

VP 7

TO THE PRESIDENT OF THE REPUBLIC OF SOUTH
AFRICA

7 May 2007

Executive Summary
Project BG
Commissioner JS Selebi

Dear Mr President,

INTRODUCTION:

I am addressing this letter to you as a last resort. As you know, in the course of last year, information was brought to my attention which incriminated the National Commissioner. Some of the revelations came as a painful experience but had to be looked into properly. The DSO's approach has been not to react to some of the questionable allegations, unless they were backed up by independent reliable corroboration.

 V.P.

Because of the sensitive implications of the matter, I had to manage certain aspects thereof myself. This included briefing Ministers, politically accountable for Policing and Justice, taking legal and other action against the media to protect information and reputations; and resolving differences about how we access information held by the police and others.

It is in this last area that we have now reached a deadlock. The DSO intends seeking a search warrant under section 29 of the National Prosecuting Authority Act, for information, documents and objects connected to this investigation.

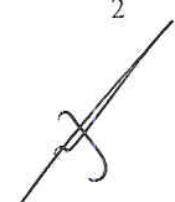
Such a step, drastic in itself, would mean that they would physically enter the premises of the Police and the home of the National Commissioner, inspect items and seize anything that might have a bearing on this case.

This would be unfortunate and I would have wanted to avoid this at all cost. Our previous efforts to break the impasse, involving the Ministers and the National Commissioner, were not entirely successful. I detail the background to this matter in the forthcoming paragraphs.

I must in the circumstances therefore appeal for the Honourable President's intervention; otherwise the DSO will have no option, but to proceed with the application.

TO THE PRESIDENT OF THE REPUBLIC OF SOUTH AFRICA

7 May 2007

2 V.P.


1. On 28 March 2006, the Head of the DSO authorised a preparatory investigation under Section 28(13) of the NPA Act, relating to the offences of corruption, murder, drug trafficking, defeating the ends of justice, and money laundering, which involved Glenn Agliotti, Clinton Nassif, Madam Cheng, Paul Stemmet and others.
2. This happened, after the Director of Public Prosecutions: Witwatersrand Local Division, Adv C de Beer, approached the National Director in January 2006, expressing her concerns about the handling of the Kebble murder investigation and requested that the DSO should look into this matter. In essence her complaint was that the National Commissioner of SAPS, Mr JS Selebi, was perceived to be protecting a target (Glenn Agliotti) of the SAPS investigation into the murder.
3. In addition, information was received to the effect that the National Commissioner of the South African Police Services, when he became aware that Glenn Agliotti's cell numbers appeared in the files of the investigators, phoned Mr Agliotti, in the presence of the investigators, and advised him of this fact.
4. The DSO also had sight of an analysis of telephone call data, which showed suspicious calls between the National Commissioner and persons connected to the murder

TO THE PRESIDENT OF THE REPUBLIC OF SOUTH AFRICA

7 May 2007

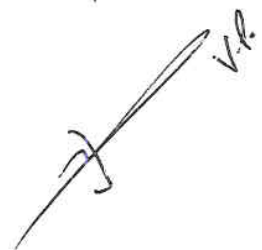
3

V.P.

A handwritten signature, possibly 'V.P.', is written over a diagonal line that extends from the bottom right towards the center of the page.

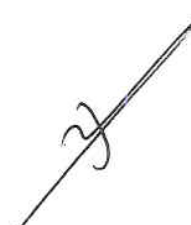
investigation, before, on the night of and after the murder of the late Mr Kebble.

5. In the meantime, it must be remembered, that the DSO had profiled Mr Clinton Nassif independently and had good crime information about his links to international drug syndicates. At this time we were also approached by a Mr Paul Stemmet, who deposed to an affidavit. His version, together with the known facts of the 2002- Kaya Sands drug-bust and the subsequent loss of drugs from police custody, contributed to the institution of an investigation by the DSO.
6. Of importance in Stemmet's affidavit is that he claims to have informed the National Commissioner of his suspicions around Mr Glenn Agliotti's involvement in the Kaya Sands drug deal. He went further saying the National Commissioner became angry and turned a blind eye: In essence, that he defeated the ends of justice, by not acting when he should have.
7. Later in his affidavit under oath, he states that he was present when the National Commissioner received 2 suits paid for by Mr Agliotti and referred to an occasion when Mr Agliotti bought clothes for the National Commissioner's sons.
8. Of further significance is, that Stemmet was paid an informer's reward of R500 000, whilst being a police reservist and not usually entitled to such payment. It is the DSO

A handwritten signature, possibly 'V.R.', is written in the bottom right corner of the page, extending diagonally upwards.

understands that such an amount could only have been authorised by the National Commissioner.

9. Later, on 30 November 2006, the NPA in its effort to insulate the BG-investigation took legal action in the Johannesburg High Court, to interdict the Mail and Guardian from publishing Mr Stemmet's affidavit, which was somehow inexplicably disclosed to them.
10. After a long struggle, the DSO obtained a copy of the Kaya Sands Docket (Randburg CAS 42/01/2002) which painted a strange picture in which:
 - Mr Agliotti facilitated the transshipment of goods in January 2002 (which later turned out to be drugs) for a certain Madam Cheng.
 - A laboratory was uncovered shortly thereafter, storing R105 million worth of Mandrax tablets, as a result of which 8 people were arrested and charged.
 - The National Commissioner visited the scene, hailing the breakthrough, after being appraised of the outcome of the operation by Stemmet, Crime Intelligence and police officers on the crime scene.
 - The case docket, drugs and accused were mismanaged to the extent that three years later, a large quantity of the

 V.P.

drugs were stolen, the accused were released and nothing came of the further investigation of this matter.

11. Around 27 April 2006, the DSO, as part of Bad Guys, unearthed a drug investigation, which led to the seizure of hashish to the value of R250 million. The arrest of five men also blew open the role of Mr Agliotti and one Stefanos Paparas, together with allegations of police complicity. If one of the accused, who had turned State witness, has to be believed, large scale smuggling and transshipment of drugs and contraband, destined for international destinations, were perpetrated through ports in SA. Interestingly, a state witness, Anthony Dormehl, Mr Agliotti's bagman in April 2006, was also the driver of the truck during the ill-fated Kaya Sands fiasco, 4 years earlier in January 2002. The question was whether the failure of law enforcement to detect this, was as a result of negligence, or deliberate.
12. The next development was when the DSO searched Mr Agliotti in September 2006. A crucial piece of real evidence was the discovery and confiscation of Mr Agliotti's diary. This document contains numerous references to "Jackie", who it is submitted refers to the National Commissioner.
13. During September 2006, the DSO subpoenaed the telephone records of Mr Agliotti, the latter being a suspect in both the Empire K (financial investigation into the affairs of JCI & Rand Gold and Refinery) and Bad Guys. This analysis showed that

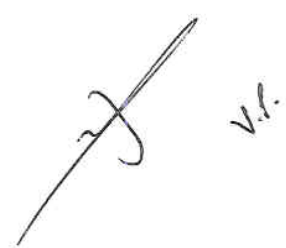
A handwritten signature, possibly 'J. Agliotti', is written over a diagonal line. To the right of the signature, the initials 'V.P.' are written.

during the period 3 Feb 2006 - 24 July 2006, Mr Agliotti made 25 cellular calls that went to Mr Selebi's voice mail and 37 calls in which they had conversations.

14. In furthering its strategy, the DSO focused its operational efforts on Mr Nassif, through an insurance fraud investigation, initiated by Lloyd's of London, as part of Project Bad Guys.

15. In the course of this, an accomplice witness affidavit was offered by Mr Nassif, in which he deals with:

- The Kebble / Nassif / Agliotti / Selebi link. How the National Commissioner was used, and played along to convince Kebble that Agliotti and Nassif were sufficiently connected and protected to conduct "dirty tricks".
- How R12 million was flighted through Spring Lights and Misty Mountains, which were used as vehicles to pay Mr Selebi.
- Various meetings between Messrs Selebi, Agliotti and Nassif. The National Commissioner was requested to assist with policing issues and apparently received money at some of the meetings. At one of these meetings the progress in the murder investigation was discussed. Mr Selebi is alleged to have discussed progress in the murder investigation with three alleged murderers (Nassif, Agliotti and Stratton).

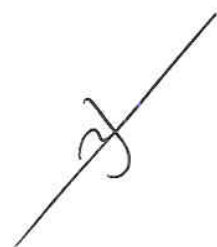
A handwritten signature, possibly 'V.L.', is written in the bottom right corner of the page.

- How Mr Selebi protected Agliotti, when the latter was detained at the then Johannesburg International Airport.
 - How Mr Selebi leaked secret documents to Agliotti, inter alia, an e-mail communication between Paul O'Sullivan and Robin Plitt, a DSO investigator at the time.
 - How Mr Selebi warned Mr Agliotti that the UK Authorities were investigating him and that he should not travel to London.
16. On 16 November 2006, DSO investigators arrested Mr Agliotti for the murder of Brett Kebble. The arrest and surrounding events set in motion major media coverage, speculative disclosures and an impending extradition application in respect of Mr Stratton. This brought about continued pressure on Mr Agliotti. The DSO became concerned and feared for his safety. It is worth mentioning that barely 3 months later he was assaulted in his house and subjected to a highly sophisticated and selective robbery. In the course of these events, the DSO was approached by Mr Agliotti's Counsel, Adv Hodes, with an offer and draft affidavit.
17. Although still to be cemented, Mr Agliotti will in essence submit that:
- A generally corrupt relationship existed between him and Mr Selebi.

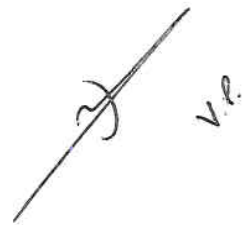
TO THE PRESIDENT OF THE REPUBLIC OF SOUTH AFRICA

7 May 2007

8

 v.p.

- Mr Selebi received in the region of R 1 million in cash from him.
 - Mr Selebi received clothes for himself, his wife, his lady friend and children.
 - Mr Selebi in return protected Agliotti against investigation from the UK Authorities as well as the SAPS.
 - Mr Selebi leaked secret documents to his friend, Mr Agliotti.
 - The "relationship" was such that Mr Selebi asked for R1 million and asked Mr Agliotti to sponsor a dinner in honour of his election as President of Interpol.
 - On request from Mr Agliotti, the National Commissioner met with the lawyers of Billy Rautenbach and against payment of US\$ 40 000, promised to have an arrest warrant cancelled.
18. Agliotti included in his affidavit how Mr Selebi demanded payment for the awarding of certain tenders and how he was rewarded with a holiday in Mauritius for the awarding of a contract.

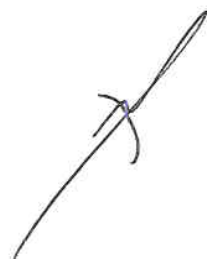
A handwritten signature, possibly 'V.P.', is written in the bottom right corner of the page, accompanied by a diagonal line.

19. Because of the intense publicity around their relationship, the National Commissioner has gone on record on many occasions, to explain his position: In summary, his version amounts to the following:

He said he and Agliotti have been friends since 1994. They have met at various places but he has not kept a diary of where they had gone to. He also said that Glenn Agliotti has not committed any crime in his presence. He went on to state that he had never visited Brett Kebble; and that he was unfazed by any investigation by any institution.

20. Interventions to test the threshold of the controversy around Mr Selebi, were made when the National Director met the National Commissioner on 12 November 2006. Here the National Commissioner denied ever having received any money from Glen Agliotti, ever having covered up for him, ever being aware of his alleged criminal activities, denied ever having seen British intelligence reports on Agliotti, admitted that SAPS has possession of a transmitted communication between O'Sullivan and Ivor Powell, and ascribed all kinds of sinister motives to DSO/NPA officials.

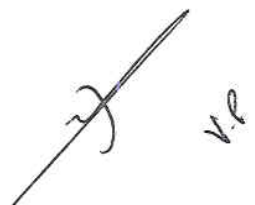
21. In a recorded interview under oath on 23 November 2006, Mr Selebi gave a detailed account of innocence to the Head of the DSO. The confidentiality around this recording is being reviewed and at a meeting on 21 February 2007, the Head of the DSO advised Mr Selebi of this development. Adv McCarthy



V.P.

followed up as much as could be done in the circumstances. On 9 March 2007 he prepared a report, which essentially concluded that, his assessment of this matter left more questions than answers and that the allegations should properly be investigated in the interest of all concerned.

22. At the meeting of 21 February 2007, the Head of the DSO canvassed whether any documents accounting for the National Commissioner's visits to Mr Agliotti would be forthcoming. He also raised the informant files of Messrs Agliotti and Stemmet, the British Intelligence reports on Mr Agliotti and 2 Police-videos relating to Messrs Stemmet and Agliotti; and requested formal access thereto by the DSO.
23. Since 14 December 2006, the Head of the DSO has been in continuous contact with the offices of the National Commissioner, Commissioners Pruis, Lalla and De Beer, in order to resolve the outstanding matters referred to above.
24. Without burdening this report, the DSO's most reasonable effort to unlock this stand-off has come too little, but will be discussed in general terms.
25. Acting on advice from Commissioner Lalla, the DSO formally requested access to the documents mentioned in paragraph 22, *supra*. An exchange of letters followed in which essentially, SAPS indicated that they would not grant the DSO access until such time as the scope, extent and targets of the

A handwritten signature, possibly 'V.P.', is written in the bottom right corner of the page, over a diagonal line.

DSO investigation are disclosed to SAPS. The SAPS argued that they have an obligation to protect their members against investigation.

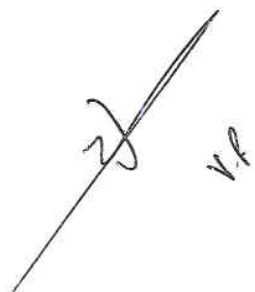
26. They then instructed the State Attorney to act on their behalf and in an attempt to claim attorney/client privilege, handed the requested documents to the State Attorney and directed that all further communication be through their lawyers.
27. The DSO made it clear that in law it has a right to the information and view the handing over of the documents to the State Attorney as an act akin to defeating the ends of justice.
28. During a last ditch meeting with the Police top management on 8 March 2007, it was explained that the position of police officials who may be suspects, is distinguishable from the request for official information held under custodianship, that the prerogative of a criminal investigation supersedes the requirements of crime intelligence when coupled with partial waiver; and that thus far, the contested information was shared only with the NDPP and the Head of the DSO.
29. Acting under Executive "direction", the SAPS handed over copies of the UK reports, but failed to hand over the rest of the requested information. These documents were placed in



V.R.

an envelope and handed over to the investigating team by a secretary in the reception area of the CIG offices.

30. Having converted the investigation into a fully-fledged investigation in terms of the provisions of Section 28(1) (a) on 7 November 2006, the Investigating Director extended the investigation on 25 March 2007, to formally include the name of the National Commissioner of the South African Police Services, as a suspect in project BG.
31. After a briefing of the National Director and his Deputies, on 17 April 2007, it was decided to continue with the application for a search warrant, as all reasonable steps towards co-operation between the DSO and SAPS, have failed.
32. I realize the impact that this process may have on society's trust in the police, and still hope that the impasse could be resolved.
33. The DSO would be willing to embark on a "friendly" search for the documents and items identified in the application for a search warrant. It should be noted that the search will be wider than the initial request, but is justified in law; and will have to be authorised by a judge. The DSO will be amenable to enter the premises of the SAPS in a way not to draw any attention, and is willing to effect the search in a way and at a time not to cause embarrassment to, or affect SAPS will have operations. If however, the search warrant is granted, the DSO

A handwritten signature, possibly 'V.F.', is written in the bottom right corner of the page. The signature is written in dark ink and appears to be a stylized representation of the letters 'V.F.'.

no option but to follow the prescripts of the law in the execution thereof.

34. I have been advised that time is of the essence and that the investigating team would like to take whatever steps necessary to gain access to the documents by 8 May 2007.

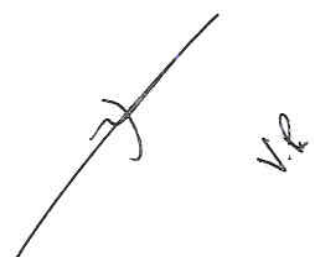
Adv V P Pikoli

NATIONAL DIRECTOR OF PUBLIC PROSECUTIONS

TO THE PRESIDENT OF THE REPUBLIC OF SOUTH AFRICA

7 May 2007

14

A handwritten signature, possibly 'VP', is written over a diagonal line. To the right of the line, the initials 'VP' are written again.