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Mr A Basson & Ms M Rossouw  
Mail & Guardian  
Grosvenor Corner  
195 Jan Smuts Avenue  
(corner of 7<sup>th</sup> Avenue)  
Rosebank  
Johannesburg

By email: [MandyR@mg.co.za](mailto:MandyR@mg.co.za), [AdriaanB@mg.co.za](mailto:AdriaanB@mg.co.za)

Your reference	Our reference	Date
Mr A Basson & Ms M Rossouw	Ms M Burger / Mr T Byrne	2 July 2009

Dear Sir and Madam

**Response to queries raised by the Mail & Guardian**

**1. Introduction**

- 1.1 As you know, we act for Mr Bongani Biyela ("our Client"). We refer to the various emails sent by Mr Adriaan Basson to our Client on Wednesday, 1 July 2009.
- 1.2 Our Client has instructed us to answer the queries addressed to him by way of a letter addressed to you, and your questions, together with our Client's responses, are recorded below.

**2. Mail & Guardian questions and our Client's response**

- 2.1 As regards your question 1: "Mr Reddy alleges you met him at the Sandton Intercontinental Hotel on Monday on the 27<sup>th</sup> Floor in the evening, and that you apologised to him for comments made about him in your affidavit. He alleges you said that you didn't understand what you signed [the affidavit] and apologised to him for bringing his name into disrepute. You agreed to sign a letter "clarifying the issue". The letter was to go to the relevant decision makers in South Africa. Reddy says that you were willing to state that the article was misleading. You said you had the greatest respect for him as a businessman and that Reddy would draft a notice for publication, book the space and pay for it. What is your comment on this?"

We have been instructed that –

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Senior Partner: DM Lancaster Partners: BL Adams RB Africa NG Alp JP Araujo B Aronoff BA Baillie J Banooobhai JM Bellew DHL Booysen AR Bowley PG Bradshaw JL Buckland MS Burger A Christie RS Coelho KM Colman CD Coquelle K Couzyn Z Dasoo JH Davies BT de Lange JHB de Lange W de Waal BEC Dickinson DA Dingley HJ du Preez CP du Toit G Edwards JC Els MJR Evans JS Ferraz-Cardoso GA Fichardt LC Fitton JB Forman CP Gaul CL Gillomee LD Goldberg CI Gouws JP Gouws PD Grealy SN Gumede VV Harrison MH Hathorn B Heever WA Hiepner NA Hlatswayo S Hockey CM Hofeld PM Holloway SJ Hutton AR James S Jooste N Joubert M Kennedy A Keyser JE King HB Kruger R Kruger J Lamb PSG Leon DB le Roux L Marais BA Matheson S McCafferty MC McIntosh SI Meltzer CS Meyer AJ Mills JA Milner D Milo NN Moshesh MM Mishali PMP Ngongo MB Nzumande NJ Osburn N Paige AS Parry GR Penfold NJA Robb DC Rudman DR Scholtz JW Scholtz KE Shepherd DH Short GM Sibanda AJ Simpson K Sloth-Nielsen L Stein PS Stein LJ Swaine ER Swanepoel A Toefy D Vallabh PZ Vanda GJ van der Lende JP van der Poel J van der Vyfer MG Versfeld TA Versfeld IR Vos JWL Westgate RH Wilson M Yudaken  
Chief Operating Officer: WMH Thompson

- 2.1.1 our Client met Mr Reddy at the Sandton Intercontinental Hotel on Monday, 29 June 2009 in the evening, a meeting initiated by and at the behest of Mr Reddy following numerous phone calls made to our Client by Mr Reddy following the filing by our Client of his affidavit in support of his and others' application to the Free State High Court on 24 June 2009 ("**the Affidavit**");
- 2.1.2 at this meeting, Mr Reddy asked our Client to assist him in "clearing his name". Our Client responded to this request by stating that everything he had to say on the matter, was set out in the Affidavit and that he had nothing more to add and nothing to change from the Affidavit;
- 2.1.3 Mr Reddy kept insisting that our Client assist him, and asked whether our Client would take out an advertisement in the Mail & Guardian. Our Client refused this request;
- 2.1.4 after our Client again refused the above request, Mr Reddy asked whether our Client would be prepared to "meet other people" regarding this matter, to which our Client stated that he would be happy to do so, but made clear that he stands by the Affidavit and would not add or amend anything thereto;
- 2.1.5 after the meeting and the same night and the next day, Tuesday, 30 June 2009, Mr Reddy continued to try and contact our Client and eventually got hold of him on Tuesday afternoon at which time Mr Reddy again asked our Client to "assist him"; and
- 2.1.6 that same Tuesday, our Client received an SMS from your Mandy Rossouw asking for his comment regarding the advertisement or "Clarification Notice". Our Client denied and still denies ever having drafted, agreeing to or sending such advertisement to the Mail & Guardian for publication.
- 2.2 **As regards question 2: "Reddy further states that you said that the advertisement must be pulled because you received legal advice and felt the letter could have legal implications. But you promised "to rectify it". You allegedly said that the affidavit was rushed, you didn't read it properly. You allegedly told him you met with "senior executives" of the Mail & Guardian and told them they were attacking the wrong guy. What is your comment?"**

We have been instructed that our Client denies each and every one of the above statements and allegations.

- 2.3 **As regards question 3: "Reddy says that he will sue you for defamation if his name is not cleared. He says that you were very emotional and said that you would clear Reddy's name because he is "absolutely innocent". Comment?"**

We have been instructed that –

- 2.3.1 should Mr Reddy institute action, our Client would defend this as there is no basis to any of the statements or allegations made by Mr Reddy and this would also give our Client another forum to ventilate his case;
- 2.3.2 as regards the second part of your question, our Client denies ever having agreed to "clear Mr Reddy's name".



*MSB*

2.4 **As regards question 4: "Reddy further alleges that Mr Saki Macozoma is "involved in this" and was behind your affidavit. Reddy says you told him that Macozoma was putting great pressure on you. Your comment?"**

We have been instructed that –

- 2.4.1 our Client denies each and every one of Mr Reddy's allegations and statements;
- 2.4.2 Mr Macozoma is a shareholder and director of Safika Holdings and he is a partner in one of our Client's businesses;
- 2.4.3 our Client and Mr Macozoma simply have similar business interests and have in this context not had any or very limited contact and does not have many personal dealings with Mr Macozoma;
- 2.4.4 given the purely business relationship between our Client and Mr Macozoma, our Client has never discussed any of the matters under discussion with Mr Macozoma nor has he had any reason to do so.

2.5 **As regards question 5: "According to Mr Reddy, you told him you met the Minister of Finance and his deputy at the Durban airport on Sunday and told them he [Reddy] was innocent in all this. Is this true?"**

We have been instructed that –

- 2.5.1 our Client denies each and every one of Mr Reddy's allegations and statements; and
- 2.5.2 in conversation with Mr Reddy at the meeting at the Sandton Intercontinental Hotel on Monday, 29 June 2009, our Client made a comment in passing that he saw the Minister of Finance and his deputy at the Durban airport on Sunday, and speculated that they were both probably going to the soccer;
- 2.5.3 our Client states that he does not know the Minister of Finance, but does know his deputy, whom he greeted, and that was the extent of our Client's interaction with either of them on Sunday.

2.6 **As regards your further question: "Please also clarify whether you would be willing to lay criminal charges against the people named in your affidavit before court."**

We have been instructed that our Client does not intend to lay any criminal charges. He and others launched the application to the Free State High Court for purely commercial reasons, which application was successful and no further steps are required or necessary.

- 3. Our Client has instructed us to address a letter to Mr Reddy in response to the events of this week. We enclose a copy of this letter.
- 4. Our Client has further requested us to reiterate that he is a loyal ANC supporter and has been since he was an activist at the age of 14 years (he is also a registered member of the ANC) and our Client has and continues to support the ANC both politically and financially.



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5. We trust that this letter addresses your questions. Please do not hesitate to contact us should you have any further queries or require clarification.
  6. All of our Client's rights are reserved.

Yours faithfully



**WEBBER WENTZEL**

**Madelein Burger**

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[madelein.burger@webberwentzel.com](mailto:madelein.burger@webberwentzel.com)





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**Private and confidential**

Mr Vivian Reddy

Fax: +27 31 566 9511

Email: power@edisoncorp.co.za

Your reference	Our reference	Date
	Ms M Burger/ Mr D Milo 1951662	2 July 2009

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**CONFIDENTIALITY NOTE:** This fax contains confidential information intended only for the person/s to whom it is addressed. Any other recipient is not entitled to read the rest of this fax or disclose its contents to any person, or take copies, and is requested to notify us immediately by fax or telephone at the numbers listed above and we will reimburse the costs of doing so.

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Dear Sir

**Our client: Mr Bongani Biyela**

- 1. We act for Mr Bongani Biyela.
- 2. We have been instructed as follows:
  - 2.1 **the fabricated advertisement**

2.1.1 on or about 30 June 2009, you sent a document styled "Clarification Notice" to the *Mail & Guardian* newspaper, as a paid-for advertisement ("the advertisement"), intending that the newspaper would publish the advertisement. We attach a copy of the advertisement hereto as an annexure "A";

2.1.2 the advertisement purports to have been issued by our client;

2.1.3 the advertisement purports to suggest that our client:

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Senior Partner: DM Lancaster Partners: BL Adams RB Africa NG Alp JP Araujo B Aronoff BA Baillie J Banoochai JM Bellew DHL Booysen AR Bowley PG Bradshaw JL Buckland MS Burger A Christie RS Coelho KM Colman CD Coquella K Couzyn Z Dasoo JH Davies BT de Lange JHB de Lange W de Waal BEC Dickinson DA Dingley HJ du Preez CP du Toit G Edwards JC Els MJR Evans JS Ferraz-Cardoso GA Fichardl LC Fitton JB Forman CP Gaul CL Giliomee LD Goldberg CI Gouws JP Gouws PD Grealy SN Gumede VW Harrison MH Hathorn B Heever WA Hiepner NA Hlatshwayo S Hockey CM Hoffeld PM Holloway SJ Hutton AR James S Jooste N Joubert M Kennedy A Keyser JE King HB Kruger R Kruger J Lamb PSG Leon DB le Roux L Marais BA Matheson S McCafferty MC McIntosh SI Meltzer CS Meyer AJ Mills JA Miner D Milo NN Moshesh MM Mishali PMP Ngcongco MB Nzumande NJ Osburn N Paige AS Parry GR Penfold NJA Robb DC Rudman DR Scholtz JW Scholtz KE Shepherd DH Short GM Sibanda AJ Simpson K Sloth-Nielsen L Stein PS Stein LJ Swane ER Swanepoel A Toefy D Vallabh PZ Vanda GJ van der Linde JP van der Poel J van der Vyfer MG Versfeld TA Versfeld IR Vos JWL Westgate RH Wilson M Yudaken  
Chief Operating Officer: WMH Thompson

- 2.1.3.1 wishes to set the record straight in relation to the article published by the *Mail & Guardian* on 26 June 2009 entitled "Premier's R3 million casino 'bribe'" ("**the article**");
- 2.1.3.2 did not implicate or imply that you acted in any improper manner in his affidavit before the Free State High Court ("**the affidavit**"), and that he sought your assistance to help him resolve a business issue; and
- 2.1.3.3 is of the view that you did not act in any manner to attempt to solicit any bribe and that the article is misleading and impacts upon your integrity and dignity;
- 2.1.4 our client neither drafted nor issued the advertisement, nor did he authorise the issuing of the advertisement;
- 2.1.5 our client does not associate himself with the contents of the advertisement in any respect whatsoever, and stands by the allegations made in the affidavit;
- 2.1.6 in issuing the advertisement to the *Mail & Guardian* newspaper in the name of our client, you published a malicious falsehood which harms the constitutional and common law dignity rights of our client;
- 2.2 **further statements to the *Mail & Guardian***
- 2.2.1 on or about 1 July 2009, when contacted by the *Mail & Guardian* for comment, you made further false, defamatory and malicious statements concerning our client ("**the further statements**");
- 2.2.2 the further statements, which are recorded in an email from the *Mail & Guardian* to our client which is attached as annexure "B", allege, inter alia, that our client:
- 2.2.2.1 apologised to you for comments made about you in the affidavit and for bringing your name into disrepute;
- 2.2.2.2 did not understand what he was signing in respect of the affidavit, that it was rushed and that our client did not read it properly;



A handwritten signature in black ink, located in the bottom right corner of the page. The signature appears to be the initials 'ASB'.

- 2.2.2.3 agreed to sign a letter clarifying the issue, which would also state that the article was misleading, and agreed that you would draft such a notice and pay for it;
- 2.2.2.4 told you that the advertisement must be pulled because of legal advice received by our client, but that our client would nevertheless "rectify it";
- 2.2.2.5 was emotional and would clear your name because you are "absolutely innocent";
- 2.2.2.6 told you that Mr Saki Macozoma was behind the affidavit and was putting great pressure on our client; and
- 2.2.2.7 told the Minister of Finance and his deputy that you were innocent in relation to the allegations made in the article;
- 2.2.3 the further statements were not made by our client and your misrepresentations to the *Mail & Guardian* that they were constitute the publication of malicious and defamatory falsehoods, which have harmed our client's dignity and reputation;
- 2.3 **email to our client dated 30 June 2009**
- 2.3.1 on or about 30 June 2009, you sent an email to our client ("**the email**") with the subject "FW: LETTER OF OFFER – ROUTE APPLICATION & LPM LICENCE". A copy of the email is attached as annexure "C";
- 2.3.2 the email purports to respond to an alleged discussion between our client and you, and proceeds to state, inter alia, that you have persuaded the Century Casino "to give you equity in their Casino bids in South Africa". The email further alleges that our client has made an offer to you for the "Route Operation and LPM Licence in the Free State", and refers to an alleged meeting between our client and one Hassen Adams last week. The email further states that if Thuo Gaming are interested in selling their stake in South Africa, you will be keen to take a stake;
- 2.3.3 our client has no knowledge at all of the contents of the email. No such discussion between you and our client took place, and our client has not been involved with you in relation to any casino bids in South Africa involving



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Century Casino. Our client can only assume that you have either sent the email to him in error, or that you are fabricating the contents of the email;

2.3.4 to the extent that the email was not sent to our client in error (which our client requires you to clarify), your statements in the email contain malicious falsehoods that have harmed our client's dignity.

2.4 **text message of 2 July 2009**

2.4.1 on or about 2 July 2009, you sent a text message to our client ("**the text message**"), copied to Richard Moloko, a business partner of our client, in the following terms:

**Good morning Bongani it saddens me that you are now wrongly implicating the President in this whole issue. The M&G is anti ANC. You are playing into their hands. Your close friend at the M&G is abusing the info you give him. You agreed to the advert & letter wording if you had a change of mind all you had to do was call me to discuss it & I would have reworded it. Not but you now lie to the M&G. You treat me like an enemy yet I have always assisted you & made time for you. The M&G are now going to make a big story out of a small issue. Call your friend there and put a stop to it or I have to tell the truth to protect my integrity. Call to discuss or get Richard to call.**

**Regards  
Vivian  
ccRichard**

2.4.2 the text message accuses our client of implicating President Jacob Zuma and of playing into the hands of the *Mail & Guardian* newspaper;

2.4.3 the text message further falsely claims that our client agreed to the advertisement and has now lied to the *Mail & Guardian* newspaper, and that our client has "friends" at the newspaper;

2.4.4 our client denies the defamatory allegations made by you in the text message, and its dissemination has harmed the reputation and dignity of our client.

3. In the circumstances, our client demands that:

3.1 you apologise to him, copied to the *Mail & Guardian*, for the publication by you of the advertisement and the further statements, and that you retract your



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misrepresentations to the *Mail & Guardian* that the advertisement and the further statements were made or sanctioned by our client;

3.2 you clarify whether the email was sent to him in error, and, if not, that you apologise to him and retract your misrepresentations contained in the email;

3.3 you apologise and retract the defamatory allegations contained in the text message, and copy this apology and retraction to Richard Moloko;

3.4 you undertake to cease communicating falsehoods concerning him to any third party; and

3.5 that any communication between you and our client take place via our offices.

4. We shall wait to hear from you by close of business on Friday, 3 July 2009.

5. All our client's rights are reserved.

Yours faithfully



WEBBER WENTZEL

**Madelein Burger/Dario Milo**

Direct tel +27 (0) 11 530 5232

Direct fax +27 (0) 11 530 6232

[dario.milo@webberwentzel.com](mailto:dario.milo@webberwentzel.com)



CLARIFICATION NOTICE

On the front page of the Mail and Guardian, last week, the sensational headline conveyed the impression to the readers that Vivian Reddy was in some manner involved in a R3M "bribe" claim. I want to set the record straight.

In my Affidavit, I did not implicate or imply that Vivian Reddy acted in any improper manner whatsoever. The fact is that I sought his assistance as a long standing friend to help me resolve a business issue.

Vivian Reddy did not act in any manner whatsoever to attempt to solicit any bribe as implied in the article. The article is misleading and impacts in the integrity and dignity of an outstanding South African, who has my greatest respect. **The article questions "did President Zuma's friend help grease Ace Magashule's Palms? The answer is no!**

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Issued by Bongani Biyela

30<sup>th</sup> June 2009



"B"

**Thomas Byrne**

**From:** Bongani Biyela [bongani@safika.co.za]  
**Sent:** Wednesday, July 01, 2009 14:35  
**To:** Adriaan Basson  
**Cc:** Madelein Burger; thabomoloko@molokoinvestmentgroup.co.za  
**Subject:** RE: Urgent: Query from M&G

I will as promised and thanks

Mr. Bongani Biyela  
Chief Executive Officer  
Safika Gaming Enterprises  
Tel: + 27 11 483 0840  
Fax: + 27 11 483 0655  
Fax2Email: + 27 086 673 0522  
E-mail: bongani@safika.co.za  
Mobile: + 27 83 302 9989  
Address: 89 Central Street, Houghton 2198, South Africa  
PO Box 652286, Benmore 2010

**From:** Adriaan Basson [mailto:adriaanb@mg.co.za]  
**Sent:** 01 July 2009 02:19 PM  
**To:** Bongani Biyela  
**Cc:** Mandy Rossouw  
**Subject:** FW: Urgent: Query from M&G  
**Importance:** High

Sir,

Herewith the extra question:

5. According to Mr Reddy, you told him you met the Minister of Finance and his deputy at the Durban airport on Sunday and told them he [Reddy] was innocent in all of this. Is this true?

Regards,

----- Forwarded Message

**From:** Adriaan Basson <adriaanb@mg.co.za>  
**Date:** Wed, 01 Jul 2009 13:33:38 +0200  
**To:** Bongani Biyela <bongani@safika.co.za>  
**Cc:** Mandy Rossouw <MandyR@mg.co.za>  
**Conversation:** Urgent: Query from M&G  
**Subject:** Urgent: Query from M&G

Dear Mr Biyela

We've received your lawyers' response to the advertisement placed with the M&G under your name. Thank you for that.

Mr Vivian Reddy has subsequently made some allegations, which we would need you to respond to. Kindly respond to these by 11:00 tomorrow morning (Thursday July 2).

1. Mr Reddy alleges you met him at the Sandton Intercontinental Hotel on Monday on the 27th floor in the evening, and that you apologised to him for comments made about him in your affidavit. He alleges you said that you didn't understand what you signed [the affidavit] and apologised to him for bringing his name into disrepute. You agreed to sign a letter "clarifying the issue". The letter was to go to relevant

02/07/2009

decision makers in South Africa. Reddy says you said you were willing to state that the article was misleading. You said you had the greatest respect for him as a businessman and that Reddy would draft a notice for publication, book the space and pay for it. What is your comment to this?

2. Reddy further states that you said the advertisement must be pulled because you received legal advice and felt the letter could have legal implications. But you promised "to rectify it". You allegedly said the affidavit was rushed, you didn't read it properly. You allegedly told him you met with "senior executives" of the Mail & Guardian and told them they were attacking the wrong guy. What is your comment?

3. Reddy says he will sue you for defamation if his name is not cleared. He says you were very emotional and said you would clear Reddy's name because he is "absolutely innocent". Comment?

4. Reddy further alleges that Mr Saki Macozoma is "involved in this" and was behind your affidavit. Reddy says you told him that Macozoma was putting great pressure on you. Your comment?

END

Adriaan Basson  
Mail & Guardian, Johannesburg  
082 562 2113  
adriaanb@mg.co.za

----- End of Forwarded Message

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This message has been scanned for viruses and dangerous content by **Pinpoint Securemail**, and is believed to be clean.



“C”

**Thomas Byrne**

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**From:** Bongani Biyela [bongani@safika.co.za]  
**Sent:** Wednesday, July 01, 2009 14:34  
**To:** Madelein Burger; thabomoloko@molokoinvestmentgroup.co.za  
**Subject:** FW: LETTER OF OFFER - ROUTE OPERATION & LPM LICENCE

Please see the another mail sent by him to me I do not understand what he is saying since I never spoke to him about this. Lets chart more.

---

**From:** Rani Thirumalai [mailto:power@edisoncorp.co.za]  
**Sent:** 30 June 2009 03:09 PM  
**To:** bbiyela@telkomsa.net  
**Subject:** FW: LETTER OF OFFER - ROUTE OPERATION & LPM LICENCE

Dear Bongani,

Here is the response relating to our discussion that you were awaiting for:

I have persuaded the Century Casino guys to give you equity in their Casino bids in South Africa. They will be applying for 2-3 licences. They were impressed that this time their empowerment partners will put in cash equity.

In terms of your offer to me for the Route Operation and LPM Licence in the Free State, I will be looking at a 20-25% equity. The item we did not cover in terms of your meeting with Hassen Adams last week, is whether Thuo Gaming will be interested in selling their stake in South Africa. If they are selling, I will be very keen to take a stake.

Please call me when next you are in Durban so that we can take the discussion further.

Regards  
Vivian  
Chairman  
Edison Corporation  
Tel: +27 31 566 9500  
Fax: +27 31 566 9511  
Email: power@edisoncorp.co.za

VFB

02/07/2009