they would have checked the invoices and the payments made.<sup>2477</sup>

1493. Miotto Trading also made payments:

1493.1. of R450,000 towards the purchase of a Porsche Cayenne for Mr van Tonder;

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<sup>2474</sup> Transcript, day 73, p 56.

<sup>2475</sup> Transcript, day 73, p 55.

<sup>2476</sup> Transcript, day 73, pp 48-49, p 52.

<sup>2477</sup> Transcript, day 73, p 53-54.

1493.2. of R25,000 towards the service of Mr Agrizzi's Porsche;

1493.3. to Blake's Travel on behalf of Mr Agrizzi; and

1493.4. to Debbie Agrizzi (Mr Agrizzi's wife).<sup>2478</sup>

1494. Mr Venter testified that he had proof of payments made by him from Miotto Trading towards the legal costs of Mr Hlaudi Motsoeneng as well as three payments to a company called Moroka Consultants Training and Development (Pty) Ltd ("**Moroka Consultants**") and a payment to a bank account referred to as "EFG2", held at ABSA. He provided these to Mr Agrizzi at the first meeting at Mr Agrizzi's house.<sup>2479</sup>

1495. Mr Venter confirmed that in the middle of August 2017, on instruction from Mr Watson, he paid two amounts into the trust account of Majavu Attorneys for the legal costs of Mr Motsoeneng. The first payment was an amount of R600,000 on 20 August 2017 and the second of R587,656, was made on 21 August 2017. The money had been paid into Miotto Trading's bank account from Lamocest.<sup>2480</sup> Mr Venter described Lamocest as "*one of the Gavin Watson group of companies*"<sup>2481</sup> Mr Venter could recall seeing the invoice for the legal services rendered for Mr Motsoeneng, from Mr Watson, but that he no longer was in possession of the invoice.

1496. Mr Venter confirmed that Mr Watson requested him to assist him and Mr Syvion Dlamini, in September 2017, to make three payments to Moroka Consultants. Ms Lindsay Watson prepared a consulting agreement between Miotto Trading and Moroka Consultants but no services had been provided as it was merely a front for

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<sup>2478</sup> Exhibit T10, p 7.

<sup>2479</sup> Transcript, day 73, pp 89-90, Exhibit T10, p8 para 16.3.

<sup>2480</sup> Transcript, day 73, p 106. Exhibit T10 p 15; annexure PV4(1) and PV4(2), pp 65-67.

<sup>2481</sup> Transcript, day 73, pp 109-110.



the payments to be made.<sup>2482</sup> From September to November 2017, three payments of R450,000 were made from Miotto Trading to Moroka Consultants.<sup>2483</sup> Mr Venter testified that he did not know who Moroka Consultants were and did not know what the funds were for but was instructed to make the payments and that no services were rendered.<sup>2484</sup>

1497. Mr Agrizzi testified that the situation with Miotto Trading was explained to him by Mr Venter after Mr Agrizzi left Bosasa. The true reason for the payments was concealed by reflecting that the payments were made to Moroka Consultants for training. This training did not take place. According to Mr Agrizzi, that is how Mr Dlamini and Mr Watson decided to move the funding.<sup>2485</sup> Mr Agrizzi testified that Miotto Trading had only two employees, namely Mr Venter and his sister-in-law. However, they invoiced R1.4m for training. Once that invoice was paid out, the bribes were paid out.<sup>2486</sup> Essentially, Miotto Trading was used to make disguised payments and to make payments that could not easily be traced. Mr Venter showed Mr Agrizzi the documentation and that is why Mr Agrizzi included this issue in his statement. He testified that he tested the documentation and he tested the information submitted by Mr Venter.<sup>2487</sup>

1498. Mr Dlamini denies that no training took place and avers that Mr Agrizzi has no personal knowledge of these facts as he had left the employ of Bosasa at that time. Mr Dlamini alleges that there was a supplier development agreement between Bosasa and Miotto and that, to the best of his knowledge, services were rendered in terms of

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<sup>2482</sup> Transcript, day 73, p 111. Exhibit S8, p 925.

<sup>2483</sup> Transcript, day 73, p 112, pp 113-117. Exhibit T10, pp 15-16, annexure PV5(1) - PV5(3), pp 68-73.

<sup>2484</sup> Transcript, day 73, p 113.

<sup>2485</sup> Transcript, day 75, p 96; Mr Agrizzi's Supplementary Affidavit, p 17 at para 17.6.

<sup>2486</sup> Transcript, day 75, p 96.

<sup>2487</sup> Transcript, day 75, p 96.



the agreement.<sup>2488</sup> According to Mr Dlamini, his involvement in matters related to Miotto was when he was copied on any communications and invoices so that he could follow up on these matters in the interests of efficiency.<sup>2489</sup>

1499. Mr Venter testified that Mr Watson approached him again on 17 October 2017 to assist in making payment of R2.5m towards the purchase of a residential property for Ms Lindie Gouws. Ms Gouws was a close colleague of the Watsons who used to work at Bosasa and, at the time of Mr Venter's testimony, was still doing the branding and group marketing for Bosasa.<sup>2490</sup> Mr Watson instructed Venter to effect a payment of an amount of R3m from his personal account into Miotto Trading's bank account, with R2.5m to be paid to Ms Gouws, as a loan. Mr Watson also instructed that a payment of R500,000 be made to the "EFG2" account. Seemingly this also came from Mr Watson's personal account via Miotto Trading's account. Mr Venter was told that the R500,000 was for a "foundation trust" of Mr Andile Ramaphosa, the son of the then Deputy President, Mr Cyril Ramaphosa.

1500. Mr Venter was surprised when he was informed of the R500,000 to be paid for Mr Andile Ramaphosa. He was not aware of the relationship and why Mr Watson would make a payment to the son of the Deputy President.<sup>2491</sup> Mr Venter also confirmed that he made the payment from Miotto Trading's bank account in October 2017 in the amount of R500,000 to the beneficiary "EFG2", with the description "social development".<sup>2492</sup> Mr Venter testified that Mr Agrizzi was very curious when he mentioned the name "Ramaphosa" to him, despite Mr Agrizzi's testimony that he was

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<sup>2488</sup> Mr Dlamini's affidavit, paras 24-25, p 5.

<sup>2489</sup> Mr Dlamini's affidavit, para 26, p 6.

<sup>2490</sup> Transcript, day 73, p 119.

<sup>2491</sup> Transcript, day 73, p 121.

<sup>2492</sup> Transcript, day 73, p 117, p 122-125. Exhibit T10 p 16; annexure PV6, p 75.

not really interested.<sup>2493</sup> Mr Venter confirmed that Miotto Trading was used as a vehicle to disguise the true nature of the transaction because otherwise Mr Watson would have paid it from his own account directly.<sup>2494</sup> Mr Venter testified that he is not aware of any other payments made to the Foundation or to the account referred to as "EFG2".<sup>2495</sup>

1501. Mr Venter confirmed that on 6 November 2017, Ms Gouws called and informed him that she would not proceed with the transaction and that he should repay Mr Watson's money immediately. This followed Ms Gouws' meeting with her attorney about issues pertaining to Mr Agrizzi, whom she was "paranoid" about.<sup>2496</sup> Mr Venter confirmed that Mr Watson asked him to assist Ms Gouws on many occasions. One of the tasks he was instructed to do was to register a company called the Exchange Space (Pty) Ltd, to do the marketing and branding of Bosasa. According to Mr Venter, over and above the monthly salary paid to Ms Gouws by Consilium, he now had to pay her an additional gross salary of R42,000 from Exchange Space in order that she could clear a net amount of R24,000, which amount went towards Ms Gouws' bond repayment. The salary from the Exchange Space was purely for the bond repayment, as Ms Gouws was paid from Consilium.<sup>2497</sup> When Mr Venter complained that this practice was incorrect, Mr Watson threatened that his services and those of D'Arcy-Herrman would be terminated and that he had to do what was asked of him or else what had happened to so many would happen to him.<sup>2498</sup> Mr Venter testified that Mr Watson conveniently not having an office, a secretary or a computer, would make use of

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<sup>2493</sup> Transcript, day 73, p 125.

<sup>2494</sup> Transcript, day 74, pp 111-112.

<sup>2495</sup> Transcript, day 74, pp 112-113.

<sup>2496</sup> Transcript, day 73, pp 130-131.

<sup>2497</sup> Transcript, day 73, pp 160-161.

<sup>2498</sup> Transcript, day 73, p 161.



people to carry out instructions to do certain things and that he found it morally disturbing because you cannot argue with Mr Watson, even if you did not want to do the things requested.<sup>2499</sup>

#### The end of Mr Venter's relationship with Bosasa

1502. Mr Agrizzi assembled a group of about 22 people who were going to act together as whistleblowers against Mr Watson. According to Mr Agrizzi, Mr Venter indicated a willingness to join the group and become a whistleblower. Mr Agrizzi facilitated his preparation of a statement for this purpose. After preparing a full statement and in the middle of November 2017, Mr Agrizzi testified that Mr Venter said that he had had a change of heart because he had been offered a substantial amount of money by Mr Watson in return for not acting as a whistleblower.<sup>2500</sup>
1503. Mr Agrizzi testified that during December 2017 Mr Venter contacted Mr Agrizzi to indicate his wish to re-join the group. Another meeting was arranged which took place at the Chicken Pie on the way to Lanseria at 14h00. Following this, Mr Agrizzi received a call from Mr Venter saying that he had spoken to his wife and decided to go ahead with the whistleblowing and he sent Mr Agrizzi a signed and commissioned affidavit before he went away on holiday.
1504. Later, during January 2018, on Mr Agrizzi's version, Mr Venter reverted to Mr Agrizzi to say that he had once again had a change of heart after meeting with Mr Watson and had decided against cooperating in the whistleblowing.<sup>434</sup> Mr Venter testified that this was not true as he still had contact with Mr Agrizzi for three to four months and only terminated all communication with Mr Agrizzi in April 2018, after he became

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<sup>2499</sup> Transcript, day 73, pp 164-165.

<sup>2500</sup> Transcript, day 73, pp 89-90.



aware that Bosasa was monitoring his phone calls and knew he was talking to Mr Agrizzi.<sup>2501</sup> According to Mr Venter, Mr Agrizzi would keep him informed of the processes that he had explained through the flow diagrams, that he was busy with the negotiations with Bosasa to take over the contract and keep Mr Venter informed of progress in that regard.<sup>2502</sup> In February 2018, Mr Agrizzi requested Mr Venter to provide him with financial information regarding Bosasa's turnover and profits as he knew that Mr Venter was busy with the group's provisional tax at the time.<sup>2503</sup> Mr Venter testified that he provided Mr Agrizzi with very limited information and explained to Mr Agrizzi that Bosasa did not trust him fully and that he did not have access to the information he previously had. Mr Venter further testified that persons within Bosasa were leaking information to Mr Agrizzi because he knew where Mr Watson was, where he was going and who he was meeting with, as if Mr Agrizzi was still employed at Bosasa.<sup>2504</sup>

1505. Mr Venter testified that on a Friday in April 2018, Mr Agrizzi sent him invoices that had been leaked to him via a message and requested that Mr Venter print the invoices, place them in an envelope and take them to Mr Watson. The invoices related to a security company that rendered services to Bosasa and Mr Agrizzi insisted that Mr Venter take them to Mr Watson that same Friday. Mr Venter explained that Mr Agrizzi was suspicious as he did not know the supplier and had wanted to make a point to Mr Watson that he was aware of it.<sup>2505</sup>

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<sup>2501</sup> Transcript, day 73, pp 133-134.

<sup>2502</sup> Transcript, day 73, p 134.

<sup>2503</sup> Transcript, day 73, pp 134-135.

<sup>2504</sup> Transcript, day 73, p 135.

<sup>2505</sup> Transcript, day 73, p 137.

1506. Mr Venter duly took the invoices to Mr Watson and explained to him that the invoices had been delivered anonymously at his (Mr Venter's) office.<sup>2506</sup> Mr Venter testified that Mr Watson was very upset when he opened the envelope and saw what was inside. Mr Watson contacted Louis Passano who had taken over from Mr van Tonder and showed him, and both of them were very upset.
1507. On the Friday afternoon, Mr Watson contacted Mr Venter and asked him to see him on the Monday morning. When Mr Venter arrived on the Monday morning, he testified that a few of the Bosasa board members were present with the gentleman whose company rendered the service and issued the invoice. Mr Watson wanted to show him that the company existed and that there was nothing untoward about the invoices.<sup>2507</sup> Mr Venter was of the view that Mr Watson and Mr Passano were upset because it confirmed that people were leaking information to Mr Agrizzi and because they knew that Mr Agrizzi thought there was something untoward about the invoices, which was not the case.<sup>2508</sup>
1508. Mr Venter explained that he had acted on Mr Agrizzi's instruction because Mr Agrizzi had used the fact that he had signed the first statement against him. The internal risk advisor of Bosasa (Mr Andries de Jager) questioned Mr Venter that morning about when he last had communication with Mr Agrizzi.<sup>2509</sup> When Mr Venter acknowledged that he still had contact with Mr Agrizzi, he was questioned on his loyalty and was told to make a decision whether he was loyal to Bosasa or not, and whether they would remove them as auditors of Bosasa. Mr Venter had to make the decision and let them know that afternoon that his loyalty was with Bosasa and that the relationship could

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<sup>2506</sup> Transcript, day 73, p 136.

<sup>2507</sup> Transcript, day 73, pp 138-139.

<sup>2508</sup> Transcript, day 73, p 139.

<sup>2509</sup> Transcript, day 73, p 142.



continue.<sup>2510</sup> Mr Venter testified that he believed that Mr Watson knew that Mr Agrizzi had sent the invoices to him and that they had not been delivered anonymously. He believed that Bosasa were monitoring his telephone calls.<sup>2511</sup> Mr Venter explained that they accepted his word but that things changed and he was not trusted anymore.<sup>2512</sup>

1509. The last time Mr Venter spoke to Mr Agrizzi was the Monday morning in April before his meeting at Bosasa. The telephone call with Mr Agrizzi was the usual call he made with Mr van Tonder, Mr Vorster and others every morning and every afternoon, to find out how they were, what had happened, who they were going to see, and to try and get information. Mr Venter did inform Mr Agrizzi that he was meeting Mr Watson that morning. Mr Agrizzi was furious that Mr Venter stopped speaking to him and started threatening him via anonymous email addresses – including [PSVenterleaks@pm.me](mailto:PSVenterleaks@pm.me). Mr Venter testified that Mr Agrizzi would email his firm, the South African Institute of Chartered Accountants (“SAICA”), IRBA and various other people about him, threatening that he needs to come clean otherwise consequences would follow.<sup>2513</sup> Because Mr Venter did not respond, Mr Agrizzi may have thought that he (Mr Venter) had changed his mind about his statement and going through with being part of Mr Agrizzi’s whistleblower group.<sup>2514</sup> In August 2018, Mr Agrizzi carried out his threat of exposing Mr Venter and sent his signed first affidavit to D’Arcy-Herrman.<sup>2515</sup>

1510. Mr Venter testified that the last time he spoke with Mr Watson was in August 2018 when Mr Agrizzi made his statement public. Mr Venter said that he never received

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<sup>2510</sup> Transcript, day 73, p 144. Mr Venter’s second statement indicates that he told them the entire story about the signed affidavit and that Mr Agrizzi would call him every morning. See Exhibit T10, p 13.

<sup>2511</sup> Transcript, day 73, p 144.

<sup>2512</sup> Transcript, day 73, p 145.

<sup>2513</sup> Transcript, day 73, p 146. Exhibit T10, p 13; annexure PV3(1), pp 39-41.

<sup>2514</sup> Transcript, day 73, p 148.

<sup>2515</sup> Transcript, day 73, p 148. Exhibit T10, p 13; annexure PV3(2), p 43.



any payment from Mr Watson in return for his loyalty. Mr Venter explained that he had been suspended in August 2018 and was asked not to have any contact with Bosasa or its directors or Mr Watson and so he had no communication with anyone at Bosasa from early September 2018. Mr Venter resigned in September 2018.<sup>2516</sup> Mr Venter confirmed that he had no further contact with Mr Agrizzi, Mr van Tonder and Mr Watson and placed on record that Mr Watson had contacted him twice the week before his testimony at the Commission and had left a message for Mr Venter to call him back but that Mr Venter did not return his call.<sup>2517</sup>

#### The circumstances giving rise to Mr Venter's two affidavits

1511. The evidence leader dealt with the circumstances surrounding Mr Venter's first affidavit with Mr Agrizzi. Mr Agrizzi confirmed Mr Venter's signature on the affidavit. Files 1 and 2 which are referred to as annexures to the affidavit he said were in the possession of *"the attorney who dealt with the matter in the beginning and are still with him at the moment."* The affidavit was seemingly based on a structure which was sent to Mr Venter by Mr Agrizzi. The structure was obtained from the affidavit that was done by Mr van Tonder. He testified that at the time the affidavit was deposed to, he [Mr Agrizzi] was in Krugersdorp, while Mr Venter was on holiday in Mossel Bay or George. The Commissioner of Oaths at the end of the affidavit has an address in Mossel Bay.<sup>2518</sup>

1512. Mr Venter confirmed that he had been requested, in November 2017, to prepare a statement that would reveal Mr Watson's illegal activities. Mr Venter went to Mr

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<sup>2516</sup> Transcript, day 73, p 149.

<sup>2517</sup> Transcript, day 73, p 150.

<sup>2518</sup> Although the affidavit contains in typescript underneath Mr Venter's signature – the words "19<sup>th</sup> day of December 2017 at George, Western Cape, South Africa". The date written into the attestation paragraph where the Commissioner describes the swearing of the oath, is 18 December 2017, written in handwriting. Mr Agrizzi's Initial Affidavit p 275. The circumstances surrounding the deposing and sending of the affidavit are primarily dealt with in the transcript, day 36, pp 86-93. Transcript, day 73, pp 109-110.

Agrizzi's house in Fourways and could recall sitting next to Mr van Tonder who had his statement open on his computer and who guided Mr Venter through the process with Mr Agrizzi dictating some of the wording. Mr Venter testified that Mr van Tonder and Mr Agrizzi would remind him of certain things that had happened which they wanted him to include in the statement.<sup>2519</sup> Mr Venter confirmed that he was not requested by Mr Agrizzi or Mr van Tonder to fabricate information and said that they had wanted him to include information which he is aware of and had in his possession.<sup>2520</sup>

1513. Initially Mr Venter did not want to make a statement but testified that Mr Agrizzi threatened to expose him and that, like Mr Watson, Mr Agrizzi could destroy a person. Mr Venter indicated that he was scared when Mr Agrizzi showed him a table full of files of evidence accumulated over time and said that Mr Venter had a choice, to go down with Mr Watson or to prepare a statement.<sup>2521</sup> Mr Venter testified that Mr Agrizzi referred to the use of Miotto and the fact that a boundary wall had been built for him by Riekele Construction and paid for by Bosasa, which had not been declared by Mr Venter.<sup>2522</sup> Mr Venter explained that Mr Agrizzi would take advantage of his knowledge of any wrongdoing by a person to expose them.<sup>2523</sup>

1514. Mr Venter testified that he typed parts of the first statement and that Mr Agrizzi and Mr van Tonder reminded him of certain things that should be included. Mr Agrizzi, according to Mr Venter, prepared the annexures attached to the first statement. Mr Venter merely printed the documents and gave them to Mr Agrizzi. Mr Agrizzi amended Mr Venter's first statement. Mr Venter testified that he was concerned that

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<sup>2519</sup> Transcript, day 73, pp 70-71.

<sup>2520</sup> Transcript, day 73, p 71.

<sup>2521</sup> Transcript, day 73, p 72.

<sup>2522</sup> Transcript, day 73, pp 73-74.

<sup>2523</sup> Transcript, day 73, p 82.



he would lose his job and his income if he signed the statement. He expressed his concerns to Mr Agrizzi, who offered to pay him R335,000 per month. Although Mr Agrizzi offered to pay Mr Venter if he signed the statement and joined his whistleblower group, he did not request Mr Venter to provide fabricated information or to omit any information. Mr Venter did not sign his first statement that day as Mr Bonifacio arrived with Mr Vorster and all of the attention was then placed on Mr Bonifacio. The affidavit was later sent to Mr Venter by Mr Agrizzi, who signed it after various threats were made against him by Mr Agrizzi. Mr Venter confirmed that it was the fear of losing his job and income that concerned him, not the fact that Mr Agrizzi was asking him to come clean.

1515. Following various threats sent by Mr Agrizzi to Mr Venter via telegram messages, Mr Venter agreed to meet with Mr Agrizzi and Mr van Tonder in December 2017 before going to Mossel Bay on holiday. Mr Agrizzi showed Mr Venter a flow diagram at the meeting and explained that he was busy with negotiations with the Bosasa Group for the cession of certain of the DCS contracts to Mr Agrizzi. Mr Agrizzi was negotiating in this regard on his own behalf as well as that of Mr A van Tonder, Mr van Tonder and Mr Vorster. Mr Agrizzi explained to Mr Venter that he would use the evidence he had accumulated as ammunition and that if the negotiations were successful, he would hand back all evidence to Bosasa.<sup>2524</sup> A series of flow diagrams had been prepared by Mr Agrizzi, which would be implemented to, if necessary, "*bring Mr Watson down*". Mr Venter explained Mr Agrizzi's plan as:

1515.1. Mr Agrizzi would use his company, "Malandela Crearis", to run the DCS contract. At the time Bosasa was making approximately R2,5 – 3m profit per month and were negotiating a price increase on the contract. Mr Agrizzi

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<sup>2524</sup> Transcript, day 73, p 94. Exhibit T10, annexure PV2(1) pp 31-34.



believed that Bosasa ought to have allowed him to do the negotiations. This would result in a profit of R12,5m per month. Mr Agrizzi intended to give Bosasa 30% of the profits, which would have been more than they were making at the time.<sup>2525</sup> The potential advantage to Bosasa would be from a reputational point of view, due to the negative media at the time, and that Bosasa would receive an annuity for doing nothing, because Mr Agrizzi would be managing the contract.<sup>2526</sup>

- 1515.2. If the negotiations were successful, they would conclude the cession of the contract and Mr Agrizzi would hand over all documents.<sup>2527</sup>
- 1515.3. If the negotiations were unsuccessful, Mr Agrizzi would leak the information to social media, and *"it would trigger something with the banks, it would trigger the auditors, underneath the auditors it refers to IRBA, politicians, [SAICA], he would use all of this against Bosasa, should it be unsuccessful"*.<sup>2528</sup>
- 1515.4. Mr Agrizzi, the van Tonders and Mr Vorster were concerned about where the money would come from to make payment to them. For this reason, they were in negotiations via Mr Biebuyck for a team payment to them. If the negotiations were successful, they would return the information and files and would sign an anti-whistleblowing and anti-competition agreements.<sup>2529</sup>
- 1515.5. If the negotiations were unsuccessful, the plan included a *"non-governmental expose"* (sic) including various leaks to the print, electronic and social media

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<sup>2525</sup> Transcript, day 73, pp 96-96. Exhibit T10, annexure PV2(1) p 30.

<sup>2526</sup> Transcript, day 73, p 101. Exhibit T10, annexure PV2(1), p 30.

<sup>2527</sup> Transcript, day 73, p 96. Exhibit T10, annexure PV2(1), p 31.

<sup>2528</sup> Transcript, day 73, p 97. Exhibit T10, annexure PV2(1), p 31.

<sup>2529</sup> Transcript, day 73, pp 97-98. Exhibit T10, annexure PV2(1), p 32.

with "systematic 1 story per week for 14 weeks from 1<sup>st</sup> Feb 2018". These would involve exposure of "questionable business interests", "houses CCTV", "VAT and tax fraud" and "payoffs and bribes". The flow chart suggests that this, in turn, would lead to a response from the public, NGOs such as Afriforum, Solidarity and Corruption Watch, banking institutions and various regulatory and prosecutorial bodies. The ramifications for Bosasa would include exposure, public scrutiny, reluctance of banks to provide facilities, reviews of tenders and criminal and related consequences.<sup>2530</sup> Mr Venter testified that this was essentially what had taken place over the course of the past few months.

1516. Mr Venter was required to make a decision on whether he would sign a statement at the meeting with Mr Agrizzi and Mr van Tonder. Mr Venter testified that he agreed to do so after he had seen the flow diagrams and heard the plan from Mr Agrizzi. The second draft of Mr Venter's first statement was emailed to Mr Venter by Mr Agrizzi and Mr Venter signed it and emailed it back to Mr Agrizzi on 18 December 2017.<sup>2531</sup> He signed it on the same day that it was sent to him, after quickly reading through it. Mr Venter testified that he realised that Mr Agrizzi had changed some of the wording and added some information into the statement, but went ahead and signed it.<sup>2532</sup>

1517. Mr Venter recalled an occasion, on 10 November 2017, when Mr Agrizzi and Mr van Tonder visited him at his office when Mr Agrizzi drew a similar plan (to the plan in the flow diagrams) on a white board as an attempt to pre-empt and persuade Mr Venter to sign the statement.<sup>2533</sup>

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<sup>2530</sup> Transcript, day 73, p 98. Exhibit T10, annexure PV2(1), pp 33-34.

<sup>2531</sup> Transcript, day 73, pp 100-101.

<sup>2532</sup> Transcript, day 73, pp 140-141.

<sup>2533</sup> Transcript, day 73, pp 103-104. Exhibit T10, annexure PV2(2), p 36-37.

1518. In December 2017, Mr van Tonder sent an SMS or WhatsApp message to an audit partner at D'Arcy-Herrman, informing him that there were a number of employees that wanted to meet with him in respect of illegal activities by Mr Watson and Bosasa. Mr Venter testified that this was part of the plan that was carried out as per the flow diagram.<sup>2534</sup> Mr Venter was advised before the message was sent that it was going to be sent and the message was forwarded to him by the partner once it had been sent. Mr Venter no longer had a copy of the message. The audit partner followed up with Mr van Tonder in January 2018. Mr van Tonder informed the audit partner that he had been advised by attorneys not to meet with him at that point in time. Mr van Tonder did this as a delay mechanism *"in order for Mr Watson to see the seriousness about this whole text message to the audit partner (sic)."*<sup>2535</sup>

1519. As far as the content of Mr Venter's first affidavit is concerned, Mr Agrizzi and Mr Venter, respectively, testified as follows:<sup>2536</sup>

1519.1. Mr Agrizzi testified that over the years Mr Venter built up a good relationship with Mr Perry, Mr van Tonder, Mr Watson, Mr van Zyl, Mr Bonifacio and all the directors and other employees of Bosasa. Mr Venter confirmed this to be true.<sup>2537</sup> Mr Agrizzi testified that this included doing the tax returns of the directors and tax returns for Mr Gillingham and Mr Mti. This was confirmed by Mr Venter. In respect of Mr Gillingham, this was at the time after he had left the DCS and been employed in BEE Foods, owned by Mr Watson's brother-

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<sup>2534</sup> Transcript, day 73, p 132. Exhibit T10, p 12.

<sup>2535</sup> Transcript, day 73, p 133.

<sup>2536</sup> The affidavit is annexure F to the Mr Agrizzi's Initial Affidavit, pp 260-267. See also Exhibit S8. This is Mr Venter's first statement.

<sup>2537</sup> Transcript, day 73, p 151.



in-law.<sup>2538</sup> Mr Venter confirmed that he did Mr Gillingham's tax returns from 2012 and Mr Mti's tax returns from 2013.<sup>2539</sup>

1519.2. Mr Venter testified that he was introduced to Mr Gillingham and Mr Mti by Mr Watson and Mr Agrizzi and was instructed to do their tax returns. Later, Mr Venter realised their history and that they were employees of the DCS. When Mr Venter was introduced to Mr Gillingham and Mr Mti, he knew that there was a SIU case where their names had been mentioned. When he asked about it, Mr Venter was told by Mr Agrizzi and Mr van Tonder that nothing came of the case because it was thrown out because of the "fruits of a poisoned tree", and so he did their tax returns.<sup>2540</sup> Mr Venter would invoice Bosasa annually for the completion of the tax returns of the directors, Mr Mti and Mr Gillingham.<sup>2541</sup> He was instructed by Mr Watson to include Mr Mti and Mr Gillingham in the fee of the directors. Mr Venter did not express concern over the practice and did as he was told by Mr Watson, although he testified that he had found it strange. When he did question it, he was told by Mr Watson to include it and that he should not worry as he would recover his fee.<sup>2542</sup>

1519.3. Mr Venter was not only a tax consultant for the Bosasa group but also performed other functions.<sup>2543</sup>

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<sup>2538</sup> Transcript, day 36 p 94; Mr Venter's first affidavit, p 254 at para 5.

<sup>2539</sup> Transcript, day 73, p 153.

<sup>2540</sup> Transcript, day 73, p 154.

<sup>2541</sup> Transcript, day 73, p 154.

<sup>2542</sup> Transcript, day 73, p 156.

<sup>2543</sup> Transcript, day 36, pp 94-95; Mr Venter's first affidavit p 254 at para 7. Transcript, day 73, p 151.

- 1519.4. At the beginning of 2016, Mr Watson approached Mr Venter to take over Consilium, a company belonging to Dr Smith who was diagnosed with cancer and wanted to exit the company. Consilium was a labour broking company which employed people for Bosasa.<sup>2544</sup>
- 1519.5. Mr Agrizzi testified that Mr Watson's family members are on the payroll of Bosasa despite them not rendering any services.<sup>2545</sup> Mr Venter testified that he did not have any first-hand knowledge of this and was informed that it was the case by Mr Agrizzi.
- 1519.6. Mr Agrizzi was not aware of the details regarding Mr Watson's instructions to Mr Venter to pay the legal costs of Mr Motsoeneng, but he had seen the invoices from Mr Motsoeneng's attorneys in the amount of R1,187,660.82 and proof of two payments of R600,000 on 20 August 2017 and R587,656.82 on 21 August 2017.<sup>2546</sup> Mr Venter confirmed that he made the payments, as requested by Mr Watson.
- 1519.7. Mr Agrizzi confirmed the existence of a fictional transaction purporting to be a consulting agreement between Miotto Trading and Moroka Consultants, involving a director of Bosasa Youth Development Centres, Mr Dlamini.<sup>2547</sup> Mr Agrizzi described the transaction as being *"not anything else but money laundering to get money to somebody. No services were provided."* Mr Agrizzi described Miotto Trading as being a shelf company owned by Mr Venter and his sister, Ms Longswort, co-owner of Consilium. Mr Agrizzi had also seen the

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<sup>2544</sup> Transcript, day 36, pp 96-97. Mr Venter's first affidavit p 254 at para 8. Transcript, day 73, p 159.

<sup>2545</sup> Transcript, day 36, p 97. Mr Venter's first affidavit p 254 at para 9.

<sup>2546</sup> Transcript, day 36, pp 97-98; Mr Venter's first affidavit p 255 at para 10.

<sup>2547</sup> Transcript, day 73, p 46, p 56. Exhibit T10, annexure PV1(1) and PV1(2), pp 26-28.

documents evidencing two of the three payments contemplated by the fictional transaction in that they were attached to Mr Venter's affidavit as annexures.<sup>2548</sup>

1519.8. Mr Agrizzi confirmed that it was a regular occurrence that Bosasa purchased houses for Ms Lindie Gouws, who left Bosasa to establish My World Ministries and who is a close associate of Mr Watson.<sup>2549</sup> A loan agreement would normally be prepared at the instance of Ms Gouws and donations tax would thereby be avoided. The affidavit deals in particular with a payment of R2.5m which Mr Agrizzi testified constituted a deposit on a property in a complex in Roodepoort. Mr Agrizzi had also seen proof of a payment/transfer of R500,000 to the "Esg 2" account held with Absa. Whilst he saw proof of the transfer, he was not aware and did not believe it was a foundation/trust of Mr Andile Ramaphosa.<sup>2550</sup>

1519.9. When asked whether he had compelled Mr Venter to depose to the affidavit, Mr Agrizzi disputed this. He said:

"He did the affidavit of his own (sic). 6 or 7 other people were there to see him write the affidavit himself and attach whichever annexures he felt suitable in the venue which I had offered up to all the whistle blowers to use. So he was seen by numerous people doing his own affidavit. And specifically for that reason I would not involved (sic). I would stay away from him and I was probably dealing with somebody else just as them (sic). So I take exception to the fact that they would say that I would coerce them to do this. I would not even know this information."<sup>2551</sup>

1519.10. Mr Agrizzi confirmed that, as stated in Mr Venter's first affidavit, "*it is a constant and disturbing pattern that Watson would instruct people to act illegally and*

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<sup>2548</sup> Transcript, day 73, p 46, p 56. Exhibit T10, annexure PV1(1) and PV1(2), pp 26-28.

<sup>2549</sup> Transcript, day 73, p 50.

<sup>2550</sup> Transcript, day 73, p 50.

<sup>2551</sup> The evidence leader then says "Well that is the point I am making, it is hardly logical that you compel him to make an affidavit attesting to facts of which you are not aware." Transcript, day 36 p 110.



*then discard them or get rid of them as he felt it got rid of the evidence.*<sup>2552</sup> Mr Venter clarified this statement in his evidence.

- 1519.11. Mr Agrizzi confirmed Mr Venter's evidence that Mr Watson would never sign anything.<sup>2553</sup>
- 1519.12. In relation to Mr Venter's evidence regarding delivery of cash in a secure bag to Mr Gillingham, Mr Agrizzi testified that he was unaware of this particular transaction but confirmed that Mr Gillingham received cash and that he [Mr Agrizzi] had on occasion made deliveries himself. Moreover, Mr Agrizzi recalled Mr Venter calling him telling him how upset he was about having been required to make the cash delivery to Mr Gillingham.<sup>2554</sup> Mr Venter confirmed the delivery of cash to Mr Gillingham.
- 1519.13. Mr Venter's first affidavit details that Louis and Colleen Passano were promoted by Mr Watson to handle the group finances. In October 2017, Mr Louis Passano (an employee of Consilium) approached Mr Venter to reduce his (Mr Passano's) salary from R137,000 to R90,000 cost to company per month, on instruction from Mr Watson. These were disguised payments designed to mislead the curator of Mr Passano's insolvent estate and SARS. Mr Passano mentioned to Mr Venter that Mr Watson would pay the balance in cash. Mr Agrizzi confirmed that he was aware of this and of Mr Passano's circumstances. However, Mr Agrizzi was unaware of Mr Passano's criminal convictions.<sup>2555</sup>

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<sup>2552</sup> Transcript, day 36 p 110 to 111. Mr Venter's first affidavit p 257 at para 16.

<sup>2553</sup> Transcript, day 36 p 112. Mr Venter's first affidavit p 258 at para 17.

<sup>2554</sup> Transcript, day 36 p 114. Mr Venter's first affidavit p 258 at para 18.

<sup>2555</sup> Transcript, day 36 pp 115 to 116. Mr Venter's first affidavit pp 258 - 259 at paras 19 to 20.

1519.14. Mr Venter testified that Mr Passano had taken over from Mr van Tonder sometime in 2017 and did all the finances of the group. Mr Venter testified that he thought it strange as Mr Passano had not been demoted, he did not know what was behind it but was instructed to do so.<sup>2556</sup> According to Mr Venter, Mr Agrizzi had said that Mr Passano should not run the finances of a company if he had been sequestered but that Mr Venter had later read an article and he does not think that being sequestered really influences a person's ability to run the finances of a company. Initially it was Mr Venter's view that Mr Passano should not run the finances but when he testified he said that he was uncertain as to whether he could do so.<sup>2557</sup> Mr Venter explained that Bosasa had really wanted him and the audit partners to believe that Mr Passano was able to run the finances but that thinking back he believed that Mr Passano was disqualified from doing so.<sup>2558</sup> Mr Venter testified that he did not know whether Mr Passano received any other income from any of the other companies in the Bosasa Group. Mr Venter confirmed that he believed the transaction to be fraudulent at the time and still believed it when he testified.<sup>2559</sup>

1519.15. Mr Agrizzi confirmed Mr Venter's affidavit pertaining to a venture involving a company SeaArk. This company became involved in a failed agricultural project resulting in an assessed tax loss of R138,498,378 as at the 2012 tax year. By fraudulently channelling Bosasa's supply chain through this company after the agriculture business had closed, Bosasa was able to fraudulently make use of the assessed tax loss to reduce taxable income. By creating fraudulent invoices, the group was also able to survive a SARS audit in relation

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<sup>2556</sup> Transcript, day 74, p 50.

<sup>2557</sup> Transcript, day 74, p 51.

<sup>2558</sup> Transcript, day 74, p 53.

<sup>2559</sup> Transcript, day 74, pp 56-57.



to the use of the assessed tax loss for this purpose. It should however be noted that Mr Agrizzi's knowledge of this scheme derived from discussions with Mr Venter and other colleagues. The only direct evidence that he had in relation to the scheme was his having had sight of the documents unlawfully generated to survive the SARS audit that were attached to some of the whistleblowers' statements.<sup>2560</sup>

1519.16. Mr Agrizzi confirmed Mr Venter's affidavit regarding a fraudulent scheme whereby Mr Watson wished to provide houses in Morningside Sandton to his son, Roff, and his daughter, Lindsay. These houses were constructed, and the construction expenses paid by property companies within the group such as Luipaardsvlei Property and Leading Prospect Trading, as well as Lindela. The houses were registered in Mr Watson's name. However, Mr Agrizzi had not seen any of the accounting records relating to how these expenses were dealt with. At one point there was a debate on over-expenditure at Lindela and that is when he discovered personally that these costs had been put through the business. He confirmed the dismissal of Mr Peter Reicher arising out of these events. Mr Christo Viljoen, an employee of Bosasa, oversaw the construction of the houses. Mr Venter testified that some of the expenses went through the company and that all of Mr Watson's private expenses would go towards his loan account, which would be cleared out and declared as a bonus (with tax paid over) at year end.<sup>2561</sup> Mr Venter testified that he was told that some of the expenses for the construction of Mr Watson's children's' houses went through these entities.<sup>2562</sup> Mr Venter testified that when Mr Watson found out that Mr

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<sup>2560</sup> Transcript, day 36, pp 116 to 122. Mr Venter's first affidavit p 259 to 260 at paras 21 to 25.

<sup>2561</sup> Transcript, day 74, pp 59-60. Exhibit T10, p 18.

<sup>2562</sup> Transcript, day 74, p 64.



Peter Reiger was related to Mr Agrizzi he terminated his employment and that Mr Reiger was very upset and had made various threats as to information he had in his possession of illegal activities where private expenses were put through the companies.<sup>2563</sup> According to Mr Venter when Mr Agrizzi left Bosasa Mr Watson made a point of getting rid of all people related to Mr Agrizzi, which was one of the main reasons why Mr Reiger's employment was terminated.<sup>2564</sup>

1519.17. Mr Agrizzi confirmed Mr Venter's affidavit pertaining to the employment of Mr Gillingham, after he left the DCS, by a company either owned or operated by Mr Taverner, Mr Watson's brother-in-law, at a salary of R65,000 per month and with a company car, Mercedes GLA200. This amount was seemingly invoiced back to Bosasa through BEE Food's invoicing. This amount was over and above the R110,000 per month that Mr Gillingham received in cash payments and was designed "*to show some sort of income that was not cash*".<sup>2565</sup> Mr Venter testified that he had never heard the name Mr Taverner but confirmed that BEE Foods paid Mr Gillingham a salary of R65,000 per month but he did not know about a company car.<sup>2566</sup> Mr Venter confirmed that Mr Gillingham was paid by BEE Foods from 2012 until the time he testified.<sup>2567</sup>

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<sup>2563</sup> Transcript, day 74, pp 63-65.

<sup>2564</sup> Transcript, day 36, pp 82-85; Mr Agrizzi's Initial Affidavit p 35 at para 20.2. At this point in his testimony Mr Agrizzi said the following, which is difficult to understand.

"What did perturb me was that I was told that he [Mr Venter] had been shown pictures of one of the other witness' nieces that are very close to Andries Van Tonder and that concerned me and then I told Andries, we cut all contact with him because quite simply he is bad news and I cut contact with him, because he was not doing it for the right reasons. He was doing it for ulterior motive and when kids start coming into play, when threats are made and photos are taken of little girls, I have a major problem. I did not add it in my statement but I can mention to you that I confronted the person that did that, but I will not go there."  
Transcript, day 74, pp 65-66.

<sup>2565</sup> Transcript, day 36 pp 126 to 127. Mr Venter's first affidavit p 261 at para 28.

<sup>2566</sup> Transcript, day 74, p 69.

<sup>2567</sup> Transcript, day 74, p 72.

- 1519.18. Mr Agrizzi confirmed a scheme whereby a company called Lamozezt was established outside of the group as a Watson family entity which then invoiced Bosasa companies heavily for software development and provision, when in fact the company had seemingly neither developed nor provided the software. This was used by the Watson family to strip profits from Bosasa.<sup>2568</sup> Mr Venter confirmed this to be true.<sup>2569</sup> Mr Venter explained that the software licence agreements were bought from Bosasa which now belongs to the "Watson Group of Companies". There were charges going through from Watson companies into Bosasa, who were making use of the systems.<sup>2570</sup> Mr Venter confirmed that D'Arcy-Herrman did the accounting for Lamozezt and another consulting company called LRM Investments.<sup>2571</sup>
- 1519.19. Mr Agrizzi confirmed a transaction whereby the Watson family were able to secure ownership of a Bosasa group company, Phezulu Fencing into the family structure, resulting in their benefitting from a credit loan account in the amount of R63,000 owed by Bosasa Operations to Phezulu Fencing.<sup>2572</sup> Mr Venter confirmed that after some restructuring that was done, Phezulu Fencing became part of the "Watson Group of Companies".<sup>2573</sup> D'Arcy-Herrman assisted with the restructuring of Phezulu Fencing and other entities in Bosasa. Mr Venter testified that according to his knowledge everything was done above board.<sup>2574</sup> Mr Venter further confirmed that he had no personal knowledge of receipts being hidden under contingent liability in the balance

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<sup>2568</sup> Transcript, day 36 p 127 to 128. Mr Venter's first affidavit p 261 at para 29.

<sup>2569</sup> Transcript, day 74, p 74. Exhibit T10, p 19; annexure PV 7(1), PV 7(2), PV 7(3) and PV 7(4).

<sup>2570</sup> Transcript, day 74, pp 74-75.

<sup>2571</sup> Transcript, day 74, p 112.

<sup>2572</sup> Transcript, day 36 p 129. Mr Venter's first affidavit pp 261 to 262 at para 30.

<sup>2573</sup> Transcript, day 74, p 74.

<sup>2574</sup> Transcript, day 74, pp 76-77.



sheet instead of income and thus avoiding paying tax of R10.3m as Mr van Tonder dealt with all the financial affairs of Phezulu Fencing and its books were done internally. Mr van Tonder informed Mr Venter of the transactions between Phezulu Fencing and the company Dealstream.<sup>2575</sup>

1519.20. Mr Venter confirmed that the top shareholding structure of Bosasa was reviewed in 2016, by a professional consultant Mr Antonie van Wyk.<sup>2576</sup>

1519.21. In relation to a statement in Mr Venter's affidavit that "*I have not unduly benefitted from the corruption and dishonesty created by Watson*", the following was put to Mr Agrizzi:

"EVIDENCE LEADER:

Now, one significant difference. It appears – and please correct me if I'm wrong. Between the approach and this affidavit and your approach and perhaps of the other whistle-blowers, we will learn in due course, is that, I take that you admit that you benefitted from the corruption and dishonesty created by Watson (sic)?

MR AGRIZZI:

Well, yes. Even if it was a holiday somewhere, one benefitted from it. He did.

EVIDENCE LEADER:

Yes, and you have actually set that out in your affidavit.

MR AGRIZZI:

I think one must be blunt about it. If you benefit, you benefit."

1519.22. Mr Venter confirmed that it was important to him to reveal the truth and allow a new start and that he had not unduly benefitted from the corruption and dishonesty created by Mr Watson.<sup>2577</sup> Mr Venter testified that he was "*dragged*

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<sup>2575</sup> Transcript, day 74, pp 79-81.

<sup>2576</sup> Transcript, day 74, p 84. Exhibit T10, p 20.

<sup>2577</sup> Transcript, day 74, p 84.



*into the wrongdoing by Watson*" and that he had been dragged into the current fight between Mr Watson and Mr Agrizzi.<sup>2578</sup> Mr Venter confirmed his second statement in which he said:

"However, I submit this affidavit whilst not being for or against any side I also want to mention (same as Mr van Tonder and Mr Agrizzi) that Mr Watson uses people and when he feels you have served your purpose, then you have a dustbin with your name on it.

I want to emphasise that Mr Watson does not have an office, secretary nor a computer and that is where he uses people to do everything for him. In my opinion he does this on purpose so no evidence points towards him."

1519.23. I highlighted a concern that Mr Venter confirmed that Mr Watson uses people and when they have served their purpose, then you have a dustbin with your name on it, but that he testified that his first statement was not correct where it said:

"It is a constant and disturbing pattern that Gavin Watson would instruct people to act illegally and then discard them or get rid of them ..."<sup>2579</sup>

1519.24. Mr Venter agreed with the and conceded that the meaning of the two is similar, and confirmed that the point he had wanted to make was that Mr Watson would use people. Mr Venter acknowledged that correcting the first statement meant that he did not want to say that Mr Watson uses people and dumps them when he does not need them.<sup>2580</sup> However, he confirmed that he himself had felt discarded by Mr Watson.<sup>2581</sup>

1519.25. Mr Agrizzi confirmed Mr Venter's affidavit in relation to an earlier crash of the IT system that was orchestrated to destroy information when Bosasa was

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<sup>2578</sup> Transcript, day 74, p 85.

<sup>2579</sup> Transcript, day 74, p 87.

<sup>2580</sup> Transcript, day 74, p 88.

<sup>2581</sup> Transcript, day 74 p 89.

facing an investigation by the SIU. Mr Venter testified that he had been informed by Mr Agrizzi and Mr van Tonder that there had been a crash of the servers many years ago.<sup>2582</sup> Mr Venter clarified that "crashed" in his statement was explained to him by Mr Agrizzi and Mr van Tonder as the destruction, elimination and erasure of information.<sup>2583</sup>

1519.26. A second crash was planned in November 2017 which Mr Agrizzi understood to be in anticipation of the information that the whistleblowers would reveal. Mr Agrizzi was able to confirm awareness of a memorandum sent to staff in anticipation of the orchestrated crash notifying them that the company was supposedly experiencing server issues. Mr Agrizzi was only aware of this to the extent that a screenshot of the memo was attached to one of the whistleblowers affidavits. He did not have any further information in relation to the second crash.<sup>2584</sup> Mr Venter testified that in 2017 he was in a meeting with Mr Watson when Ms Elise Eland (who worked in IT) walked past and was called by Mr Watson. Mr Watson had a discussion with Ms Eland about a crash and a circular that had to go out but was not specific. Mr Venter could not say whether it was a problem that had occurred at the time or was planned to occur at a later stage.<sup>2585</sup> According to Mr Venter's knowledge, no crash happened thereafter.<sup>2586</sup> Mr Venter confirmed that paragraph 33 in his first statement was included by Mr Agrizzi and that he could not confirm whether a crash was planned to delete potentially hazardous data files that could

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<sup>2582</sup> Transcript, day 74, p 89.

<sup>2583</sup> Transcript, day 74, p 90.

<sup>2584</sup> Transcript, day 36 pp 137 to 141. Mr Venter's first affidavit p 264 at para 33.

<sup>2585</sup> Transcript, day 74, p 92.

<sup>2586</sup> Transcript, day 74, pp 91-92.

incriminate the company and its directors.<sup>2587</sup> According to Mr Venter, he did not know of any crash that had occurred at Bosasa and that as auditors, D'Arcy-Herrman would know of a crash.<sup>2588</sup>

1519.27. Mr Agrizzi further confirmed the meeting of whistleblowers that took place at his home on the evening of 12 November 2017, that at this point, Mr Venter had prepared a statement but not signed it. The people attending the whistleblowers meeting were mostly still employed at Bosasa, and Mr Agrizzi confirmed that Mr Venter had described to him Mr Watson's attempts to dissuade him from acting as whistleblower, that Mr Venter had informed him of Mr Watson having stated his intention to testify and state that Mr Agrizzi and Mr van Tonder were the creators of the systems and procedures involving the illegal cash payments (which Mr Agrizzi denied).<sup>2589</sup>

1519.28. Mr Venter testified that on 13 November 2017, Mr Bonifacio was confronted by Mr Watson and that Mr Watson had thereafter insisted on meeting with him. Mr Venter agreed to meet with Mr Watson at Mr Venter's office the following Friday (17 November). Mr Bonifacio had told Mr Watson about Mr Venter, Mr A van Tonder and Mr van Tonder and Mr Vorster's affidavits as well as about the meeting at Mr Agrizzi's house. Mr Venter testified that Mr Watson was relieved when he told him that he had not signed his statement and asked him whether he was prepared to put his hand on the Bible, which Mr Venter confirmed his willingness to do.<sup>2590</sup>

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<sup>2587</sup> Transcript, day 74, pp 93-94.

<sup>2588</sup> Transcript, day 74, pp 95-96. D'Arcy-Herrman (previously Bester Viljoen) were appointed for the 2006 financial year and the crash of the server referenced that had taken place years before was in 2007.

<sup>2589</sup> Transcript, day 36 pp 141 to 146. Mr Venter's first affidavit p 264 to 265 at paras 34 to 35.

<sup>2590</sup> Transcript, day 74, pp 96-98.



1519.29. Mr Venter confirmed that during his two-hour meeting with Mr Watson, he explained that the evidence against Mr Watson (referring to the files and documents at Mr Agrizzi's house) would destroy Mr Watson. Mr Watson assured Mr Venter that he would get through it all and said that Mr Agrizzi and Mr van Tonder signed off on the documents and are also implicated. Mr Watson indicated that he would not deny the fact that there were cash transactions in the business and that he would testify that Mr Agrizzi and Mr van Tonder were the creators of the systems and procedures involving the transactions. Mr Venter testified that Mr Watson informed him that he had prepared a statement whilst with his personal legal advisor, Graham Richards, and had disclosed this all in the statement. Lindsay Watson was later asked to show Mr Venter the statement, which she did.<sup>2591</sup>

1519.30. Mr Venter testified that he could not recall the content of the statement or whether Mr Watson had made any admissions in the statement but that it must have been serious because Mr Watson went to see his friend and legal advisor. According to Mr Venter, the statement referred to cash payments but did not say to whom and only referred to cash in the company. According to Mr Venter, the statement was only a few pages – three or four – and he was not mentioned in the statement. Mr Venter did not know what had happened to the statement and thought that, at the time of his testimony, it was still in Mr Watson's possession.<sup>2592</sup>

1519.31. Mr Venter testified further that Mr Watson had wanted to assure him that he would handle it all and that Mr Venter should not be worried. In providing Mr

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<sup>2591</sup> Transcript, day 74, pp 99-100.

<sup>2592</sup> Transcript, day 74, pp 100-102.

Venter comfort not to turn against Mr Watson, he [Mr Watson] indicated that he knew a senior SARS official, known as Gorbi, who would assist him in sorting this matter out.<sup>2593</sup>

- 1519.32. Mr Venter testified that Mr Agrizzi had included paragraph 36 of his first statement that lists the names of 25 persons who could be subpoenaed to testify as to the truth of the allegations as contained in his statement, and that he had no knowledge of the content thereof.<sup>2594</sup>

#### Mr Venter's Carte Blanche interview

1520. Mr Venter testified that he had no contact with Mr Watson since September 2018 but had contact with an internal risk consultant from time to time, who requested Mr Venter to meet with Mr Gumede and Mr Leshabane. At the meeting with Mr Gumede and Mr Leshabane, Mr Venter was requested to do an interview with Carte Blanche. Mr Venter was informed that the purpose of this interview was to discredit Mr Agrizzi based on the plan (flow diagrams) to sabotage Bosasa as well as the similarities between Mr Venter and Mr van Tonder's statements. Mr Venter agreed to do so. He had the interview with Carte Blanche on the basis agreed with Mr Gumede and Mr Leshabane. Mr Venter further testified that while he only discussed those aspects on Carte Blanche, there was nothing in the interview that was dishonest or untrue. Mr Venter agreed to do the interview for the possibility of future reappointment as tax consultant with Bosasa again.<sup>2595</sup>

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<sup>2593</sup> Transcript, day 74, pp 103-104.

<sup>2594</sup> Transcript, day 74, p 104.

<sup>2595</sup> Transcript, day 74, pp 107-108.

**Consilium Business Consultants**

1521. As to the company known as Consilium, Mr Agrizzi testified that this company was formerly owned by Dr Smith and, to his best recollection, 10% of the company was owned by Dr Smith's son. When Dr Smith fell ill, the company was transferred to Mr Venter's sister Ms Longworth. That company was owned by Mr Venter and the shareholders were Booi and Nklele for the purposes of BEE compliance. Consilium only had one client which was Bosasa.<sup>2596</sup>
1522. As discussed earlier, Mr Venter testified that he was approached in 2016 by Mr van Tonder on behalf of Mr Watson to take over Consilium when Dr Smith was diagnosed with cancer. Mr Venter understood Consilium to be a labour broker company providing such services to Bosasa.<sup>2597</sup> Mr Venter recommended that a family member of his become the director and shareholder of Consilium.<sup>2598</sup> Mr Venter testified that he managed Consilium and that D'Arcy-Herrman would get a monthly retainer fee and paid the employees from the payroll.<sup>2599</sup> Mr Venter was informed that every person that was on the payroll of Consilium was employed and rendered some service to Bosasa.<sup>2600</sup> He was advised so by Dr Smith whose word he accepted because Dr Smith was well-respected.<sup>2601</sup>
1523. Mr Agrizzi was asked to comment on Mr Venter's testimony that he had been told that for all members of the Watson family who received money from Consilium, services were rendered, and proper contracts of employment were in place. Mr Agrizzi

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<sup>2596</sup> Transcript, day 75, p 115.

<sup>2597</sup> Transcript, day 73, pp 57-58.

<sup>2598</sup> Transcript, day 73, p 58.

<sup>2599</sup> Transcript, day 73, p 60.

<sup>2600</sup> Transcript, day 73, p 61. Mr Venter testified that Mr Agrizzi included the paragraph in his first affidavit that stated, "no services were provided by Gavin Watson's family members."

<sup>2601</sup> Transcript, day 73, p 61.



responded that this was not true. He stated that Dr Smith would bring him an invoice every month and the attached payroll to sign off and Mr Agrizzi was sworn to secrecy as to the fact that there were family members on the payroll. Mr Agrizzi explained that Consilium was developed to cover up what people were earning because the law had changed in that financial statements had to reflect what the highest earners were earning. Mr Watson did not want the black directors to know exactly what they were earning therefore half of their salaries were paid by Consilium and half paid by Bosasa. Apart from the Watson family that were paid by Consilium, Mr Seopela was also paid. Mr Agrizzi referred to it being like a secret payroll and if he could recall correctly, there was Consilium 1 and Consilium 2, meaning that as soon as Consilium 1 reached the threshold, a second Consilium would open up on the payroll. Mr Agrizzi explained that this meant that there were apparently two separate legal entities but the directorships and the shareholders were the same.<sup>2602</sup>

1524. In respect of whether the persons who received monies, purportedly for services rendered or as employees of Consilium, actually did work for Consilium. Mr Agrizzi testified that there was no work done.<sup>2603</sup>

1525. Mr Agrizzi was asked to comment on Mr Venter's testimony that Consilium was or is a labour broker. Mr Agrizzi responded that Consilium was never registered as a labour broker but it was intended to perform that service as a separate company to Bosasa.<sup>2604</sup> He further elaborated that Consilium never made a profit while Dr Smith owned the company.<sup>2605</sup> He described Consilium as being a desk and a computer.<sup>2606</sup>

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<sup>2602</sup> Transcript, day 75, p 116.

<sup>2603</sup> Transcript, day 43, pp 58 and 59.

<sup>2604</sup> Transcript, day 75, p 118.

<sup>2605</sup> Transcript, day 75, p 119.

<sup>2606</sup> Transcript, day 75, p 120.

1526. Mr Venter testified that Consilium would invoice Bosasa Operations, Bosasa Youth Development Centres and Kgwerano Financial Services<sup>2607</sup> on a monthly basis for services provided. Mr Venter explained that a spreadsheet was prepared to monitor who was employed in which company. Where they would render services in more than one company, each of those companies would be separately invoiced.<sup>2608</sup>
1527. Mr Venter testified that approximately 25 employees were paid by Consilium and that he paid various other employees' salary every month, such as Mr Seopela who was a consultant in Bosasa, provided advisory services and worked closely with Mr Watson.<sup>2609</sup> According to Mr Venter, Consilium's external auditors would have checked that, as a labour broker, Consilium had employment contracts for the employees employed by it. He recalled an occasion during an audit when some of the employment contracts were requested and were made available to the external auditors, although he did not see the contracts himself.<sup>2610</sup> As far as Mr Venter was aware and informed, there were no negative audit findings or qualified reports for Consilium. Mr Venter testified that Mr Watson, Mr Agrizzi and Mr van Tonder were also paid from Consilium and were the only three employees paid from Consilium and from Bosasa as well. The same process was followed. They were included in the spreadsheet as employees and the monies to pay them were recovered from the Bosasa companies.<sup>2611</sup>
1528. Mr Agrizzi was asked to comment on Mr Venter's testimony that Consilium had raised three invoices for Bosasa Operations, Sondolo IT and the Bosasa Youth Development

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<sup>2607</sup> It may have been Sondolo IT instead of Kgwerano Financial Services. See Mr Venter's responses to questions from the evidence leader at transcript day 73, pp 62-63 where he confirms that Consilium would issue invoices to Sondolo.

<sup>2608</sup> Transcript, day 73, pp 62-65.

<sup>2609</sup> Transcript, day 73, p 66.

<sup>2610</sup> Transcript, day 73, p 68.

<sup>2611</sup> Transcript, day 73, p 69.



Centres on a monthly basis in order to recover the fees and salaries paid by it. Mr Agrizzi responded by saying that they had to allocate charges to the various companies and that the charges were split amongst the companies so that it would not all be lumped into a single company.<sup>2612</sup>

### **Lamozest**

1529. Mr Agrizzi testified that Lamozest was created at the pinnacle when there was a major concern about the SIU investigation to look after white employees and senior white management. It would be a company to be established that would charge a fee to Bosasa for special skills.<sup>2613</sup>

1530. Mr Agrizzi testified that Mr Watson called Mr van Tonder and himself to a meeting which was held in Mr van Tonder's office. Mr Watson advised them that he wanted to start a new company because he could not give them direct shareholding and this company will have a long-term agreement with Bosasa in respect of which they can have dividends from this company. The idea was this company would provide them with bonus payments in order to develop an entity that the other black directors were not aware of. Essentially, the company would be registered and Mr Agrizzi and Mr van Tonder would charge for their skills.<sup>2614</sup>

1531. Mr Venter was involved in forming the company and registering it, but it was never used for those intended purposes. Rather, Lamozest became a mechanism to pull funds out of Bosasa to pay for services, building the Watson children's homes and other personal use. Mr Agrizzi described it as becoming a real bone of contention in

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<sup>2612</sup> Transcript, day 75, p 117.

<sup>2613</sup> Transcript, day 76, p 127.

<sup>2614</sup> Transcript, day 76, p 127 and p 128.



the company because Mr van Tonder and himself were subsequently told that it was not possible to remunerate them from Lamozeest and that they should rather look at a new arm's length company. In other words, the promises made to them were simply not kept.<sup>2615</sup>

1532. Ultimately, most of the profits were taken out of Bosasa and transferred to Lamozeest.<sup>2616</sup>

### **Mr Kevin Wakeford**

1533. The evidence pertaining to Mr Wakeford has been discussed at some length above. However, it is necessary to address some of the additional issues arising from Mr Wakeford's evidence here.

#### Mr Wakeford's relationship with the Watsons

1534. Mr Agrizzi testified that Mr Wakeford was Mr Watson's long-standing friend.<sup>2617</sup> This was not disputed by Mr Wakeford who explained that he had a long-standing relationship with the Watsons (primarily Mr Ronnie Watson and Mr Valence Watson) which began during the 1980s.<sup>2618</sup> He said that he had met Mr Ronnie Watson and Mr Valence Watson as a "youngster" in the mid-80's, when he was recruited into an ANC underground cell, where he was rigorously schooled in the politics of the underground. He testified that the Watson family's commitment to the struggle for democracy and non-racialism was beyond question. He "grew up with the family"<sup>2619</sup> and some of their

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<sup>2615</sup> Transcript, day 76, p 128.

<sup>2616</sup> Transcript, day 76, p 128.

<sup>2617</sup> Transcript, day 41, p 99.

<sup>2618</sup> Transcript, day 390, p 24.

<sup>2619</sup> Transcript, day 390, p 139.

children were his godchildren.<sup>2620</sup> He spoke in praise of Bosasa and its being at the forefront of black economic empowerment.<sup>2621</sup>

1535. Mr Agrizzi testified that Mr Wakeford provided consulting services to Bosasa in relation to the negative press the company had received as well as the various audits of both the company and its directors in their personal capacities by SARS.<sup>2622</sup>

1536. Mr Wakeford explained that he secured a consultancy contract through his company Wakeford Investment Enterprises CC with Bosasa in 2006. He said that this consultancy arrangement was as a result of Mr Valence Watson's intervention during a time that Mr Wakeford was "unemployable" due to having blown the whistle on the manipulation of the Rand during his time as Chief Executive Officer of the SA Chamber of Business. Mr Wakeford confirmed that he received R50,000 per month (plus VAT) to provide on-going consultancy services to Bosasa, including analysing the broader political economy and assessing the strengths, weaknesses, opportunities and threats in the business context of the group.<sup>2623</sup>

#### Mr Wakeford's relationship and dealings with Mr Agrizzi

1537. It was clear from Mr Wakeford's evidence that his relationship with Mr Agrizzi was strained. Mr Wakeford described it as being "unproductive from the start" and testified that he had expressed concerns to Mr Watson about Mr Agrizzi's character and attitude. Mr Wakeford's view remained that Mr Agrizzi was a racist and had perjured himself when denying claims of racism.

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<sup>2620</sup> Transcript, day 390, p 52.

<sup>2621</sup> Transcript, day 390, pp24-27.

<sup>2622</sup> Transcript, day 41, p 100.

<sup>2623</sup> Transcript, day 390, pp 24-26. Mr Wakeford application to cross-examine, p 25 at para 69 and 71.

1538. Mr Wakeford described Mr Agrizzi as having built an institutional mode of control around Mr Watson. He described Mr Watson as managing by walking and not a “details” person whereas Mr Agrizzi was “the CEO here”. He expressed his view that “if anything went wrong ... he was an inexplicable part of what went wrong at Bosasa”.<sup>2624</sup> He described Mr Agrizzi as someone who exploited every relationship that he had.
1539. Mr Wakeford testified that Mr Agrizzi was motivated to falsely implicate him in the alleged corruption at Bosasa because (i) of their contentious relationship given Mr Wakeford’s relationship with Mr Watson and the Watson family; (ii) Mr Wakeford’s non-racial values; (iii) Mr Agrizzi’s perception regarding Mr Wakeford’s part in the termination of his employment; and (iv) Mr Wakeford’s usefulness to Mr Agrizzi in all the circumstances to promote the interests of the Democratic Alliance.<sup>2625</sup>
1540. To demonstrate Mr Agrizzi’s alleged vindictive character, Mr Wakeford referred to Mr Agrizzi disseminating confidential Commission documentation to Lord Peter Hain on 23 March 2021 on his publicly available email address. Mr Wakeford said that this was despite Mr Agrizzi having been informed on 17 August 2020 of Regulations 11(3) and 12(2)(c) of the Commission, which make it a criminal offence for anyone to disseminate or publish, without the written permission of the Chairperson, any document (which includes witnesses’ statements and documents) submitted to the Commission by any person in connection with the Commission’s inquiry.<sup>2626</sup> Of course, this part of Mr Wakeford’s evidence must be understood to refer to the publication or dissemination of documents which have not been published in a public hearing.

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<sup>2624</sup> Transcript, day 390 at pp 31-37.

<sup>2625</sup> Transcript, day 390, p 57.

<sup>2626</sup> Transcript, day 390, pp 229-230.



1541. Apart from his involvement with the DHA, Mr Wakeford was questioned about his involvement in advising Mr Agrizzi and Mr Watson about a Portfolio Committee meeting relating to the DCS and a "judgment call" which Mr Wakeford had said (in an email) had to be made in this regard.<sup>2627</sup> Mr Wakeford stated that he could not recall the specifics of why he advised Mr Agrizzi and Mr Watson about the meeting, although it was consistent with his function of alerting Bosasa to what was taking place in the Parliamentary and other spheres. I pointed out that this Portfolio Committee was holding hearings in connection with the SIU report and serious allegations of corruption against Bosasa at the time. Mr Wakeford said that he "would have encouraged engagement and attendance rather than avoiding those."<sup>2628</sup>
1542. It was put to Mr Wakeford that the evidence revealed that he had enquired from Mr Agrizzi about job opportunities within Bosasa for acquaintances. Mr Wakeford admitted to doing so on several occasions, explaining that Bosasa was a growing organisation. He stated that there was no response to these requests and no employment opportunities were created for anyone within his network.<sup>2629</sup>
1543. In return for his services, Mr Agrizzi stated that Mr Wakeford received a monthly fee of R100,000.<sup>2630</sup> Again, Mr Wakeford denied that this was their agreement and pointed out that nothing had been produced by Mr Agrizzi to counter this.<sup>2631</sup> Mr Wakeford stated that the only months he received R100,000 from Bosasa was as a result of arrear payments or catch-up payments due in terms of his retainer agreement with

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<sup>2627</sup> Exhibit T33, p 255. Transcript, day 390, p 195.

<sup>2628</sup> Transcript, day 390, p 198.

<sup>2629</sup> Transcript, day 390, pp 188 and 192.

<sup>2630</sup> Transcript, day 41, p 100.

<sup>2631</sup> Transcript, day 390, p 92.

Bosasa.<sup>2632</sup> Mr Wakeford stated that Mr Agrizzi was “adjusting and playing the fool” with his consultancy payments.<sup>2633</sup>

1544. As to the signing powers within Bosasa to approve invoices, Mr van Tonder explained that any two directors could authorise payment. Mr Watson's signature was not a prerequisite for approval. Authorised signatories included Mr Watson, Mr van Tonder, Mr Agrizzi, Mr Leshabane, Mr Gumede and Mr Leyds.<sup>2634</sup>

1545. When asked about Mr Wakeford's role during the SARS investigation that spanned over two years, Mr van Tonder indicated that Mr Watson had insisted that he (Mr van Tonder) give continuous feedback on the SARS investigation to Mr Wakeford. According to Mr van Tonder, the only services rendered by Mr Wakeford in respect of the SARS investigation were to attend meetings with Mr van Tonder. Mr Wakeford did not provide any reconciliations, reports, opinions, or advice.<sup>2635</sup>

### **Mr George Papadakis**

1546. Mr Agrizzi testified that Mr Wakeford approached Mr Watson with the recommendation that Mr George Papadakis (“**Mr Papadakis**”) be brought on board to resolve Bosasa's issues with SARS. At the time, Mr Papadakis was employed at SARS and the idea was to make representations to him in relation to the ongoing investigation against Bosasa.<sup>2636</sup> This was disputed by Mr Wakeford who testified that no discussion took place with Mr Watson, Mr Agrizzi and himself about using the

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<sup>2632</sup> Transcript, day 390, p 92. See Exhibit T33, Annexure EA224, p 1163.

<sup>2633</sup> Transcript, day 390, p 40.

<sup>2634</sup> Exhibit T33, Annexure EA48, p 994.

<sup>2635</sup> Exhibit T33, Annexure EA48, p 997.

<sup>2636</sup> Transcript, day 41, p 100

services of Mr Papadakis, nor had he ever told any party within Bosasa that Mr Papadakis could resolve any issues at SARS.<sup>2637</sup>

1547. During the section 417 enquiry in the liquidation of African Global Operations, Mr Agrizzi testified that the "issues" at SARS related to the Biorganics tax write-off, which was the "CR continuation exercise".<sup>2638</sup> Mr Agrizzi acknowledged in the enquiry that Mr Wakeford was not an attorney or accountant or tax consultant and suggested Mr Andries Van Tonder was better placed to explain the precise ambit of Mr Wakeford's alleged assistance to Bosasa was at the time, other than that Mr Wakeford consulted with Mr Papadakis and Mr Watson "on the SARS matter". Mr Agrizzi testified that Mr Wakeford and Mr Papadakis introduced Mr Watson to Mr Gorbi Mokonyane at SARS.<sup>2639</sup>

1548. Mr Wakeford testified that Mr Papadakis could never have assisted Bosasa in resolving any major investigation at SARS before 26 February 2009 as no SARS investigation existed before 23 March 2011, given that there was no notice of an initiation of an investigation until the end of 2010.<sup>2640</sup> Instead, the first notification of an impending audit from SARS was issued on 18 August 2010.<sup>2641</sup> Further, there was no need to ask Mr Papadakis for tax advice because Bosasa had some of the best tax advisors. Mr Wakeford would only ask Mr Papadakis for guidance from an administrative perspective from time to time.<sup>2642</sup>

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<sup>2637</sup> Transcript, day 390, p 91.

<sup>2638</sup> Exhibit T33, Annexure EA231, p 1170. It is not clear what this was.

<sup>2639</sup> Exhibit T33, Annexure EA232, p 1171.

<sup>2640</sup> Transcript, day 390, p 151.

<sup>2641</sup> Mr Wakeford application to cross-examine, p 31 at para 92. Transcript, day 390, p 18.

<sup>2642</sup> Transcript, day 390, pp 116-117.



1549. Mr Agrizzi also testified that Mr Wakeford arranged for Bosasa to provide wet and dry cement to a property in Meyersdal owned by Mr Papadakis where a house was being built.<sup>2643</sup> Mr Wakeford disputed this.<sup>2644</sup>
1550. According to Mr Vorster, Mr Watson introduced him to Mr Wakeford in mid-2008. Mr Vorster recalled Mr Wakeford visiting the Bosasa offices often. During late 2009, Mr Watson called Mr Vorster and informed him that Mr Wakeford would instruct him to buy and deliver wet and dry cement.<sup>2645</sup> Wet cement was purchased from WG Wearne in Randfontein and the dry cement was purchased from Randfontein Trading Centre ("RTC"). Mr Vorster testified that Mr Wakeford instructed him to deliver the cement to an address at Meyer Park Eco Estate in Meyerton.<sup>2646</sup> From independent research, it is possible that Mr Vorster got the name of the estate incorrect and it is actually Meyersdal Eco Estate which is broadly similar to the area referenced by Mr Agrizzi. According to Mr Vorster, the value of the cement purchased was "roundabout" R600,000.<sup>2647</sup> Mr Vorster understood the cement was intended for Mr Papadakis.<sup>2648</sup>
1551. Mr Wakeford testified that he did not believe that he ever met Mr Vorster and states that evidence that R600,000 worth of cement was delivered from WG Wearne and RTC could be refuted by documents attached to his affidavit.<sup>2649</sup>
1552. Mr Wakeford explained that his role in assisting Mr Papadakis in 2008/2009 was when Mr Papadakis was building a house and there was a shortage of cement. Mr Wakeford

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<sup>2643</sup> Transcript, day 41, pp 101 - 102.

<sup>2644</sup> Mr Wakeford application to cross-examine, p 31 at para 92.

<sup>2645</sup> Transcript, day 43, p 134.

<sup>2646</sup> Transcript, day 43, p 134.

<sup>2647</sup> Transcript, day 43, p 136.

<sup>2648</sup> Transcript, day 43, p 135.

<sup>2649</sup> Mr Wakeford's application to cross-examine, p 33 at para 99 to 105.

thought that Bosasa had shares in AfriSam and could assist Mr Papadakis in procuring the cement at a cheaper rate. He therefore referred the builder to Mr Agrizzi, who would, in turn, have referred the builder to Vorster. From time to time, Mr Wakeford was phoned by the builder and asked to assist in getting hold of Mr Agrizzi. He stated that there was nothing "malicious" about this, nor was there any *quid pro quo*. Mr Wakeford said initially in his oral testimony that he understood that "he"<sup>2650</sup> (seemingly referring to Mr Papadakis), paid Bosasa for the cement.<sup>2651</sup> Later in his oral evidence, Mr Wakeford said that much smaller quantities of cement than was claimed, were involved and that "there was some assistance and as far as I understand there was payment for it from Mr Papadakis's builder."<sup>2652</sup> Under re-examination, Mr Wakeford said:

"I do remember him contacting me Chair and saying I have settled. I have paid this thing, because he was worried if I recall that he didn't want to be fingered for being naughty".<sup>2653</sup>

1553. Mr Vorster was asked during the section 417 enquiry in the liquidation of African Global Operations about his allegation that Mr Watson had called him in and told him that Mr Wakeford would contact him and that he (Mr Vorster) was to assist Mr Wakeford with the buying and delivering of wet and dry cement. Mr Vorster was asked why this had taken place. Mr Vorster responded -

"I don't know. I can't tell you why. Kevin was brought to my office, he was introduced to me, Gavin said *Here is Kevin's number, Kevin, there is Frans number. Frans, Kevin will phone you for cement to be delivered*, he gave me a specific address where it

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<sup>2650</sup> Transcript, day 390, p 115.

<sup>2651</sup> Transcript, day 390, pp 114-116, 150-151,163-165, 218. Mr Wakeford

<sup>2652</sup> Transcript, day 390, p155.

<sup>2653</sup> Transcript, day 390, p 218.

needs to be delivered and then Kevin would order the cement through me".<sup>2654</sup> (*italics in the original document*)

1554. He accepted the cross-examiner's proposition that "this is just another example where through Bosasa benefits to third parties are procured."
1555. Mr Wakeford was questioned on his email communications with Mr Papadakis. Email communications were conducted through Papadakis' wife, Ms Chrisna Engelbrecht, not with him directly. Mr Wakeford said that this was because Mr Papadakis was "running around all the time".<sup>2655</sup>
1556. Ms Engelbrecht deposed to an affidavit on 13 August 2020 in response to a request for information by the Acting Secretary of the Commission on 30 January 2020.<sup>2656</sup>
1557. Ms Engelbrecht said that she was married to Mr Papadakis in the period January 2009 to January 2014.<sup>2657</sup> During this time, she was introduced to Mr Wakeford and he visited the home she shared with Mr Papadakis. From her understanding, the association between Messrs Papadakis and Wakeford commenced in approximately 2002 when they were involved in the Commission of Inquiry into the rapid depreciation of the exchange rate and related matters. It was Mr Wakeford who had introduced Mr Papadakis to the Watsons. She said it was Mr Valence Watson occasionally accompanied Mr Wakeford to Mr Papadakis' house.<sup>2658</sup>
1558. Ms Engelbrecht stated that she did not have any personal or business dealings with Mr Wakeford. However, she had several interactions with him solely as a result of his

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<sup>2654</sup> Exhibit T33, Annexure EA260, p 1197.

<sup>2655</sup> Transcript, day 390, pp 165-167.

<sup>2656</sup> Exhibit T33, p 617.

<sup>2657</sup> Exhibit T33, p 618.

<sup>2658</sup> Exhibit T33, p 618 – 619 at par 12.



association with Mr Papadakis. Apart from personal visits to their home, Ms Engelbrecht received e-mails and telephone calls on her private cellphone from Mr Wakeford and his wife. Ms Engelbrecht said that she was not privy to the contents of either the telephone conversations held on her cellphone between Messrs Papadakis and Wakeford or the conversations between them when Wakeford visited their home.<sup>2659</sup>

1559. Ms Engelbrecht confirmed having used the e-mail address [chrisnae@gfia.co.za](mailto:chrisnae@gfia.co.za) during the period January 2009 to January 2014. This was her work e-mail address and Mr Wakeford sent e-mails intended for Mr Papadakis to this address. Ms Engelbrecht would print these e-mails as well as attachments and provide them to Mr Papadakis.<sup>2660</sup> Examples of these emails were attached to Ms Engelbrecht's affidavit. Mr Wakeford referred to Mr Papadakis in these emails as either "advisor" or "George".<sup>2661</sup> Examples include the following:

- 1559.1. An email dated 25 July 2011 was addressed by Mr Wakeford to Mr Agrizzi, "bigjohn" and Ms Engelbrecht under the subject line "Food Supply Opportunities" saying "Meeting postponed as suggested by George".
- 1559.2. An email was sent by Mr Wakeford on 10 October 2012 to Ms Engelbrecht with the subject line "Letter", referring to advice that was needed "on this matter". On the same day she responded "Advisor in CTown until Friday, 19 October so don't expect response before then? Ok?"
- 1559.3. An email was sent by Mr Wakeford on 21 February 2013 to Ms Engelbrecht incorporating a draft letter intended to be placed on Bosasa's auditors'

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<sup>2659</sup> Exhibit T33, p 619 at par 13 and 14.

<sup>2660</sup> Exhibit T33, p 619 at par 15 to 17.

<sup>2661</sup> Exhibit T33, p 620 at par 19 and 20; Exhibit T33, annexure "KW0048", p 630; Exhibit T33, p 654.

letterhead and seemingly to be addressed to SARS regarding a tax audit, complaining about the tax treatment of certain expenses and complaining that "our client feels that it has been overly subject to audits". The source of the draft letter was Mr Agrizzi. Above the draft letter was the request "Please see below and ask advisor to comment." Ms Engelbrecht responds, saying "Will ask advisor tonight only if that's ok?"

1559.4. An email was sent by Mr Wakeford on 17 May 2013 to Ms Engelbrecht saying "See attached re discussion!" and forwarding an email from Mr Bonifacio with the subject line "Tax Audits in the Spotlight", attaching a newspaper article on the subject.

1559.5. An email was addressed by Mr Wakeford on 30 September 2013 to Ms Engelbrecht under the subject line "Tomorrow's meeting". It reads -

"I will be meeting George tomorrow at 2pm. Please cancel your driver's collection at my office as I will give him the Fidentia file personally.

In addition I will drop off 75% of the Biltong and Dried Wors for him, Nick and Athos.

I attach a document that he needs to peruse before I meet him."

and attaches a draft letter addressed to SARS complaining about tax audits conducted against the Bosasa Group of companies, alleging breach of an agreement reached with a SARS official not to raise further queries and threatening possible review proceedings in this regard.

1559.6. An email was addressed by Mr Wakeford on 5 December 2013 to Ms Engelbrecht under the subject line "Letter of findings" and read "Please ask advisor to have a look." Attached was a document from SARS setting out certain "Audit Findings".

1560. Ms Engelbrecht stated that she had never met Messrs Agrizzi, Van Tonder or Peet Venter. She noted, however, that they were either copied or included on some of the e-mails sent to her by Mr Wakeford. She was not aware who the e-mail address referred to as "bigjohn" belonged to or who had access to that e-mail in 2011. Further, Ms Engelbrecht said that to the best of her knowledge, she did not directly receive any e-mails from individuals associated with Bosasa such as Messrs Watson, Agrizzi, Van Tonder or Peet Venter.<sup>2662</sup>

1561. Despite printing the emails from Mr Wakeford as described above, Ms Engelbrecht said that she had no knowledge or information of the services or of the association between Messrs Papadakis and Wakeford nor was she aware of the services Mr Papadakis provided to Mr Wakeford or Bosasa.<sup>2663</sup>

1562. Ms Engelbrecht referred to information obtained from SARS dated 3 April 2020<sup>2664</sup> which recorded that Mr Papadakis' first day of employment with SARS was 10 March 2008 and on 1 July 2012 he occupied the position of Executive: Specialised Auditor. This position was on a fixed term basis from 1 July 2012 until 31 July 2015. However, Mr Papadakis submitted a resignation letter on 3 June 2013 and the SARS personnel system shows that his employment was terminated on 14 September 2013. Based on this, Ms Engelbrecht confirmed that Mr Papadakis was employed by SARS over the period 2008 to 2013.<sup>2665</sup>

1563. Ms Engelbrecht confirmed that she was a trustee of the Evergreen Environment Trust for the period February 2005 to March 2017. Mr Papadakis had informed her that the

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<sup>2662</sup> Exhibit T33, p 620.

<sup>2663</sup> Exhibit T33, p 619 at par 18.

<sup>2664</sup> Exhibit T33, p 682.

<sup>2665</sup> Exhibit T33, p 621.



purpose of this trust was to ensure the financial future of their son. She said that she did not have any knowledge of the operations of the trust.<sup>2666</sup>

1564. According to Ms Engelbrecht's knowledge, Erf 361 Meyersdal Nature Estate, Extension 3 was owned by the Evergreen Environment Trust. Ms Engelbrecht said that she was aware that cement was delivered to construct the house situated at this property. However, she said that she had no knowledge of who ordered, provided or delivered the cement or whether the cement was provided by Bosasa or any its affiliates.<sup>2667</sup>

1565. From an undated map of the Meyersdal Eco Estate, Ms Engelbrecht confirmed that Erf 361 was situated at Unit 55. She said that she was not aware of any other house in the Meyersdal area that was owned by the Evergreen Environment Trust. She did however provide the Commission with details of the properties in the Meyersdal area that were owned by Mr Papadakis and trusts associated with him.<sup>2668</sup>

1566. Mr Wakeford was asked why he referred to Mr Papadakis in some of the emails as "advisor". He said they were friends and that "his nickname was my Advisor. Everyone who is close to me knows that. ... that term was used well in excess of his departure from SARS and I have emails to prove [it]".<sup>2669</sup> His nickname was also on account of him being knowledgeable and always having advice to offer.<sup>2670</sup> With reference to Ms Engelbrecht's affidavit, Mr Wakeford disputed her evidence that she had no personal relationship (in the sense of being friends) with him and stated that he last saw her at

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<sup>2666</sup> Exhibit T33, p 621 at par 26.

<sup>2667</sup> Exhibit T33, p 622.

<sup>2668</sup> Exhibit T33, p 622.

<sup>2669</sup> Transcript, day 390, p165.

<sup>2670</sup> Exhibit T33, Annexure EA 271, p 1210. Transcript, day 390, p 171

a funeral in 2017 and they got on well. He stated that he had emails to validate their cordial relationship which extended beyond Mr Papadakis.<sup>2671</sup>

1567. Mr Agrizzi testified during the section 417 enquiry in the liquidation of African Global Operations that the value of cement delivered to Mr Papadakis was over R1 million.<sup>2672</sup> When pressed he however said that he did not know the exact amount, which could be obtained from the Commission.

1568. Mr Papadakis filed an affidavit responding to excerpts from the affidavit of Mr Agrizzi dated 15 February 2019 and the affidavit of Mr Vorster dated 4 April 2019. Mr Papadakis referred to Mr Agrizzi's evidence to the effect that at a point when Bosasa was being "pestered by SARS" with tax audits and, at another time, a major tax investigation, Mr Wakeford suggested "getting Mr Papadakis on board ... to help in sorting out the SARS issue", following which a meeting took place between Watson, Mr Wakeford and Mr Papadakis. Mr Papadakis disputed this evidence and denied being party to any such meeting.<sup>2673</sup>

1569. He pointed out that the first alleged email between Mr Wakeford and Ms Engelbrecht was dated 21 February 2013,<sup>2674</sup> approximately three years after the alleged last delivery of wet cement, said by Agrizzi to be the quid pro quo for the assistance provided by Mr Papadakis. Furthermore, Mr Papadakis could only recall attending one meeting at Bosasa in late 2014, after he had left SARS' employ.<sup>2675</sup>

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<sup>2671</sup> Examples of their friendly interactions can be seen at Exhibit T33, p 657.

<sup>2672</sup> Exhibit T33, Annexure EA234, p 1171.

<sup>2673</sup> Exhibit T33, p 685.

<sup>2674</sup> In fact the earliest email provided by Ms Engelbrecht is dated 25 July 2011.

<sup>2675</sup> Exhibit T33, p 686.

1570. Mr Papadakis confirmed having met Mr Wakeford during the Rand Commission. He said that he had also met Messrs Ronnie and Valence Watson during this time. Mr Papadakis said that he had met Mr Watson in late 2014, after he had left the employ of SARS. He denied having requested or being offered any financial inducement or benefit from Mr Wakeford or anyone else in relation to Bosasa.<sup>2676</sup>
1571. In relation to the cement provided to him, Mr Papadakis explained that, while building at the Eco Estate, Messrs Ronnie and Valence Watson indicated that they were engaged with a major cement manufacturer and informed him that he should let them know if he ever encountered difficulties with cement supply. Mr Papadakis was to communicate with Mr Wakeford, if needed.<sup>2677</sup>
1572. Mr Papadakis stated that he was “fully employed” during the period of construction and “as such the building activities were attended to by my contractors, including the ordering of supplies”. Although Mr Papadakis could not recall the quantities of cement ordered, he testified that “toward the latter part of 2009 I was provided an amount that needed to be settled, which was settled.”<sup>2678</sup>
1573. Mr Papadakis stated that the quantities and values of cement attested to by Messrs Agrizzi and Vorster were fallacious. He asserted that the delivery notes made available to him demonstrated that no deliveries for wet cement were made by Wearne subsequent to 10 July 2009 and the RTC records reflected an invoice and delivery in February 2010 which was credited as the goods had not been ordered. Mr

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<sup>2676</sup> Exhibit T33, p 687.

<sup>2677</sup> Exhibit T33, p 687.

<sup>2678</sup> Exhibit T33, p 687.



Papadakis said that other than this, there is an invoice which only refers to delivery to the general Meyersdal area.<sup>2679</sup>

1574. Mr Papadakis stated that purchases of material for the wet works at Eco Estate, cement and building material were ordered, "in the main", by his contractor and these purchases were either "settled by him or directly with his suppliers".<sup>2680</sup>

1575. Insofar as meetings with Messrs Watson and Agrizzi were concerned, Mr Papadakis stated that he did not attend any such meetings during his employment with SARS. He pointed out that Annexure A to Mr Agrizzi's January 2019 affidavit does not list him as a person with whom Mr Agrizzi dealt, nor does his name appear in Mr Agrizzi's "Black Book".<sup>2681</sup>

1576. Mr Papadakis considered the nub of the evidence against him to be that "I could be approached 'to make representations to me' regarding a specific SARS audit Bosasa was undergoing at the time." He said that he was unable to respond to this allegation because it would constitute a violation of section 69(1) of the Tax Administration Act and he had requested "an undertaking from the Commission" which request had not, by the time of deposing to his affidavit, been responded to by the Commission.<sup>2682</sup>

1577. About the evidence of Mr Venter:

1577.1. Mr Papadakis stated that Mr Venter did not refer to him by name and only referenced a senior SARS official referred to by Mr Watson as "Gorbi". Mr

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<sup>2679</sup> Exhibit T33, p 688.

<sup>2680</sup> Exhibit T33, p 688.

<sup>2681</sup> Exhibit T33, p 688.

<sup>2682</sup> Exhibit T33, p 689. Mr Papadakis claimed not have received an undertaking from the Commission on this issue.

Papadakis said that he did not know any SARS official by such name. Furthermore, Mr Papadakis stated that Mr Venter states in his evidence of 26 March 2019 that he did not know of any corrupt dealings involving SARS.<sup>2683</sup>

1577.2. Mr Papadakis stated that the quantities of cement alleged to have been ordered were inflated when the invoices from Wearne and RTC were examined and the time periods which Messrs Vorster and Agrizzi allege deliveries of cement occurred was directly contradicted by Wearne.<sup>2684</sup>

1577.3. Mr Papadakis stated that there was a contradiction in Mr Vorster's evidence regarding the period over which the cement was alleged to have been delivered. He said that evidence in the form of a Google Earth image showed that the roof was on by 27 December 2009 and any allegation that wet cement was delivered subsequent to this date is a fabrication.<sup>2685</sup>

1578. In respect of the evidence of Mr van Tonder, Mr Papadakis pointed out that, as CFO, Mr van Tonder would have been intimately involved in all dealings with SARS and the audits of Bosasa, yet his evidence did not implicate Mr Papadakis in any wrongdoing. He said that there was no allegation in Mr van Tonder's evidence that he signed-off any invoices pertaining to cement purchases for Mr Papadakis.<sup>2686</sup>

1579. Mr Papadakis referred to there being "destructive facts" pertaining to the allegations made by Messrs Agrizzi and Vorster. In this regard he said that the delivery of cement predates the first engagement initiated by SARS.<sup>2687</sup> He highlighted that, despite the

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<sup>2683</sup> Exhibit T33, p 689.

<sup>2684</sup> Exhibit T33, pp 697 to 699.

<sup>2685</sup> Exhibit T33, p 700.

<sup>2686</sup> Exhibit T33, p 690.

<sup>2687</sup> Exhibit T33, p 693.

documents from Wearne and RTC destroying the very basis of their allegations, Messrs Agrizzi and Vorster refused to admit that their evidence was false.<sup>2688</sup>

1580. Turning to a consideration of the documentary evidence relating to the cement, Mr Papadakis made the following points:

- 1580.1. he said that the delivery note of 26 February 2010 (no. 142584) for 40 bags of cement has a handwritten note on it to the effect that a credit was passed in terms of credit note no. 5672 because the goods were "not ordered".
- 1580.2. he said that on the face of the RTC invoice of 12 March 2010 (no. 42823), there was no delivery address. He said that, in the absence of a delivery address reflecting his or the Trust's property, and in the absence of a corresponding delivery note he did not accept that the cement was delivered to the property with which he was associated, namely 361 Eco Estate.
- 1580.3. he said that the delivery note and invoice no. 144385 of 24 June 2010 (for 50 bags of cement) did not list a delivery address linked to Mr Papadakis and simply referred to "Meyersdal"; nor did Mr Papadakis recognise the signatures on the delivery note. The Bosasa purchase order 84146, which was attached to this delivery note, recorded the delivery address as Lindela.
- 1580.4. Mr Papadakis said Google Earth image showed that the house was built by 27 December 2009.<sup>2689</sup> Elsewhere in his affidavit he said that the image showed that by this time, the house had a roof on it.<sup>2690</sup>

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<sup>2688</sup> Exhibit T33, p 691 cf. Mr Agrizzi's supplementary affidavit of 8 April 2019 at para 55.1.

<sup>2689</sup> Exhibit T33, pp 705.

<sup>2690</sup> Exhibit T33, p702.



1581. Insofar as the deliveries of wet cement from Wearne were concerned, Mr Papadakis provided an analysis in which he sought to demonstrate that the quantities of cement said to have been delivered in the Wearne documentation were inconsistent with the stages reached in the construction of the house on the relevant dates. As evidence of the state of construction on the relevant dates, he used images showing the progress of the construction from time to time on Google Earth.<sup>2691</sup>
1582. On this basis Mr Papadakis asserted that “the information provided by Wearne is, at best, unreliable, and only signed delivery notes would constitute reliable evidence.” On this basis he contended that “the empirical evidence conclusively proves the fallaciousness of Mr Agrizzi and Mr Vorster’s allegations.”

#### **Mr Wakeford's cross-examination of Mr Agrizzi**

1583. Under cross-examination, Mr Agrizzi stated that he could not answer yes or no to the question of whether he stood by his evidence relating to Mr Wakeford, Mr Radhakrishna and Mr Papadakis. Mr Papadakis testified that, while he may have made mistakes relating to a date or time, he said he never faltered in terms of explaining the corrupt relationships.<sup>2692</sup>
1584. Mr Agrizzi indicated that he no longer wished to refer to himself as a whistleblower after reading a book by Motshilo Maseku on the issue.<sup>2693</sup> He also no longer considered himself to be a racist as he had worked with Mr Barney Mhlatla from the Human Rights Commission who had helped him to not think of race as a colour.

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<sup>2691</sup> Exhibit T33, pp 707-709.

<sup>2692</sup> Transcript, day 416, pp 180-182.

<sup>2693</sup> Transcript, day 416, p 186.

Furthermore, he previously stated that he was a racist in the context of the language he had used at the time.<sup>2694</sup>

1585. Mr Agrizzi denied that he despised Mr Wakeford or Mr Watson.<sup>2695</sup> Mr Agrizzi explained that he despised what Mr Watson did and the environment that he created.<sup>2696</sup>

1586. With reference to his alleged breach of the Commission's regulations by forwarding information to Lord Hain, Mr Agrizzi denied sending the email despite it being from his email address.<sup>2697</sup>

1587. Mr Agrizzi confirmed that he was not at the meeting alleged to have taken place between Mr Watson, Mr Wakeford and Mr Papadakis to discuss the assistance Mr Wakeford and Mr Papadakis would provide in relation to the SARS investigation.<sup>2698</sup>

1588. Mr Agrizzi stated that, as far as he could recall, Mr Papadakis was still employed by SARS during the time his assistance was sought. In answer to whether he accepted that Mr Papadakis had to have rendered services to Bosasa before the cement was delivered to him, he answered "Probably, yes",<sup>2699</sup> but later sought to retreat from this position.<sup>2700</sup>

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<sup>2694</sup> Transcript, day 416, pp 191-195.

<sup>2695</sup> Transcript, day 416, p 195.

<sup>2696</sup> Transcript, day 416, p 196.

<sup>2697</sup> Transcript, day 416, p 202.

<sup>2698</sup> Transcript, day 416, p 210.

<sup>2699</sup> Transcript, day 416, p 211.

<sup>2700</sup> Transcript, day 416, pp 224-225.

1589. When asked during which "major SARS investigation" Mr Wakeford approached Mr Watson, Mr Agrizzi stated that it was "one of the big companies".<sup>2701</sup> He could not specifically recall which of the big companies SARS was investigating but thought it "might very well have been" Phezulu Fencing. Mr Agrizzi conceded that he did not know which investigation it was specifically.<sup>2702</sup>
1590. It was put to Mr Agrizzi that he had adapted his version regarding the timing of the delivery of the cement for Mr Papadakis from late 2009 to mid-2011. Mr Agrizzi simply stated that this was the opinion of Mr Wakeford's counsel.<sup>2703</sup>
1591. When asked to comment on the specific amounts paid by Bosasa to RTC, Mr Agrizzi did not deal with the details put to him and instead stood by a generalised allegation that cement, paid for Bosasa, was delivered to Mr Papadakis as gratification.<sup>2704</sup>
1592. Mr Agrizzi was thereafter referred to an affidavit by Ms Luanda Davids, debtors supervisor at Ready Mix which is a subsidiary of Wearne – supplier of the wet cement.<sup>2705</sup> Ms Davids attached invoices to her affidavit, nine of which related to the delivery of cement to the Papadakis property. The invoices demonstrated that the first order for Mr Papadakis was placed on 22 February 2009 and it was therefore put to Mr Agrizzi that Mr Papadakis would have rendered his services prior to or around February 2009. Mr Agrizzi responded by stating that Mr Watson worked differently

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<sup>2701</sup> Mr Agrizzi considered the "big companies" to be Bosasa Operations, Supply Chain Management, Kgwerano Fleet Management Services and Bosasa Security, Sondolo IT, and Phezulu Fencing – transcript, day 416, pp 236-238.

<sup>2702</sup> Transcript, day 416, p 239-249.

<sup>2703</sup> Transcript, day 416, pp 267-270.

<sup>2704</sup> Transcript, day 416, pp 278-280.

<sup>2705</sup> Exhibit T33, p 808-849.



with each person and some people would receive payment for services rendered before they did the job.<sup>2706</sup>

1593. From the invoices attached to Ms Davids' affidavit, the last delivery by Wearne to the Papadakis' property was on 9 July 2009.<sup>2707</sup> Mr Agrizzi was unwilling to concede that this was objective evidence regarding the date of the last delivery of cement because he had no access to the records of Bosasa or Wearne. He later accepted that he could not dispute that the last delivery to Mr Papadakis was in 2009.<sup>2708</sup>
1594. When it was put to Mr Agrizzi that there was no evidence before the Commission of a SARS investigation prior to 9 July 2009, Mr Agrizzi denied this.<sup>2709</sup>
1595. Mr Agrizzi could furthermore not dispute that Mr Wakeford was paid a fee of R50,000 per month plus 14% VAT in total and, on the odd month, there were additional expenses.
1596. Mr Agrizzi could not dispute that Bosasa fell into arrears in paying Mr Wakeford for a period of time. He disputed that he controlled the payments to Mr Wakeford and stated that any withholding of payments was done on Mr Watson's instructions.<sup>2710</sup> When referred to his email of 7 March 2012 instructing Mr Bonifacio to make payment to Mr Wakeford for February and March as Bosasa was behind on payments, Mr Agrizzi stated that Mr Wakeford's accounting system was "such a mess" and this made it

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<sup>2706</sup> Transcript, day 416, p 285.

<sup>2707</sup> Exhibit T33, p 844.

<sup>2708</sup> Transcript, day 416, p 290.

<sup>2709</sup> Transcript, day 416, p 290.

<sup>2710</sup> Transcript, day 416, p 294.

difficult to dispute that there were some months during which Mr Wakeford received double-payments.<sup>2711</sup>

1597. Mr Agrizzi denied that there was no evidence to demonstrate that Mr Wakeford was paid R100,000 to manage Mr Papadakis.<sup>2712</sup>

1598. It was put to Mr Agrizzi that his evidence of an extension of the Lindela contract was verifiably false, which he disputed. Mr Agrizzi stated that the contract was still in process and was continuing and it was, therefore, extended naturally. He referred to Mr Radhakrishna visiting him during 2020 to complain that Mr Watson did not pay the balance of the R7m due to him.<sup>2713</sup>

1599. Mr Agrizzi testified during the section 417 enquiry in the liquidation of African Global Operations that in relation to the Lindela contract "we were asked to renegotiate the contract to introduce cost savings for the Department of Home Affairs. At that stage the Department were paying us in the region of about R7,8 million for Lindela, to run the facility, and there was a minimum clause of 3,250 people. So even though there weren't 3,250 people, they would pay us for that."<sup>2714</sup> Agrizzi acknowledged his concession that there was a price reduction of R860,000 per month. When asked to explain what the "more favourable contract terms" he claimed had been negotiated for Bosasa were, it was his contention that the benefit to Bosasa lay in the five-year extension and avoiding a tender process.<sup>2715</sup> He added that "it took the sting out of

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<sup>2711</sup> Transcript, day 416, pp 295-296.

<sup>2712</sup> Transcript, day 416, p 310.

<sup>2713</sup> Transcript, day 416, pp 316-318.

<sup>2714</sup> Exhibit T33, p 1176.

<sup>2715</sup> Exhibit T33, Annexure EA239, p 1178.

Lindela, because Lindela at that stage was a very controversial contract in government."<sup>2716</sup>

1600. Mr Agrizzi was referred to a letter from his attorneys dated 15 December 2017,<sup>2717</sup> which counsel sought to characterise as calling on Bosasa to cede its catering contract with the DCS to *inter alia* Mr Agrizzi and it was put to him that this was a demand to take over the contract. Mr Agrizzi disputed this letter was a demand and referred to the contents of the letter which refer to it as a proposal stemming from an agreement that such a proposal would be made.<sup>2718</sup>

1601. When referred to the "game plan" attached to Mr Venter's affidavit, Mr Agrizzi stated that the Carte Blanche interviewer believed Mr Agrizzi's version and he considered that to tell a lot about Mr Venter's statement.<sup>2719</sup>

1602. Mr Agrizzi was thereafter referred to his email of 15 March 2018<sup>2720</sup> which stated that "we will wait till the business is liquidated and pick up the contracts by offering assistance during the process..."<sup>2721</sup>

1603. Ultimately, it was put to Mr Agrizzi that long before the Commission, he had devised a scheme to destroy Bosasa if he could not take it over or ensure that it went into liquidation; further, that Mr Agrizzi's motive in approaching the Commission was to

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<sup>2716</sup> Exhibit T33, p 1176.

<sup>2717</sup> Exhibit T33, pp 1079-1081.

<sup>2718</sup> Transcript, day 416, p 325.

<sup>2719</sup> Transcript, day 416, p 326.

<sup>2720</sup> Exhibit T33, pp 1086-1087.

<sup>2721</sup> Transcript, day 416, p 328.



blacken the name of Bosasa and that he misled the Commission in many respects, but certainly in respect of Mr Wakeford, Mr Papadakis and Mr Radhakrishna.<sup>2722</sup>

1604. Mr Agrizzi responded by stating that there was nothing untoward about his proposal to take over the business unit known as African Global. He furthermore stated that he had approached Adv Willie Hofmeyr and the DA for assistance before coming to the Commission.<sup>2723</sup>

1605. In re-examination, Mr Agrizzi confirmed that Mr Wakeford had received R6,502,783.01 as a consultant from Bosasa over the period 2006 to 2015.<sup>2724</sup>

1606. In addition, Mr Agrizzi confirmed that "R2,109,000 was paid to Distinctive Choice Wines of which R1,821,600 was paid over directly to Mr Radhakrishna". Further, during the period 20 November 2009 to 2011, R1,132,000 was paid to Akhile Management Services which belonged to Mr Radhakrishna.<sup>2725</sup>

1607. The next theme emerging from the evidence, that is, the establishment of a new business enterprise and attempts to avoid adverse findings by SARS, is addressed below.

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<sup>2722</sup> Transcript, day 416, p 329-330.

<sup>2723</sup> Transcript, day 416, p 330-334.

<sup>2724</sup> Transcript, day 416, p 336.

<sup>2725</sup> Transcript, day 416, p 338.

## SeaArk

1608. In this section of the summary, the evidence that is dealt with relates to the establishment of a prawn aquaculture business by Bosasa and subsequent attempts to avoid adverse findings in an investigation by SARS into this enterprise. The issues dealt with are:

- 1608.1. Fred Alibone and Arthur Kotzens' role;
- 1608.2. the establishment of SeaArk;
- 1608.3. SeaArk's change to Bosasa Supply Chain Management;
- 1608.4. the SARS investigation; and
- 1608.5. the burying of evidence at SeaArk.

## Fred Alibone and Arthur Kotzen's role

1609. Mr Agrizzi testified that during 2005 and 2006, Bosasa was extremely cash flush with over R300m in the bank. At that date, Mr Watson decided to go into a prawn aquaculture project with Mr David Kevin Wills.<sup>2726</sup> Mr Agrizzi raised his concerns about this at the time given that the core business of the group was providing facilities management, security infrastructure resources and youth development services. However, Mr Watson believed it to be a good business opportunity and so he became involved and was given a piece of land at Coega. An Environmental Impact Assessment was done for that property. However, Mr Agrizzi was not involved in that process. Mr Agrizzi's involvement was dealing with Mr Fred Alibone ("**Mr Alibone**")

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<sup>2726</sup> Transcript, day 76, p 57.

and Mr Arthur Kotzen ("**Mr Kotzen**"). Mr Agrizzi testified that he had to employ Mr Kotzen's son Jason.

1610. Mr van Tonder testified that during 2005/2006, Watson commenced a process of building an aquaculture pilot project called "SeaArk" in the Coega IDZ in Port Elizabeth. This project entailed breeding and growing seawater prawns in a controlled environment.<sup>2727</sup>

1611. At the time Kotzen had a small building company. Mr Watson decided he wanted to use Kotzen to build SeaArk.<sup>2728</sup> Mr Agrizzi questioned Mr Kotzen's ability to undertake this R300m construction project given that his business comprised of essentially two bakkies and a cement mixer. Due to the fact that there were numerous insurmountable issues with the Environmental Impact Assessment at SeaArk at that stage, Watson deployed people from Bosasa to help build. He then bought Mr Kotzen's company, BuildAll, for R15m.<sup>2729</sup> Mr Agrizzi testified that it was very important that Mr Watson controlled both Mr Kotzen and Mr Alibone.<sup>2730</sup>

1612. One day while driving in Mr Watson's car, Mr Agrizzi overheard him on a call with Mr Kotzen. Watson instructed Mr Kotzen to go ahead and conduct revamps or to build a house for an unidentified person. When Mr Agrizzi enquired whose house they were revamping, Mr Watson told him to just stop fishing and that it was an old friend that he was looking after. Mr Agrizzi subsequently learnt that the friend was Thwabo Ndube.<sup>2731</sup> Mr Ndube was an MEC based in Port Elizabeth and the reason for Mr Watson wanting to assist him was because of his association with people in Port

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<sup>2727</sup> Transcript, day 43, p 11; Mr van Tonder's Affidavit, p 8 at para 40.

<sup>2728</sup> Transcript, day 76, p 55.

<sup>2729</sup> Transcript, day 76, p 55.

<sup>2730</sup> Transcript, day 76, p 55.

<sup>2731</sup> Transcript, day 76, p 55; Mr Agrizzi's Supplementary Affidavit, p 40 at para 100.



Elizabeth that could resolve the issue with the Environmental Impact Assessment for SeaArk.<sup>2732</sup>

1613. Mr Agrizzi was informed by Mr Alibone that he was tasked by Mr Kotzen and Mr Watson to keep a little black book of any expenses incurred for parliamentarians and politicians.<sup>2733</sup> The assumption was that this pertained to politicians in the Port Elizabeth area, being the region in which Mr Alibone and Mr Kotzen were active.<sup>2734</sup>

### **The establishment of SeaArk**

1614. SeaArk Africa (Pty) Ltd ("**SeaArk**") was established as a wholly-owned subsidiary of Bosasa Operations for the aquaculture project. In addition, an American company known as Sustainable Resources International ("**SRI**") was involved in the project. Consultants were employed by Bosasa and SRI.<sup>2735</sup>

1615. All payments for this project were made by Bosasa Operations. However, the funds required were not necessarily generated by Bosasa Operations itself as the subsidiaries needed to contribute. Mr van Tonder described Bosasa Operations as the holding company of all other operating companies within Bosasa.<sup>2736</sup>

1616. Large sums of money up to approximately R50m were transferred to SRI over three years by Bosasa Operations through SeaArk for payment to the consultants.<sup>2737</sup> In Mr van Tonder's assessment, Bosasa did not receive value for money for these

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<sup>2732</sup> Transcript, day 76, p 56.

<sup>2733</sup> Transcript, day 76, p 59; Mr Agrizzi's Supplementary Affidavit, p 40 at para 103.

<sup>2734</sup> Transcript, day 76, p 59.

<sup>2735</sup> Transcript, day 43, p 11; Mr van Tonder's Affidavit, p 8 at para 38.

<sup>2736</sup> Transcript, day 43, p 12; Mr van Tonder's Affidavit, p 8 at para 39.

<sup>2737</sup> Transcript, day 43, p 13; Mr van Tonder's Affidavit, p 9 at para 42.

consulting services. As CFO of Bosasa, Mr van Tonder was involved in the application for funding for the project and had direct knowledge of its financial transactions.<sup>2738</sup>

1617. Mr Agrizzi testified that he was often informed, whilst SeaArk was operational, that it was an ideal model to get international funding and that it would, in effect, be a game-changer. Mr Agrizzi explained that he became aware of large amounts of money that were being paid to SRI.

1618. Mr Agrizzi testified that there was a bulk payment to the value of R35m transferred to this company and thereafter single monthly payments of between R700,000 to R1m. He described the payment as draining all the profits off the company. Mr Agrizzi was subsequently informed that Mr Watson owned 51% of SRI.<sup>2739</sup> In Mr Agrizzi's opinion, SRI was a scam because he could not understand why Mr Watson would want to invest money offshore when the company in South Africa was doing very well.<sup>2740</sup>

1619. Mr Agrizzi testified that at one stage when the business was "*going south*", he approached Mr Biebuyck to try to recover funds from SRI. However he was told to not touch it and to just leave it with Mr Watson.<sup>2741</sup>

1620. The project was not successful and Bosasa could not grow the project commercially due to a lack of funding. There were also operational concerns which prevented the continuance of this project.<sup>2742</sup> Mr Venter testified that due to bad publicity at the time,

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<sup>2738</sup> Transcript, day 43, p 14.

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<sup>2740</sup> Transcript, day 76, p 58.

<sup>2741</sup> Transcript, day 76, p 58.

<sup>2742</sup> Transcript, day 43, p 13.

the banks would not finance the project or the business so they could not carry on. They closed it down and moved it to Krugersdorp.<sup>2743</sup>

1621. The project was subsequently terminated. On termination, the project was recorded as having an assessed loss of R138,498,378 in the books of SeaArk.<sup>2744</sup> This assessed loss was derived from the expenses on the project as well as equipment write-offs. In this regard, the prawn processing plant equipment was purchased but never unboxed or used. This equipment was written-off in the books for income tax purposes over a period of time.<sup>2745</sup>

### **SeaArk change to Bosasa Supply Chain Management**

1622. After the termination of the project, the main business of SeaArk was changed to accommodate the utilisation of the assessed loss for tax purposes within Bosasa Operation's kitchen operations, that is, the catering contract with the DCS and the kitchen utilised for cooking for people in the youth centres and at Lindela. These contracts generated profit for Bosasa. The name of the company was also changed from SeaArk to Bosasa Supply Chain Management (Pty) Ltd ("**BCSM**") which acted as a procurement company for food items which were then on-sold to Bosasa Operations for use in the kitchen operations. These food items were marked-up by 20%.<sup>2746</sup>

1623. Mr Venter testified that the name and the nature of the business changed and that BCSM became the supply chain for Bosasa. Mr Venter was not aware if prices were inflated but testified that his audit colleagues at D'Arcy-Herrman found nothing

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<sup>2743</sup> Transcript, day 76, p 91.

<sup>2744</sup> Transcript, day 43, p 15; Mr van Tonder's Affidavit, p 9 at para 43.

<sup>2745</sup> Transcript, day 43, p 15; Mr van Tonder's Affidavit, p 9 at para 44.

<sup>2746</sup> Transcript, day 75, p 83.



untoward.<sup>2747</sup> According to Mr Venter, the main business of SeaArk was changed based on an internal decision. As far as he was aware, there was nothing untoward in doing so.<sup>2748</sup>

1624. Mr van Tonder testified that the procurement portion of the BCSM business was a genuine business transaction but the on-selling of the food items to Bosasa Operations was not. The profit margin created by the mark-up of the food items was reflected as a profit in BCSM and set-off against the reflected assessed loss. The result was that the assessed loss in BCSM could be utilised for the income tax purposes of the day-to-day businesses of Bosasa Operations. The value of the benefit to Bosasa Operations from this scheme was R38,700,000.<sup>2749</sup>

1625. Mr Agrizzi confirmed that SeaArk was interposed as a supply chain management company to acquire goods for the Bosasa companies and charge at a mark-up. Mr Agrizzi also confirmed that the profit made by SeaArk was offset against the assessed tax loss. Mr Venter confirmed that SeaArk benefitted by using the loss, and by using BSCM which would then make a profit to on-sell and by not paying tax on those profits.<sup>2750</sup> In response to a question from the evidence leader, Adv Molefe, on whether this could have created an opportunity for tax fraud, Mr Venter testified that it could have but that he relied on the audit division to have established that, and that SeaArk and BSCM each received a clean audit and so he could not comment on that.<sup>2751</sup>

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<sup>2747</sup> Transcript, day 76, p 94.

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<sup>2749</sup> Transcript, day 43, pp 17 and 18; Mr van Tonder's Affidavit, p 9 at para 46. Mr Venter confirmed the value of the assessed loss and the tax value of the assessed loss, transcript, day 73, pp 39-40.

<sup>2750</sup> Transcript, day 76, p 99.

<sup>2751</sup> Transcript, day 76, p 99.

1626. Mr Venter testified that Mr Watson did not want to lose the assessed loss and instructed Mr van Tonder and him to do everything possible to maximise the use of the loss.<sup>2752</sup> Mr Venter testified that he advised that equipment could be leased out to constitute trade for tax purposes because Mr Watson did not want to forfeit the loss.<sup>2753</sup> Mr Venter stated that he did not know whether Mr Watson gave an instruction to the effect that he and Mr van Tonder filter the tax exposure of profits in other operations via the entity.<sup>2754</sup> Mr Venter was of the view that there was no unlawful activity taken by SeaArk in maximising the use of the assessed loss because the auditors had not picked up anything unlawful.<sup>2755</sup>

### The SARS investigation

1627. Later, SARS investigated the utilisation of the assessed loss, the existence of the assessed loss within BSCM and Bosasa Operations and the equipment write-offs.<sup>2756</sup> Mr van Tonder was involved in responding to the SARS investigators so that Bosasa could justify the use of the assessed loss and the write-offs. To achieve this, two things had to be shown:

1627.1. Firstly, Bosasa had to show that the SeaArk project continued. This was done by building a prawn production facility in Krugersdorp where artificial seawater was manufactured to grow prawns. An entity called Biorganics (Pty) Ltd ("**Biorganics**") was created as a 100% subsidiary of Bosasa Operations for this purpose. Mr van Tonder recalled being formally introduced to Mr Zuma

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<sup>2752</sup> Transcript, day 73, pp 25-26.

<sup>2753</sup> Transcript, day 73, p 28.

<sup>2754</sup> Transcript, day 73, pp 29-30.

<sup>2755</sup> Transcript, day 73, p 32.

<sup>2756</sup> Transcript, day 43, p 19.

during his visit to this facility.<sup>2757</sup> Mr Vorster testified that on 9 October 2013, Bosasa's senior accountant, Ms Coleen Jansen Van Rensburg, instructed him to make certain entries into three truck logbooks that would accompany a statement to SARS to confirm that equipment was moved from SeaArk in Port Elizabeth to Krugersdorp. He was asked to submit another affidavit to SARS in March 2014. Mr Vorster confirmed that the purpose of his statement and affidavit to SARS was to mislead it in its investigations.<sup>2758</sup> Ms Jansen Van Rensburg commissioned the affidavit and statement before it was sent to Mr Vorster. He confirmed that he did not want to sign the documents but was forced to. The truck logbooks were later confiscated and locked in Mr Watson's vaults.<sup>2759</sup>

1627.2. Secondly, Bosasa had to demonstrate that the processing plant equipment was installed and utilised within the various kitchen operations in the group when in fact they were never used.<sup>2760</sup>

1628. Mr van Tonder stated that part of the response to SARS was clearly a misrepresentation. On the strength of these representations, SARS concluded that the assessed loss was legitimate and only disallowed a portion of the processing plant write-offs.<sup>2761</sup>

1629. Mr Venter was asked to comment on the truthfulness or correctness of the following part in his first statement, namely,

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<sup>2757</sup> Mr van Tonder later testified that this was the only time he had witnessed a meeting between Mr Watson and Mr Zuma (Transcript, day 43, p 20).

<sup>2758</sup> Transcript, day 43, p 141.

<sup>2759</sup> Transcript, day 43, p 144.

<sup>2760</sup> Transcript, day 43, pp 19 and 20; Van Tonder's Affidavit, p 10 at para 47.

<sup>2761</sup> Transcript, day 43, p 20; day 42, p 129; Van Tonder's Affidavit, p 10 at para 48.



"The value of this created an opportunity to evade tax on an amount of R38,779,546. I was told that documents and processes were fraudulently manufactured in order to win the SARS investigation by satisfying them that SeaArk did trade for tax purposes which allowed the company to carry forward the assessed loss to future years."<sup>2762</sup>

Mr Venter explained that, at the time of the SARS audit on SeaArk, he utilised the services of a tax attorney to formulate the response to SARS, and based on the information made available to Mr Venter and the attorney, they successfully defended the assessed loss. Mr Venter testified that they were not involved in anything unlawful.<sup>2763</sup> He explained that he could not confirm the validity of what was provided to him by Bosasa and would not know whether documents or processes were fraudulently manufactured.<sup>2764</sup> Mr Venter confirmed that SARS required proof to be submitted to substantiate the claims, including the proof of trade in order to retain the loss but that he was not aware of anything that was fraudulently drawn up.<sup>2765</sup>

1630. A few months after the outcome of the SARS investigation, Mr Watson instructed Mr van Tonder to close down Biorganics with immediate effect and retrench staff. Mr van Tonder pointed out to Mr Watson that closing down Biorganics was in contradiction with the information provided to SARS that it was a genuine ongoing production facility.<sup>2766</sup> He discussed this instruction with Mr Agrizzi and explained that it was unlawful to terminate the facility. Mr Agrizzi agreed with him.<sup>2767</sup>

1631. Mr Watson got the impression that Mr van Tonder and Mr Agrizzi were reluctant to close down the Biorganics facility so he instructed Mr Bonifacio to attend to it. The

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<sup>2762</sup> Mr Agrizzi's Initial Affidavit, Exhibit S8, p 929.

<sup>2763</sup> Transcript, day 73, pp 35-36.

<sup>2764</sup> Transcript, day 73, p 37.

<sup>2765</sup> Transcript, day 73, pp 37-38.

<sup>2766</sup> This was despite the fact that Mr van Tonder was aware that the facility was a "smokescreen" (Transcript, day 43, p 23).

<sup>2767</sup> Transcript, day 43, p 22.

facility was closed down and the processing equipment later sold to Connie Muller from Ibhongo Traders for R3,200,000.<sup>2768</sup>

1632. Mr Agrizzi was referred to Mr Venter's evidence which strongly suggested that this arrangement was entirely legitimate in that it involved no prejudice to SARS and that any falsification of invoices would have been picked up by the auditing firm, D'Arcy-Herrman. Although he acknowledged that he was not an accountant, Mr Agrizzi insisted that the use of the assessed tax loss was a defrauding of SARS.
1633. Mr Agrizzi and Mr van Tonder lied to Watson and said that the company could no longer pay the R1m a month to SRI. To this end, Mr Agrizzi and Mr van Tonder told Mr Watson that "*the Reserve Bank is closed*" and they would not allow them to transfer any more money. Mr Agrizzi explained they were battling to pay salaries and wages and he and Mr van Tonder had to bond their houses to pay wages. That led to the closure of SeaArk. Mr When Watson realised that they were not going to get money from the Development Bank of Southern Africa and the Department of Trade and Industry, he agreed to close SeaArk but the problem was that they had a lot of equipment which had been specifically designed (by a company called Shrimp Co in the US) and cost them in the region of the equivalent of nearly R20m.<sup>2769</sup> Shrimp Co supplied equipment that specialises in deveining, weighing, de-heading and cleaning shrimp.<sup>2770</sup>
1634. Mr Agrizzi testified that Mr Venter suggested that they change the name of the company and the focus of the so-called "guts of the company". That is when SeaArk closed and a series of fictitious invoices were created. These pieces of equipment

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<sup>2768</sup> Transcript, day 43, p 22; Mr van Tonder's Affidavit, p 11 at para 51.

<sup>2769</sup> Transcript, day 75, p 124.

<sup>2770</sup> Transcript, day 75, p 124.



were moved out to all the catering operations under the guise that they were continuing business, whereas in fact they were changing the very nature of the business (which would deprive Bosasa of any legal entitlement to use the assessed tax loss to reduce taxable income).<sup>2771</sup>

1635. This involved the leasing of equipment to various Bosasa operations. Mr Agrizzi was asked whether this equipment was of any use in the prison catering department. In response, he indicated that the equipment was never used and rather stood in a shed in Port Elizabeth. He mentioned that Mr Vorster would be able to tell the Commission how they got the equipment to a place called Luipaardsvlei because SARS was doing an audit and they informed SARS that this was part of the meat processing plant.<sup>2772</sup>

1636. Essentially, Mr Agrizzi confirmed that the continuation of the business as an equipment leasing company was a fraud and that Mr Venter knew that.<sup>2773</sup> Mr Agrizzi said that Mr Venter knew about it because Phillip (Mr Venter's associate) had drawn on a large piece of paper where they needed to allocate the equipment and how much they would have to charge for that equipment. He indicated that he had a picture of this diagram on his phone with the names of the various units. Those units never received the goods. What occurred then was that Mr Vorster was tasked to write out delivery notes and invoices for each piece of equipment to each operation at the DCS. Mr Vorster then had to depose to an affidavit (presumably confirming the continued use of the equipment), which he did using a commissioner of oaths in the company. In truth, the equipment never left Luipaardsvlei. This equipment was eventually sold for R3m as scrap metal.<sup>2774</sup> Mr Agrizzi testified that the man who sold and handled the

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<sup>2771</sup> Transcript, day 75, pp 124-125.

<sup>2772</sup> Transcript, day 75, p 126.

<sup>2773</sup> Transcript, day 75, p 126.

<sup>2774</sup> Transcript, day 75, p 126.



entire transaction was a family member that he had employed called Mr Peter Reiger whose job was to purchase equipment and dispose of non-utilised assets. All of the assets of SeaArk sold for R3m.<sup>2775</sup>

### **Burying of evidence at SeaArk**

1637. When asked if there was anything else about the operation of SeaArk that he could assist the Chairperson with, Mr Agrizzi mentioned one anecdote in relation to SeaArk pertaining to computers that were buried at SeaArk. In this regard the company tendered its assistance for the burying of Grande Four and L&J computers and of documentation. The documentation reflected all the purchases for the houses of Mr Mti and Mr Gillingham. For this reason, this documentation had to be destroyed. Mr Watson sent the information to Port Elizabeth and said it must be buried at SeaArk. Mr Agrizzi confirmed that Mr Kotzen was subsequently instructed to collect the computers and to bury them at the SeaArk site in Coega and that he was later told by Mr Watson and Mr van Tonder to recover these computers and burn them.

1638. SeaArk is a factory on the coast and they put the information into plastic bags and dug a big hole in which the computers were buried. A few weeks later, Mr Agrizzi received a call from a news reporter in Port Elizabeth asking why they were digging up at SeaArk. Mr Watson later insisted that they pick up the computers and they get burnt. However, they were never burnt. They were kept in a garage of Mr Kotzen's son-in-law and Mr Agrizzi testified that they were probably still there and if somebody had asked, they could have assisted and told them where it was.<sup>2776</sup>

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<sup>2775</sup> Transcript, day 75, p 126.

<sup>2776</sup> Transcript, day 75, p 128.

1639. The excavation work undertaken at the SeaArk location in Coega was done by the Hawks and Mr Agrizzi was surprised that they did not ask him for assistance because that area had already been excavated. This failed excavation took place two or three weeks prior to Mr Agrizzi's testimony on 29 March 2019.<sup>2777</sup> Mr Agrizzi believed that the black book kept by Mr Alibone was with attorneys.<sup>2778</sup>
1640. Mr Agrizzi confirmed that with SeaArk, Bosasa received a tax write-off of approximately R148m. they were not entitled to that tax loss. The rebate and remittance from SARS was arranged by Mr Watson, Mr Curtis Venter and Mr Daniel Erasmus who "paid some other people off within SARS". Bosasa received that assessed tax loss for the prawns that supposedly moved from Port Elizabeth to Krugersdorp.<sup>2779</sup>
1641. The events surrounding Mr Agrizzi's resignation are addressed below.

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<sup>2777</sup> Transcript, day 76, p 63.

<sup>2778</sup> Transcript, day 76, p 65.

<sup>2779</sup> Transcript, day 416, p 336.

### Mr Agrizzi's resignation and subsequent developments

1642. Mr Agrizzi's resignation and the events which followed it may be dealt with briefly.

1643. He testified that he tendered his resignation from Bosasa in August 2016.

1644. Two weeks later he received a call from Mr Biebuyck pleading with him to meet with Mr Watson and cautioning him that, if he did not "stick together with Watson", he would "end up in jail".<sup>2780</sup>

1645. Mr Agrizzi testified that on 12 August 2016 he was approached by Mr Daniel Watson to take over the reins at Bosasa from Mr Watson, who would remedy his old ways. Mr Agrizzi stated that he was offered a ten-year retention agreement, earnings of about R12 million per annum, lump sum payment, plus bonuses to be paid annually and a shareholding in the company Lamozeest, which, according to Mr Agrizzi, is "where all the dividends go anyway".<sup>2781</sup>

1646. Mr Agrizzi testified that he accepted the offer.<sup>2782</sup> Upon his return to Bosasa he set about preparing a turnaround strategy based on restructuring the company into one focussed on the private sector and not based on corruption.<sup>2783</sup> According to him, the strategy was well received, including by Mr Watson.<sup>2784</sup>

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<sup>2780</sup> Transcript, day 41, pp 129-131.

<sup>2781</sup> Transcript, day 41, pp 131-134.

<sup>2782</sup> Transcript, day 41, pp 135 and 136.

<sup>2783</sup> Transcript, day 41, p 137.

<sup>2784</sup> Transcript, day 41, pp 139- 141.



1647. Mr Agrizzi asserts that problems however arose in relation to the transfer to him of the share certificates pursuant to the agreement concluded. He said further that Mr Watson showed signs of reverting to a corrupt way of doing business.<sup>2785</sup>
1648. Mr Agrizzi testified that on 15 December 2016 he went on leave. He was then hospitalised on 25 December 2016. He required emergency surgery which did not go as planned and he became extremely ill.<sup>2786</sup>
1649. Once he had been discharged from hospital, he was called by Mr Biebuyck and informed that an alternative offer of a consultancy agreement was to be made to him for a lesser amount of remuneration. The agreement suited Mr Agrizzi and he decided to accept it.<sup>2787</sup>
1650. Mr Agrizzi claimed that he started to receive threats from two of Bosasa's directors, Mr Gumede and Mr Leshabane. The terms of the consultancy agreement were also not complied with.<sup>2788</sup>
1651. Seemingly, his employment came to an end in March 2017 amidst developments in relation to possible whistleblowing by him and a group of fellow employees.<sup>2789</sup> Mr Wakeford was of the view that Mr Agrizzi was coercing these employees to make false statements.<sup>2790</sup> Further, Mr Wakeford was of the view that Mr Agrizzi's true motive

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<sup>2785</sup> Transcript, day 41, pp 138-142.

<sup>2786</sup> Transcript, day 42, p 10.

<sup>2787</sup> Transcript, day 42, pp 10-13, Annexure C to Mr Agrizzi's initial affidavit. Annexure AT10 to Mr van Tonder's affidavit at p 103.

<sup>2788</sup> Transcript, day 42, pp 11-15.

<sup>2789</sup> Transcript, day 42, pp 17-18.

<sup>2790</sup> Transcript, day 390, pp 57-58.

was to take over Bosasa or, failing that, bring about its liquidation. This would enable him to take over Bosasa's contracts into his own entity, Crearis.<sup>2791</sup>

1652. Following advice from prominent legal personalities, on 21 August 2017, Mr Agrizzi issued a press release that he was going to come clean.<sup>2792</sup>

1653. During the latter part of August 2017, there were further negotiations between members of the Watson family and Mr Agrizzi around a fresh agreement. This did not however come to anything.<sup>2793</sup>

1654. Mr Agrizzi said that he was stringing the Watson family along and had only wanted Mr Watson's signature on the agreement, presumably to show the attempt to buy his silence, as he perceived it.<sup>2794</sup> Despite extensive communications between the parties, these discussions were ultimately terminated without any agreement having been reached.<sup>2795</sup>

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<sup>2791</sup> Transcript, day 390, pp 58, 59, 65, 88, 89; Exhibit T33 annexure EA139, p 1041, 1082, 1083.

<sup>2792</sup> Transcript, day 42, pp 23, 27-29.

<sup>2793</sup> Transcript, day 43, pp 55 – 70.

<sup>2794</sup> Transcript, day 42, p 57.

<sup>2795</sup> Transcript, day 42, p 90.

### Threats against Mr Agrizzi

1655. In this section, the various threats that were made against Mr Agrizzi after and during his evidence in the Commission are highlighted.
1656. On one of the days of testimony before the Commission, reference was made to a serious threat within the preceding week that had been made on Mr Agrizzi's life. However Mr Agrizzi did not wish to go into the details of the threat.<sup>2796</sup>
1657. The proceedings of day 75 started with me referring to certain events in the public domain that had concerned me. I informed Mr Agrizzi that I had made enquiries and was assured that it was not connected with the evidence that Mr Agrizzi was giving at the Commission and I was assured that the processes of the Commission would be respected until its work was finished. I also said that I had also been informed that the new Director of Public Prosecutions knew nothing about those events. I said that I was very concerned and continued to be concerned that nobody should do anything that would discourage witnesses from assisting the Commission.<sup>2797</sup>
1658. Mr Agrizzi's referred to Exhibits LL1 and LL2 which were documents written in isiZulu and an attempt at a translation, respectively.<sup>2798</sup> The document LL1 in isiZulu and was found on Mr Agrizzi's windscreen after he had left breakfast at Nicolway. Essentially the document was a threat with reference to his mother and a statement to the effect that the persons knew what car he drove and that he should stop talking about state capture and about Bosasa.<sup>2799</sup>

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<sup>2796</sup> Transcript, day 42, p 20.

<sup>2797</sup> Transcript, day 75, p 2.

<sup>2798</sup> We did not receive copies of this Exhibit.

<sup>2799</sup> Transcript, day 75, pp 8-9.



1659. A second incident which was placed on record was that the Commission's investigators had received a message from a senior police officer on 27 March 2019 informing them that Mr Agrizzi's life was under threat. This was based on reliable information. As a result of that, further security was provided to Mr Agrizzi. Notwithstanding those threats, Mr Agrizzi was willing to give evidence at the Commission.<sup>2800</sup>

1660. At one point in Mr Agrizzi's testimony, he raised a security concern about having seen in the venue where the Commission heard the evidence, a person that he had himself employed in Bosasa from the South African Police Service, a Captain or Colonel Solomon Segale, who he had seen outside the venue speaking to policemen the previous day. He had established that he had "*slipped in on his old police ID card*" and raised a security concern in this regard.<sup>2801</sup>

### Intimidation of journalists

1661. Mr Adriaan Basson testified on acts of intimidation against him. He explained that in 2006, he had occasion to publish articles concerning Bosasa while working at Die Beeld newspaper together with his colleague Ms Carien Du Plessis who was working for Die Burger newspaper at the time. These articles concerned numerous allegations levelled at the Parliamentary Portfolio Committee on Correctional Services about Bosasa which had suddenly received "*an avalanche of tenders from the Correctional Services Department*".<sup>2802</sup>

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<sup>2800</sup> Transcript, day 75, p 10.

<sup>2801</sup> Transcript, day 35, p 40.

<sup>2802</sup> Transcript, day 46, pp 3 to 4.

1662. Mr Basson's investigative work continued from between mid-2007 and September 2010 while he was employed by the Mail & Guardian newspaper. During his time at the Mail & Guardian, Mr Basson served as an investigative journalist and later as part of the Mail & Guardian Centre of Investigative Journalism that is better known today as the amaBhungane.<sup>2803</sup>
1663. While employed at the Mail & Guardian and doing work there which pertained to the allegations referred to above, Mr Basson received threats on two occasions. He adduced that the only purpose of such threats at the time was to stop him writing about Bosasa.
1664. In January 2009, Mr Basson published a series of articles in the Mail & Guardian based on leaked emails that exposed how Bosasa employees had written large sections of tender documents for contracts that were awarded to the Bosasa companies.
- 1664.1. Mr Basson's investigation revealed continued acts of corruption within the DCS. He proceeded to publish the evidence from this trail of emails that Bosasa was in fact involved in writing the tender specifications of tenders that were later awarded by the DCS.<sup>2804</sup>
- 1664.2. The leaked emails were verified using the services of forensic experts who confirmed the legitimacy of the emails.<sup>2805</sup>
- 1664.3. Following the publication of the article, Mr Basson started receiving calls on his cellular telephone. These calls came at all times during the day and night

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<sup>2803</sup> Transcript, day 46, p 4.

<sup>2804</sup> Transcript, day 46, p 5.

<sup>2805</sup> Transcript, day 46, p 5-6.

and early parts of the morning, sometimes from a number that was visible on his phone and sometimes from unknown numbers. The purpose of these calls and messages were always a person claiming that they were a Bosasa employee and saying to Mr Basson that he was threatening their jobs and that he would cause them to lose their jobs. They also asked Mr Basson to stop writing and reporting on Bosasa. In addition, there were other callers who accused him of racism, saying that he was only doing these articles because he was white and a racist.<sup>2806</sup>

1664.4. Mr Basson described these phone calls as being upsetting and perturbing given that they were received at all times of the day. The callers also used profanities and an aggressive tone that made it clear that they believed Basson was endangering their livelihoods. Mr Basson found these calls upsetting and threatening.<sup>2807</sup>

1664.5. A source within Bosasa confirmed to him that his number had been distributed in the group to employees and that the employees were tasked to call and threaten him. The name of one specific Bosasa director was named as giving this instruction to employees. However Mr Basson was reluctant to disclose the name of this director given that he had not been able to corroborate this information from his source.<sup>2808</sup>

1665. The second episode during which Mr Basson was threatened and intimidated took place in February 2009.

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<sup>2806</sup> Transcript, day 46, p 7.

<sup>2807</sup> Transcript, day 46, pp 7 and 8.

<sup>2808</sup> Transcript, day 46, p 9.



- 1665.1. He received a call from a woman who did not introduce herself by name, but said she was a colleague or somehow involved with the media and that she wanted to warn Mr Basson about the investigations into Bosasa. The woman tried to convince Mr Basson that she was helping him by saying things like what he was doing was dangerous and she wanted to make sure that she was talking to the right person. She asked Mr Basson to verify his ID number, his home address and to confirm a list that she would provide him of his friends and family. The woman then proceeded to read an accurate list of names of friends and family members and their professions. Mr Basson got the clear impression that the woman was reading from some kind of intelligence document that had gathered information on Mr Basson and the real purpose of the call was not to help him but to scare him. The woman told Mr Basson how dangerous Bosasa was. The woman also had records of Mr Basson's tertiary studies where he studied, what he studied as well as the information of where he was born.<sup>2809</sup>
- 1665.2. Mr Basson was perturbed by the call and that someone had known all this personal information about him. His impression was that some kind of intelligence operation was conducted on him.
- 1665.3. The woman warned Mr Basson with the words "*I will kill you if you tell anyone about our conversation*". Although Mr Basson knows that sometimes people use that phrase jokingly, he did not believe this was joking as it was in the context of a much larger longer conversation with very ominous use of

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<sup>2809</sup> Transcript, day 46, p 10.

language and even the tone of her voice was very harsh in supposedly trying to help him.<sup>2810</sup>

1665.4. Mr Basson later googled the telephone number and the identity of the caller came up as someone by the name of Ms Benadicta Dube. Ms Dube was a public relations consultant of a company called Igagu Media. Mr Basson quickly established that Ms Dube was in fact a journalist who worked for reputable publications like the Financial Mail and eTV before joining the public relations realm.<sup>2811</sup>

1665.5. Mr Basson testified that one of his sources within Bosasa had told him that Ms Dube was on the company's payroll and had been consulted about Mr Basson.<sup>2812</sup>

1666. The call from Ms Dube was the subject of an article published by Mr Basson in an article in the Mail & Guardian under the tile '*Very brave for a young man*' on 22 May 2009. He explained that at the time of the article many journalists in South Africa were being targeted by either rogue private intelligence services or rogues state intelligence operators. The Mail & Guardian then published a series called '*Spy Nation*' which dealt with all these occurrences where journalists had been spied on. The call that he received from Ms Dube was the subject matter of this article.<sup>2813</sup>

1667. Mr Basson confirmed that his conclusion on the call received from Ms Dube was that her motives were never to caution, but rather to intimidate him. He also confirms the

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<sup>2810</sup> Transcript, Day 46, p11.

<sup>2811</sup> Transcript, Day 46, p12.

<sup>2812</sup> Transcript, Day 46, p12.

<sup>2813</sup> Transcript, Day 46, p13.

contents of the article that noted the Mail & Guardian's lawyer wrote to Bosasa and Igagu Media on 6 May 2009 demanding an immediate return of Mr Basson's personal information in their possession. Bosasa's lawyer denied the company had acted in an unlawful manner as alleged or at all and said Ms Dube's information falls within the public domain. Igagu Media did not respond. Ms Dube claimed she does not recall the conversation and she does not work for Igagu anymore. She furthermore accused the Mail & Guardian of blackmail journalism.<sup>2814</sup>

1668. Mr Basson confirmed that the information about him conveyed by Ms Dube on the telephone call was not in the public domain.

1669. When asked about the sound clip that was played during Mr Agrizzi's evidence which referred to a person called Adrian visiting Mr Agrizzi with his family, Basson stated that it was completely false. He had never taken children on work meetings and never would. At the time he had only one child. He did have a meeting with Mr Agrizzi at his home after hearing that he had turned on Bosasa. However, he attended the meeting by himself and the purpose of the meeting was to extract further information from Mr Agrizzi for purposes of investigating Bosasa.

1670. This concludes the summary of the evidence. The analysis of the evidence with reference to *inter alia* the Commission's Terms of Reference is contained below.

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<sup>2814</sup> Exhibit T6, p 9.