# SWORN STATEMENT

I, the undersigned **Andile Ramaphosa**, id no. [redacted] state under oath as follows:

1.

I am an adult male Managing Director of Blue Crane Capital (Pty) Ltd, with business address at [redacted], South Africa and cell phone no. [redacted]

2.

I am informed that a criminal case is being investigated by the Directorate for Priority Crimes Investigation Unit ('DPCI') under SANDTON CAS 302/12/2018 into allegations of corruption involving Mr Gavin Watson and/or BOSASA and/or African Global Operations (AGO), pertaining to certain state contracts.

3

I am in possession of a Forensic Report issued by Forensics for Justice which I attach hereto as **Annexure "AR-01"**. I confirm that the contents thereof are true and correct insofar as it relates to me.

5

I further confirm that there is no 'Andile Ramaphosa Foundation', nor do I have a bank account at ABSA and it is therefore impossible for me to have received a payment of R500,000, as has been alleged in the media.

6

Prior to me signing this statement, I have carefully read through it and am satisfied that the facts are correctly and accurately recorded. The following questions were put to me in person by the commissioner of oaths and I entered the answers thereto in my own handwriting:

'Do you know and understand the contents of this statement?' Yes.

'Do you have any objection to taking the prescribed oath?' No.

'Do you consider the prescribed oath binding on your conscience?' Yes.

ANDILE RAMAPHOSA

SIGNED and SWORN to before me at **JOHANNESBURG** on this **12$^{TH}$** day of **DECEMBER 2018,** the Deponent having acknowledged that he knows and understands the contents of this affidavit, which is deposed to in accordance with the regulations governing the administration of an oath as more fully set out in Government Notice R1258 of the 21$^{st}$ July 1972, as amended.

COMMISSIONER OF OATHS

**Paul O'Sullivan**
COMMISSIONER OF OATHS (EX-OFFICIO)
Certified Fraud Examiner
7 Janine Road, Sandown Estate
JOHANNESBURG, Republic of South Africa

Annexure "AR-01"

FORENSICS FOR JUSTICE

MAKING SOUTH AFRICA A BETTER PLACE FOR ALL

NPC No. 2015/25962/08

# FORENSIC REPORT

GAVIN WATSON

and/or

AFRICAN GLOBAL OPERATIONS (previously BOSASA)

and/or

ANDILE RAMAPHOSA

## RELEVANT DOCUMENTS AND/OR DATA

Forensics for Justice has had sight of and are in possession of the following documents voluntarily given to us by Andile Ramaphosa:

**"Advisory Mandate"** entered into between:

African Global Operations (Pty) Ltd, represented by Trevor Mathenjwa (director) and
Blue Crane Capital (Pty) Ltd, represented by Andile Ramaphosa (managing director) and
Offtake (Pty) Ltd as represented, represented by John Mathwasa (director)

An extract of the mandate is set out hereunder:

*The Executive Director*
*AGO*
*Company Reg No: 1981/012426-07*

*Dear Sir*

*I, the undersigned, hereby being duly authorised to enter into agreements and to act on behalf of AGO (and/or transaction/Project), hereby authorise and appoint BLUE CRANE CAPITAL (PTY) LTD (registration number 2014/034227/07) AND OFFTAKE (PTY) LTD (registration Number 2006/033139/07) as a Strategic and Financial Advisor, to act and render advisory services to AFRICAN GLOBAL OPERATIONS (PTY) LTD (hereinafter referred to as "AGO") either on a fully discretionary or limited discretionary basis, as set out in the schedules that are attached to this mandate if applicable. This mandate and the applicable attached schedules constitute a mandate as commonly contemplated and intended by both parties to bring about a legal relationship and agreement between the parties hereto. To enable BLUE CRANE CAPITAL (PTY) LTD AND OFFTAKE (PTY) LTD to give effect to this authority, I wish to record that:*

1. *BLUE CRANE CAPITAL (PTY) LTD AND OFFTAKE (PTY) LTD are hereby appointed as AGO's (and/or transaction/Project)'s duly authorized Strategic Advisor to render Strategic Advisory and Financial Advisory services to AGO), in accordance with this mandate.*

2. *BLUE CRANE CAPITAL (PTY) LTD AND OFFTAKE (PTY) LTD are hereby authorised to advise AGO (AND/OR TRANSACTION/PROJECT) in regard to Strategic Advisory and Financial Advisory services to be undertaken on behalf of and for the benefit of AGO subject to the applicable legislation(s).*

| | | |
|---|---|---|
| 3. | *Unless otherwise specified in writing by BLUE CRANE CAPITAL (PTY) LTD AND OFFTAKE (PTY) LTD:* | |
| | *3.1* | *AGO warrants that it is duly authorised to instruct BLUE CRANE CAPITAL (PTY) LTD AND OFFTAKE (PTY) LTD, and that of all such instructions as it may deliver or cause to be delivered to BLUE CRANE CAPITAL (PTY) LTD AND OFFTAKE (PTY) LTD in terms of this mandate that they do not exceed the rights and powers of AGO to issue such, and that they are of good delivery.* |
| 4. | *It is specifically recorded that BLUE CRANE CAPITAL (PTY) LTD AND OFFTAKE (PTY) LTD may not exercise the rights attaching to any instruction(s) for its own purpose or interest, but may only act in accordance with AGO's instructions and on the agreed upon projects and/ or transactions as identified between the Parties in the Fee Performance Share Agreement.* | |

**"Anti-Bribery and Corruption Policy"** entered into between:

African Global Operations (Pty) Ltd, represented by Gavin Watson (CEO) and

Blue Crane Capital (Pty) Ltd, represented by Andile Ramaphosa (managing director) and

Offtake (Pty) Ltd as represented, represented by John Mathwasa (director)

The body of the policy is set out hereunder:

| | |
|---|---|
| | ***Anti-Bribery and Corruption Policy*** |
| 1. | *This "Anti-Bribery and Corruption Policy" is entered into by duly authorised representatives of Blue Crane Capital (Pty) Ltd, Offtake (Pty) Ltd and Africa Global Operations (Pty) Ltd, collectively referred to as "Parties" or individually as "Party". ("Policy")* |
| 2. | *Each Party represents that it is familiar with (i) the South African Prevention and Combatting of Corrupt Activities Act, 12 of 2004, (ii) the U.S. Foreign Corrupt Practices Act 1977, (iii) the UK Bribery Act 2010, (iv) other public and commercial antibribery laws which may apply and (v) international anti-corruption treaties such as the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions and the United Nations Convention against Corruption) (Anti-Bribery Laws')* |
| 3. | *Each Party represents that its performance vis-à-vis the envisaged and/or existing mandate/s, agreements and all business related activities between the Parties and/or* |

*third parties and government officials ("Engagement Activities") have been and will be made in compliance with the Anti-Bribery Laws.*

4. *Each Party warrants that it and its affiliates have not made, offered, or authorised and will not make, offer, or authorise with respect to all Engagement Activities, any payment, gift, promise or other advantage, whether directly or through any other person or entity, to or for the use or benefit of any officer or employee of the other party or any public official (i.e., any person holding a legislative, administrative or judicial office, including any person employed by or acting on behalf of a public agency, a public enterprise or a public international organisation) or any political party or political party official or candidate for office, where such payment, gift, promise or advantage would violate the applicable Anti Bribery Laws.*

5. *Neither Party shall make any unofficial payment to a government employee/s to speed up an administrative process where the outcome is already pre-determined (facilitation payment) in the performance of its obligations in pursuance of Engagement Activities.*

6. *Each Party agrees to maintain adequate internal controls and to keep accurate and complete records that support the payments due and all transactions pertaining to all Engagement Activities.*

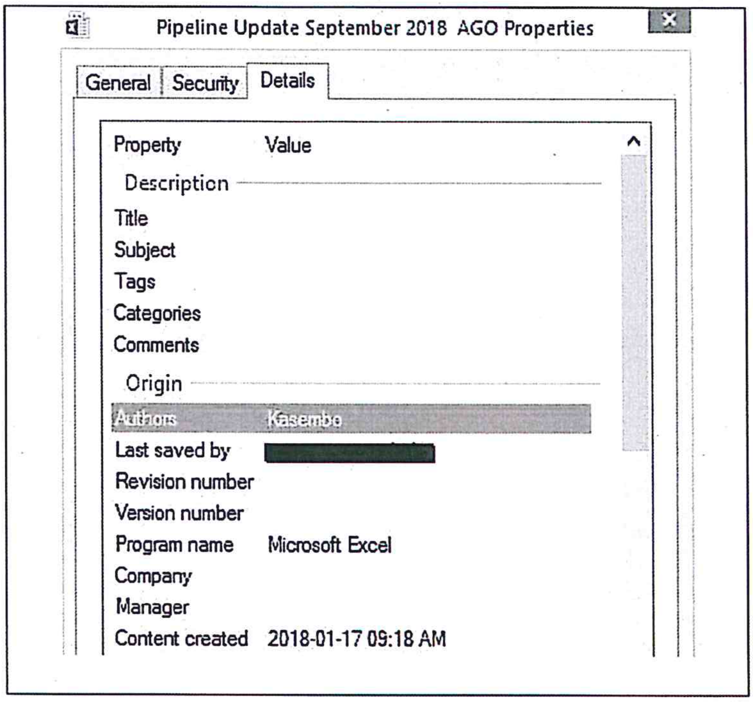
7. *Each Party represents that, to the best of its knowledge and belief, and save as disclosed to the other Parties, neither it nor any of its personnel have been investigated (or is being investigated or is subject to a pending or threatened investigation) or is involved in an investigation (as a witness or suspect) in relation to any breach of the Anti-Bribery Laws by any law enforcement, regulatory or other governmental agency or any customer or supplier; or has admitted to; or been found by a court in any jurisdiction to have engaged in, any breach of the Anti-Bribery Laws, or been debarred from bidding for any contract or business; or are public officials or persons who might otherwise reasonably be considered likely to assert a corrupt or illegal influence on behalf of the company. Each Party agrees that if, at any time, it becomes aware that any of the representations set out in this Policy are no longer correct, it will notify the other Parties of this immediately in writing.*

8. *Each Party (the "Indemnifying Party") shall be liable for and shall indemnify, defend and hold the other (the "Indemnified Party") harmless to the maximum extent provided in law from and against any claims, losses, costs, fees, payment of interest, fines or other liabilities incurred in connection with or arising from the investigation of, or defence against, any litigation or other judicial, administrative, or other legal proceedings brought against the indemnified Party by a regulator or governmental*

| | |
|---|---|
| | *enforcement agency as a result of acts or omissions by the Indemnifying Party or its Affiliates, subcontractors or agents in violation of, or alleged to be in violation of, the Anti-Bribery Laws.* |
| *9.* | *Any breach of, or failure to comply with, the provisions of this Policy shall be deemed material and shall entitle the non-breaching Party to terminate all Engagement Activities forthwith.* |
| *10.* | *The indemnity contained in this Policy shall survive the termination of all Engagement Activities.* |
| *11.* | *No Party shall have the right to interact with government officials with respect to the matters which pertain or are the subject of any of the Engagement Activities without the written consent of the other Party or Parties.*<br><br>*a. Unless otherwise expressly provided for in this Policy and/or any other agreement reduced to writing:*<br><br>*b. No Party shall have the authority to represent and/or make decisions on behalf of the other Party or Parties.* |
| *12.* | *Each Party may request that the other Party or Parties provide a certification to the effect that neither it nor any of its affiliates, directors, officers, agents or other representatives acting on its behalf in connection with the performance under all Engagements Activities have been engaged in any transaction or activity in violation of these Anti-Bribery Laws. Upon request a Party shall deliver such certification within 10 business days.* |

**Tax Invoice**, dated **15 February 2018**, from Blue Crane Capital (Pty) Ltd to African Global Operations (Pty) Ltd. The Tax Invoice was received from Blue Crane Capital by email in PDF format and the metadata thereto confirms that the document was created and last modified on 15 February 2018 and authored by 'Andile'. The contact person for AGO is stipulated on the Tax Invoice as Trevor Mathenjwa and email address Trev[redacted]ems. Further, the Tax Invoice stipulates the banking details of Blue Crane Capital (Pty) Ltd as an FNB account, with account number [redacted]

**"Pipeline Update September 2018 AGO"**, an Excel spreadsheet setting out specific advisory projects in respect of the Advisory Mandate. A forensic examination of this document shows it was 'created' on **2018-01-17**. See below:




**First P Venter Affidavit**, signed and dated **18 December 2018.**

**'Second P Venter Affidavit'**, signed and dated **10 April 2018** by Petrus Stephanus Venter.
In his second affidavit, of two pages some four months after his first sworn statement, Venter attempts to persuade the reader that he signed the first affidavit under duress and as the result of intimidation and blackmail and threats by a certain Angelo Agrizzi. Not once does he state in his second affidavit that the contents of the first affidavit are false. Nor does he says that he was forced to lie, He merely states that he was forced to make an affidavit. We are satisfied that the first affidavit of Venter contained what he believed to be the truth, despite the fact that his averments pertaining to Andile Ramaphosa were partly false, due to the fact that he had been misled by Watson. We believe that by April 2018, Watson had figured out the role of Venter and had, by fair means or foul, persuaded Venter to recant his December 2017 statement. The problem is he did not recant it, he merely states that he signed it under duress. We are of the opinion that the second statement is not worth the paper it is written on. Venter refers to alleged blackmail and intimidation by Agrizzi, without even giving proper details of such.

## RELEVANT PERSONS / ENTITIES

| | |
|---|---|
| ***Watson*** | Gavin Watson, id no. [redacted] the Chief Executive Officer of African Global Operations (Pty) Ltd. |
| ***Andile*** | Andile Ramaphosa, id no. [redacted] the Managing Director of Blue Crane Capital (Pty) Ltd. |
| ***Venter*** | Petrus Stephanus Venter, employed at D'Arcy Herman Inc., being the auditors and TAX consultants to African Global Operations (Pty) Ltd. |
| ***The President*** | Matamela Cyril Ramaphosa, id no. [redacted], the President of the Republic of South Africa. |
| ***Mathwasa*** | John Mathwasa, id no. [redacted] the Director and Founder of Offtake (Pty) Ltd. |
| ***Mathenjwa*** | Sarom Smangaliso Duncan Mathenjwa, id no. [redacted], the Director of African Global Operations (Pty) Ltd and Global Technology Services (Pty) Ltd. |
| ***Longworth*** | Margaret Longworth, id no. [redacted] The sister to Petrus Venter and sole director of Miotto Trading and Advisory Holdings (Pty) Ltd. |
| ***GTS*** | Global Technology Services (Pty) Ltd, Reg. no. 2005/000500/07 |
| ***AGO*** | African Global Operations (Pty) Ltd, Reg. no. 1981/012426/07, with *domicilium* address [redacted] |
| ***Blue Crane*** | Blue Crane Capital (Pty) Ltd, Reg. no. 2014/034227/07, with *domicilium* address at [redacted]. |
| ***Offtake*** | Offtake (Pty) Ltd, Reg. no. 2006/033139/07, with *domicilium* address at [redacted] |
| ***Miotto*** | Miotto Trading and Advisory Holdings (Pty) Ltd, Reg. no. 2016/020813/07, with registered address at [redacted]. In Voluntary Liquidation. |
| ***CR17*** | The Cyril Ramaphosa ANC presidential election campaign 2017 |

## INTRODUCTION

Forensics for Justice is a registered not for profit organisation with NPC No. 2015/25962/08. We carry out public interest work for the betterment of the people of South Africa. Our main focus is to expose corruption (see www.forensicsforjustice.org). In this investigation we have been provided with Forensic Services by Paul O'Sullivan & Associates.

In **September 2018**, Forensics for Justice lodged an 'enquiry' at the Directorate for Priority Crimes Investigative Unit ('***DPCI***') in respect of allegations of corruption against Mr Gavin Watson of Bosasa and then Deputy Minister Mr Vincent Smith, for the offences of Corruption and Racketeering. Forensics for Justice have published an extract of the criminal complaint on our website: https://www.forensicsforjustice.org/portfolio-posts/the-looting-continues/.

On **10 December 2018**, the DPCI formally converted the enquiry to a criminal docket on the CAS system at Sandton SAPS.

During the investigation, it was alleged by Mr Petrus Venter in an affidavit, signed on **18 December 2018**, that Mr Gavin Watson had instructed Venter to make an EFT payment of R3,000,000 to a company called Miotto Trading and Advisory Holdings (Pty) Ltd. According to Venters affidavit, Watson informed Venter that the R500,000 payment was to be onpaid to an account known as EFG2 with ABSA Bank which Venter says he was told by Gavin Watson, was a 'foundation / trust of Andile Ramaphosa'.

As a continuance of our investigations, we decided to carry out follow up interviews with a number of people. One of these follow-up interviews was with the President's son, Mr Andile Ramaphosa. We have also extensively interviewed Mr Bejani Chauke, who was the official campaign manager for Ramaphosa 'CR17'.

Forensics for Justice, as part of the investigation, requested Andile Ramaphosa to give us his version of events. Andile Ramaphosa attended the offices of Forensics for Justice and voluntarily handed over documentation pertaining to the by Petrus Venter.

## THE ALLEGATIONS

### By Petrus Venter:

The affidavit of Petrus Venter alleges, *inter alia,* at paragraph 12 thereof:

> *Gavin Watson took me to Natasha Olivier and instructed her to pay R 3 million from his personal account into Miotto Trading & Advisory Holdings (Pty) Ltd bank acc.*
>
> *It must be noted that I could not question Gavin Watson as he would get upset with me, so I made the payments even though I knew that this was not correct*
>
> - *R 2.5 million was for the purchase of Ms. Gouws residential property and*
> - *R 500,000 to Efg2 with an ABSA Bank account, I was merely told it was for a foundation / trust of Andile Ramaphosa, the son of the Deputy President of the republic of South Africa, I found this strange but wouldn't dare question Gavin Watson.*
>
> *The R 3 million was paid on 17 October 2017 into Miotto's bank account.*

The affidavit of Petrus Venter alleges, *inter alia,* at paragraph 14 thereof:

> *I was instructed to pay the R 500,000 (part of the R 3 million payment which was received) to Efg2 into an ABSA account Gavin Watson mentioned that the payment is towards Andile Ramaphosa Foundation – proof of payment attached*

### By Others:

- The President is corrupt, or that the President received a R500,000 bribe from Bosasa / AGO.
- The President lied to Parliament.

## THE INTERVIEW

### How Andile met AGO and what became of it

Andile advised Forensics for Justice that he first came to be introduced AGO in and during mid-2017. He was in discussions with a Chinese company by the name of Dahua, based in Hangzhou, China. See: https://www.dahuasecurity.com Dahua are specialists in electronic security integration, thereby providing a joined up solution for security. Our investigations have revealed that Dahua Technology are a significant player in electronic security, with global sales exceeding USD2.1Bn in 2016, and ranked second largest in the world. Andile says he wanted to roll out the integrated product offering of Dahua in East African countries and asked them if they had any South African or East African business associates.

### The AGO Agreement

Andile was then introduced to a person by the name of Trevor Mathenjwa, of a company called Global Technology Services, which is an operating division of AGO. See: https://www.globaltechsystems.com/. As a result of the introduction, Blue Crane Capital entered into three months of sporadic discussions, which culminated in a consulting agreement, styled as an 'Advisory Mandate' between AGO, Blue Crane, and Offtake. The agreement was executed in counterparts on **5 December 2017** and 6 **December 2017**. We have a copy of the agreement in our possession and are satisfied that it is a genuine document. Andile signed for Blue Crane Capital. Unfortunately Andile forgot to date his signature, however he does remember signing it AFTER it had been signed by Trevor Mathenjwa, who signed for and on behalf of AGO on **5 December 2017.** Andile seems to recall he signed it on the same day as John Mathwasa, who signed for Offtake on **6 December 2017.**

In terms of the '*Advisory Mandate'* Blue Crane and Offtake were to provide *'Strategic Advisory and Financial Advisory services*' to AGO [redacted] plus VAT. We requested Andile to provide us with copies of invoices pertaining to the mandate and have received these. We are satisfied that there was a genuine commercial relationship between Blue Crane Capital and AGO and that the invoices were issued in the normal course of business. We note that the bank account of Blue Crane to which AGO paid the invoices, is an FNB account and is NOT the (ABSA / EFG2) account to which the R500,000 was paid by AGO, via Miotto in **October 2017**. Andile confirms he has never with any person from Edelstein Farber Grobler Inc.

### The Anti-Bribery and Corruption Policy

We have been in informed by Andile that sometime in and during **January 2018**, a Blue Crane company decision was taken to retrospectively impose an anti-corruption and bribery policy. This led to such policy being incorporated and being sent to the parties to sign. Again it was signed in counterpart and a copy of the signed 'policy' has been provided to us. We note that it has been signed by the same parties as the Advisory Mandate, save for the AGO signatory, which on this document is Gavin Watson. The irony is not lost on us that Mr Watson chose to sign such a policy document at a time when he was engaged in activities which were in contravention of said policy, albeit not with Blue Crane Capital, but with others.

## FINDINGS

### Petrus Venter Allegations

There is no evidence to suggest Petrus Venter was being dishonest in his first affidavit. We have been able to corroborate most of what he has said, pertaining to bribes of Gavin Watson to other persons, other than the Ramaphosa's and there is no logical reason for him to fabricate anything. This by implication means that Watson intentionally misled Venter into believing that the R500,000 payment was intended for Andile Ramaphosa or a foundation controlled by him. During the interview with Andile, he at no time showed any stress, or any indications that he was being dishonest. He did not have to think about his answers, but quickly and confidently answered every question.

We therefore find that Venter was truthful, but that Watson made a fraudulent misrepresentation to Venter, to conceal the fact that he was actually making a R500,000 payment to the CR17 fund, held by attorneys Edelstein Farber Grobler Incorporated and in their trust account. The fact that Watson required the monies to be paid by a company (now liquidated) that was controlled by Venter's sister, is a red-flag for money laundering, with the intention to conceal source of funds.

Despite Venter having stated under oath in December 2017, that he found the payments to his sister's company to be suspicious, he did not comply with Section 34 of Act 12 of 2014, the Prevention and Combatting of Corrupt Practices Act or 'PRECCA', by reporting his suspicions to the authorities.

**Other Person/s Allegations**

The President is corrupt, or that the President received a R500,000 bribe from Bosasa / AGO: There is no evidence that any funds were paid, directly or indirectly by Watson, AGO, or any agent of Watson or AGO to the President.

The President lied to Parliament: There is no evidence that the President lied to parliament. When the question was sprung on him in Parliament, he already knew about business dealings between Andile and AGO and had also seen the contract and Anti-Bribery and Corruption Policy, so obviously assumed the payment being asked about in Parliament, was related to that contract. It was only AFTER the parliamentary question, that he was advised by Andile that he, Andile, had no knowledge of any R500,000 payment. At this stage the President did what any honest person would do, he wrote to Parliament as soon as he could, to set the record straight.

Business Relationship between Blue Crane and AGO: We are satisfied that a genuine business relationship existed between Blue Crane and AGO. The Pipeline Update spreadsheet which we have examined was 'created' a month after Blue Crane entered into the mandate with AGO. By September 2018 the spreadsheet listed 21 projects in process.

## RECOMMENDATIONS

1. Pay the R500,000 into an attorney's trust account, and provide a copy of the proof of payment to the investigating officer under Sandton CAS 302/12/2018. Further dealing with the R500,000 should await the outcome of the state's investigations.

2. Blue Crane would be advised to immediately terminate the mandate with AGO, which they can do in terms of the mandate. They should then make alternative arrangements to complete the relevant contracts in Africa, as neither AGO or Gavin Watson can be trusted.

3. Provide a copy of this report, with a covering affidavit by Andile, to the investigating officer on Sandton CAS 302/12/2018 with a request to the DPCI to investigate further charges against AGO / Gavin Watson of fraud, in that Watson appears to have induced Venter into believing that the payment of R500,000 was to Andile. The request to DPCI should include a request to investigate money-laundering on the part of Watson, assisted by Venter and Venter's sister. Finally, the request to DPCI should include a request to investigate a breach of Section 34 of PRECCA by Venter, for not reporting his suspicions to the authorities, as he is required to do.

In the public interest, Forensics for Justice intend to publish this report, having first complied with the Protection of Private Information Act, Act 4 of 2013, by redacting certain aspects of it.

**DRAFTED BY:** **APPROVED BY:**

| DRAFTED BY: | APPROVED BY: |
|---|---|
| **Sarah-Jane Trent**<br>**Bachelor of Law (LL.B)**<br>**EXECUTIVE DIRECTOR**<br>**sarah.trent@forensicsforjustice.org**<br>**Tel:** +27 84 849 1776<br>**Fax:** +27 86 234 573 | **Paul O'Sullivan**<br>**Certified Fraud Examiner (CFE)**<br>**FOUNDER**<br>**paul.osullivan@poaa.za.com**<br>**Tel:** +27 82 821 1666 (RSA)<br>**Tel:** +44 7784 886 408 (UK) |

FORENSICS FOR JUSTICE
MAKING SOUTH AFRICA A BETTER PLACE FOR ALL
NPC No. 2015/25962/08