

03/11/2010

ROBERT GUMEDE'S RESPONSE TO ADRIAAN BASSON (MAIL & GUARDIAN) QUESTIONS DATED 25 OCTOBER 2010:

PREAMBLE FROM ROBERT GUMEDE:

- a) For the record, your source, Zongi Ndlela-Gumede, is my ex-wife and mother of our two children. We were married in 1999 and I started divorce proceedings and separated in 2005 and we were finally divorced in mid 2007.

- b) It is common knowledge that the divorce proceedings were acrimonious from her side and ended up gracing front pages of newspapers and magazines. As a responsible parent, since the divorce proceedings started in 2005, I have always adopted the position that I will not expose my ex-wife or my children to harm or negative publicity. Thus I have chosen not to make negative remarks about my ex-wife because it will impact on her and our young children that I care so much about. I do not want to stoop so low to your level.

- c) Your other disgruntled source that you have supported in the last nine years, the British citizen, Dr Johan Sterenborg, (Sterenborg) also claimed to have used my ex- wife for information especially during the acrimonious divorce. Sterenborg mismanaged and blew R45m invested by me, Standard Bank and Brait that led to ACT's insolvent status under his watch as the CEO. I was only a non-executive director of ACT after paying R25m and only attended one board meeting in a year.

- d) Regarding your question 1 below, Sterenborg was the first person to produce my then wife's bank statement in chambers at the Section 417 insolvency inquiry which you attended on the day in question in 2005. You will recall that Sterenborg tried to use this very same bank statement as a way to extort a settlement from me. I, through my lawyers, invited Sterenborg to formally present the laughable so-called evidence at the inquiry, chaired by Adv A Subel SC, or take this so-called evidence to the Scorpions to lay a criminal charge if he believed it was a corrupt payment.

- e) I even went so far at the inquiry to correct the amount of my donation which was not R50 000 but R100 000 paid to Aloga Financial Services for a conference through Le Monde, the suppliers of the conference memorabilia, tshirts, bags etc.

03/11/2010

- f) In 2008 you had reported that I was under investigation by the police on the basis of fraud and bribery. I will presume that part of the so-called evidence on the complaint referred to by you was these very same payments. I find it bizarre that after the police have investigated and the NPA has on three separate occasions declined to prosecute yet you still persist and rehash the allegations that Sterenberg could not sustain.

- g) You have written negative articles about me based on your so-called sources including Sterenberg and I reported you and the M&G to the Ombudsman who found in my favour. The M&G then appealed to the Appeals Panel who also found in my favour and ordered that you apologise to me, especially after making serious findings on your conduct in this matter. To quote from the Press Ombudsman's judgment: *"This suggests that Basson worked in reverse - published and only thereafter went to sources he could have placed on record"*, Joe Thloloe, Press Ombudsman (23 July 2009). Because of your bias, the Ombudsman decided to write up the apology that the M&G had to publish without editing it.

- h) The M&G, Dawes, Sole and you have become vindictive to me and disrespectful of the Ombudsman and the Press Council process. You have shown your disdain by repudiating the apology. I again lodged another complaint with the Ombudsman and on 22 October 2010 you published another tiny apology that retracted your editor's note and apologized to me and the Ombudsman. At the end of your tiny apology, I saw why you and Dawes, after almost a year agreed to apologise in your second apology article dated 22 October 2010: *"We remain committed to the system of self-regulation under the SA Press Council"*. This proves that your apology to me and the Ombudsman was not genuine but was self serving because of the pressure from your peers who realized that your conduct was playing to the hands of those who are calling for the media appeal tribunal because of the M&G's conduct in my matter and possibly others.

- i) Now I see that you will stop at nothing to rehash unsubstantiated allegations leveled by a disgruntled fraudster, Sterenberg, who embezzled almost R25million that I paid him and now you are using my ex-wife for your own vindictive ends.

- j) Sole who has a **long standing relationship** with Sterenberg as the first journalist to have written articles against me in late 2001 and early 2002 has formed an axis of hatred and vindictiveness against me with you and Dawes.

03/11/2010

- k) I was approached at my home by Advocate Moss Mphaga who is the Chairman of Aloga Financial Services which is a Section 21 organisation (Registration No: 99-05977-08) to consider sponsoring their Kopano conference which was to be hosted by Aloga and attended by Christian groups visiting SA from the USA, Peru, Haiti, Vietnam, Brazil, Sri Lanka, Angola, Namibia, Sudan etc.

- l) I was told by the Chairman Adv Mphaga that they had approached other businesses to consider donating to their noble cause. After considering their request, I agreed to make a donation to the conference of R100 000. Part of the agreement was that my donation was going to be used to pay for the memorabilia (tshirts, conference bags, etc) for the Kopano Conference.

- m) I am aware that not only have you targeted my ex-wife who you allege is your source but you have tried to threaten some of my ex-employees to back up your false allegations, e.g. Tebogo Khaas, Nhlanhla Mhlongo and other former staff members that you have approached and who have not allowed themselves to be used and give credibility to your baseless allegations.

- n) I am aware that the M&G, Sole, Dawes and yourself are being **vindictive** just because I have successfully proven that you like to publish biased, defamatory, unsubstantiated lies that you sensationalise to damage successful people in your paper. I have succeeded three times against you and you just cannot accept defeat. The M&G was ordered 3 times to publish an apology to me. More importantly your peers in the journalist environment, have questioned your unprofessional conduct. You are known for using sources that are not credible, but dodgy characters, so long as you can attribute these lies and innuendos to these people who in most instances are disgruntled or fraudsters who like you have been defeated through credible, lawful processes and institutions.

- o) This is not the first time that you have sent questions to me and previously you were severely criticized by the Ombudsman for having disregarded my answers to your questions by selectively quoting from them. In the past you have also not published anything that I say which is against you or your source. I will be watching with interest how you will uphold the standard, ethics and professionalism in journalism in being unbiased and report the truth. The fact is that you have asked me questions, and it is therefore important that when you print, you print my responses in full and not on the online site only but in the print edition of the newspaper.

- p) One of the reasons I know you are being vindictive against me is the fact that the Ombudsman, including the Appeals Panel chaired by Judge Ralph Zulman, on three occasions found in my favour (just like the NPA declined three times to prosecute me without my knowledge) and the fact that the ANC through its Secretary General Gwede Mantashe is using my case as a reference to prove how the M&G rendered self

03/11/2010

regulation to be a farce in South Africa. You have proven , by demonstrating your disdain and disregard for the Ombudsman's findings and by even ignoring the decision of a reputable judge, Judge Ralph Zulman's decision, that you believe you are above your peers and the media fraternity that enjoys the freedom of the press that the M&G denies me.

- q) For 9 years Sterenborg, the M&G, Sole, Basson and now Dawes have embarked on a campaign to tarnish and damage my reputation through publishing false, allegations and unfounded lies. You have not published the fact that I succeeded in all four legal Supreme Court actions instituted by my serial accuser Sterenborg and one court action instituted by me/Guma against Sterenborg; including winning an order for ±R45m against Sterenborg and his wife. My attorney, Nicqui Galaktiou, even gave you a copy of the judgment in the appeal in which Guma and I succeeded on 11 July 2006. You ignored it.
- r) It is obvious that the apologies that you published were not published by choice but you were forced to do so. As a result you are now once again seeking to tarnish my name and hard earned reputation because of your vindictiveness.

Dear Mr Gumedede

Kindly respond to the following questions by 12:00 pm on Wednesday (October 27).

Regards,
Adriaan Basson & Sam Sole

1. The Mail & Guardian has now independently confirmed that two payments of R50 000 each were made on 22 and 25 October 2004 respectively from the Nedbank account of Tulazo Trading CC, belonging to your ex-wife Mrs Zongi Gumedede, to the Standard Bank account of Le Monde Luggage t/a Pakwells Petje, a luggage store in Pretoria owned by Mr Thapelo Petje and his wife, Nomzamo.

1.1 Mrs Zongi Gumedede has confirmed that she was asked by you to make these payments on your behalf because you did not want the payments to go through your own account. Why did you ask your ex-wife to pay money to Pakwells Petje's account?

03/11/2010

Agreed, my ex-wife who you claim is your source did indeed make payments on my behalf. As far as I am aware, the business belongs to Nomzamo Petje and not her husband.

You should remember that in your presence at the inquiry when this issue was raised by Sterenberg and he produced a bank statement reflecting a payment of R50 000 by my ex-wife's company Tulazo into Le Monde's account, you were present and I explained to my lawyers that the amount was not R50 000 but a total of R100 000 paid as part of a donation to Aloga Financial Services, a non profit organization (as I had nothing to hide).

Agreed that I asked her to make the payments on my behalf. It is nonsense to say that I did not want the payment to go through my personal account. As far as I can remember I was not in Johannesburg when I asked Zongi to make the above mentioned payment.

As the payment was urgently required and I did not have online banking facilities on my account, yet Zongi had such facilities, I requested her to effect payment which she did over two tranches of R50 000 each.

Why would I want to hide a donation when I had previously in 2003 purchased bags and jackets for my ex-wife and her daughters with my personal cheque.

1.2 Why didn't you want to pay the money from your own account/s and what was the purpose of these payments?

See answer above. The payment was a donation towards a non profit organization Aloga Financial Services who was hosting a conference in Mamelodi Township attended by a Christian group from the USA, Peru, Haiti, Vietnam, Brazil, Sri Lanka, Angola, Namibia, Sudan etc.. I was happy to pay from my personal account and unfortunately was not in Johannesburg when payment was required.

Furthermore, how can I hide a payment through my then wife (now ex-wife) who shares the same surname and lived with me. I have in the past personally paid for goods bought from Le Monde for my ex-wife and her daughters.

1.3 As you know Mr Thapelo Petje was at that stage head of procurement at Telkom and the person who signed off Gijima Afrika Smart Technologies' original contract with Telkom in July 2002, as well as the extension of the contract in August 2005. The nature of and way in which these payments were made strongly suggest they were irregular benefits for Mr Petje and/or his family after awarding a tender to your company. What is your response?

This is nonsense and incorrect. Guma's contract with Telkom always had an extension option and there was no benefit to Mr Petje flowing from the contract with Telkom which is still ongoing yet Mr Petje left Telkom a long time ago in 2005. Guma's retention of the contract is based on its efficient professional service and price benefit which it has given Telkom over the years. The Telkom contract was extended almost a year after Petje left Telkom. It is therefore nonsense to suggest that the R100 000

03/11/2010

donation to Aloga Financial Services was to benefit Mr Petje and his family for the contract that Guma had won with Telkom in 2002. Regarding your question re the short term extension, I believe you have sent questions to Telkom who I expect has given you the answers to that. For your information, when Guma signed the contract in 2002, we could not supply Telkom until late in financial year 2003 because the foreign supplier to Telkom, Gemplus of France, continued to supply until the end of its contract which overlapped with Guma's contract. Due to that, Telkom in order to compensate Guma extended the contract for the period of 6 months.

1.4 The way these payments were made strongly suggests you were asking your ex-wife to launder money through her company's account because you didn't want to money to be deposited directly from your account/s. What is your response?

Nonsense. I have made several payments to Le Monde for goods that I bought from the business, e.g. travelling bags as well as leather jackets that my ex-wife and I bought for her and her own two daughters. Why would I then want to hide new payments because long before the R100 000 was paid I had made other purchases which I paid for either in cash or cheques to Mrs Petje's business. How can I use my then wife (now ex-wife) who carries my surname to hide payments. This is absurd. Your serious and unfounded allegation of money laundering is absurd and without merit. In this case a Vat registered company Tulazo made payments to a Vat registered company Le Monde the R100 000 Aloga donation.

To date, I continue to buy travelling bags from Le Monde as I support black business.

1.5 When and how did you meet Mr Thapelo Petje?

I did not know or meet Mr Petje until the day we were handed the conditional award letter of the Telkom contract on or about 10th June 2002 at Telkom's offices in Pretoria.

1.6 According to Mrs Zongi Gumedede, you became family friends with the Petjes in 2002. Is that correct?

It is again not correct.

It was not until late 2003 that I got to know Mr Petje.

My relationship with Mr Petje was professional as we never attended get togethers (dinner, lunch or house visits) with each other. Anything contrary is a lie. I think it was around 2004 that I met Mr Petje's wife Nomzamo at my house when she came to deliver the bags and jackets, besides my visit with my ex-wife to her store referred to above.

03/11/2010

1.7 On 16 October 2008, in response to the following question from the M&G: "Did any Telkom employee receive any form of benefit from you before, during or after the awarding of the said contract to GAST?", You responded: "No." Doesn't this benefit to Mr Petje and/or his family contradict your earlier denial of gratification?

Nonsense. Refer to the above. I stick to my original answer to your previous questions: NO, as the donation was to Aloga and not Mr Petje.

2. Telkom has confirmed that GAST/Guma Smart Card is still the supplier of phone cards to the company, due to numerous extensions of your contract. What is the total value of the contract to date (i.e. from 2002 to 2010)? And what do you predict will be the value of the contract by 2012 when it expires?

I think you should ask Telkom. Guma Smart Card is a private company and the details of its contracts and revenue are confidential. I too do not know how much funding you receive from your overseas donors because you are a private company.

3. When tendering, GAST admitted it did not have the capacity to produce all the phone cards alone and told Telkom it was going to use Gemplus in Rosebank to produce certain batches. Until when did Gemplus assist GAST in producing Telkom phone cards?

We never claimed that Gemplus in Rosebank was going to produce certain batches. Gemplus France was and still is a technology partner to Guma who could provide backup production if Guma had problems with its factory, e.g. labour strikes, equipment breakdown and other force majeure. They supplied us with the modules and initially provided training to our staff members. Until today the all black team has produced over 100 million pay phone cards and I am proud of what these young black persons have achieved in contrast to what your friend Sterenborg could not do with the approximately R45million that he flushed down the drain within a year that led to the liquidation of ACT by Brait.

4. When Telkom awarded the tender to GAST, specific conditions were set on which successful contract negotiations depended.

These are ridiculous and nonsensical questions. If Guma never fulfilled any of your so-called questions from 4.1 to 4.6, it would not have signed the contract with Telkom. So Guma has met and exceeded requirements 4.1 to 4.6, that is why it still continues to supply Telkom.

4.1 The solvency of GITA was one of the conditions. Did GITA achieve solvency? If so, when?

See above.

4.2 Was GAST, the company that ultimately got the contract, solvent when Telkom awarded it

03/11/2010

the contract?

See above.

4.3 What other business was GAST doing at the time Telkom awarded it this contract?

See above.

4.4 Was sufficient insurance obtained to cover the value of 3 million cards per month? If so, when?

See above.

4.5 Was sufficient ISO certification obtained for the GAST manufacturing plant?

See above.

4.6 Was GAST/Guma's security system upgraded as per the Telkom specifications and requirement? If so, when?

See above.

5. GITA's tender document to Telkom lists Mr Nhlanhla Mhlongo, the COO, as disabled. According to at least two people who know Mr Mhlongo personally he could not be described as "disabled". Why did GITA list Mr Mhlongo as a disabled person?

I know why you are trying to attack my former partner Nhlanhla Mhlongo because he did not want to dance to your tune of wanting him to say anything negative about me or Guma. When Sole went to interview Nhlanhla Mhlongo at his home in Durban (18 August 2010), it is alleged that "Sole was asked by Mhlongo as to why he and the M&G are pursuing Gumede after so many years and Sole is said to have responded that Gumede has embarrassed and caused harm to the M&G that has affected their newly established AmaBhungane funders since the apology ordered by the Ombudsman and Appeals Panel chaired by Judge Zulman. They have to find anything negative to prove to their funders that they were correct to label Gumede a criminal".

6. One of Mr Sterenborg's biggest concerns at the Section 417 enquiry was that the tender was awarded to a company (GAST) that didn't tender. GITA was the Gijima company that tendered. How and why did the tender end up being awarded to GAST?

03/11/2010

You and your colleague Sole attended the inquiry. I and many others including Telkom staff members have given evidence under oath at the inquiry. The tender was submitted by GITA and its subsidiary GAST who invested and lost about R30m cash to Sterenberg's liquidated ACT. Together with Telkom we agreed to have GAST sign the contract with full guarantees from the mother company GITA. This was dealt with extensively and well explained at the inquiry.

7. What, according to your understanding, led to the Section 417 enquiry into the liquidation of Applied Card Technologies not reaching finalisation, and a report not being issued?

Sterenberg abandoned and absconded from the inquiry after facing grueling cross examination by my lawyers, especially when dealing with the mismanagement, unlawful transfer pricing through his UK company, buying horses and paying for training for his daughters and overseas travel for his family using ACT monies as well as the unexplained payments to Sole, a M&G journalist. At the last hearing further evidence was produced that Sterenberg had attempted to extort R27million from Telkom, which interestingly you never bothered writing nor investigating. Sterenberg could not sustain his lies of trying to link a company that he mismanaged and rendered insolvent within one year (August 2000 to August 2001) with almost R25m cash. How did he dupe the M&G, you and Sole to claim that a company, ACT, which was finally liquidated in February 2002 could have successfully tendered for a tender that was issued in March 2002, a month after ACT's final liquidation and could have succeeded in being awarded the contract in July 2002 (almost 5 months later)?

8. In 2006 you obtained a court order against Mr John Sterenberg and his wife for breach of profit warranties. Have you received any of the almost R40-million awarded to you by the court? [including attaching Sterenberg's assets in South Africa?]

You know well that your source Sterenberg mismanaged and blew the R45million that was invested in ACT

You also know as a fact that Sterenberg did not only make the company insolvent, he himself has lost everything. I hired private investigators who finally tracked him down at a London pub where he seems to spend most of his time and he has no assets or traceable assets. Just like Brait, we all lost our hard earned monies to your source.

On this question, you should ask your source and friend Sterenberg what he has done with the money and how is he going to pay me/Guma R45m and Brait R17m.

9. Are you aware that Captain Jacq Velloen of the Johannesburg Commercial Crimes branch, who was the investigating officer in the corruption case opened by Mr Sterenberg against you,

03/11/2010

was pulled off the investigation and himself investigated for defeating the ends of justice?

I am not surprised to see that you are an extension of either SAPS or the NPA. You know better what goes on in those institutions than any other ordinary South African. I have told you many times that to date I have never had any person from the police or NPA ever inform me of a so-called thumbsucked Sterenberg complaint, investigation nor ever questioned me. Therefore I do not know who were the people from the police that worked with Sterenberg on his trumped up charges. I do not know nor have I met the Police Captain you are referring to, neither am I aware of your questions in 10 and 11 below. Maybe you can give me more information on your questions 10 and 11 below as I am interested to know. What is interesting is that you seem to be in contact with the said Captain Jacq Velloen and Sterenberg and now my ex-wife as you claim that she is your source.

10. Are you aware of the allegations against Captain Velloen?

Obviously I am not aware – see above response.

11. Are you aware that the NPA had decided not to institute criminal proceedings against Captain Velloen, but recommended to the SAPS that he should face a disciplinary hearing?

Obviously I am not aware – see above response.

12. According to your CV, posted on the websites of inter alia GijimaAst, Guma and Tourvest, you obtained a BJuris degree from the University of Zululand. The M&G contacted the university, that confirmed you graduated in 1986, but with a Dip Juris law diploma and not a BJuris degree. Why do you misrepresent your legal qualifications?

Thank you for bringing it to my attention. As you know I am not responsible for putting information online, neither have I claimed to have a BJuris.

For the record, I have not given myself a title or qualifications that has benefitted me to gain business or a position in a company. I am neither an employee of a third party nor did I have to apply for a job position. So I have not benefitted from the mistake you are referring to, just as a way to demonstrate to you that if I become aware of an inaccuracy or misrepresentation, I am quick to deal with it. See attached a letter I wrote on 20 October 2010 to the Acting Editor of Drum Magazine, Huisgenoot and YOU Magazine, which is self explanatory. I pointed out to her that I am not a practicing lawyer, but a former State Prosecutor. This happened long before you sent me these questions and I was still overseas when I was informed of the well meaning Drum, You and Huisgenoot magazine article. (See annexure A).

13. You also claim on your CV that you worked as a "clerk in the civil and criminal court in Nelspruit" and was "soon promoted to the position of State Prosecutor at the Nelspruit Kabokweni courts". The M&G contacted both the National Prosecuting Authority, and the

03/11/2010

department of justice [who employed prosecutors before the establishment of the NPA], and both institutions have no records of you ever being employed as a prosecutor by the state. What is your response?

The NPA of today never existed nor the Apartheid National Department of Justice had jurisdiction in the homelands that were created by the apartheid government like Kangwane Government, Lebowa Government, Transkei, etc. I worked as a State Prosecutor for the Kangwane Government Department of Justice then. There are many esteemed lawyers and advocates, including lawyers who are today eminent judges of the Supreme Courts of South Africa who appeared in courts in matters that I prosecuted, e.g. Deputy Judge President Phineas Mojapelo, Judge Legodi, Judge Rampai and several Magistrates, etc, maybe they can assist you in your investigation.