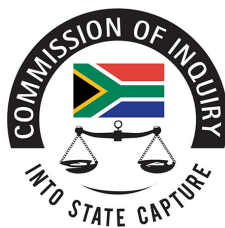




EXHIBIT DD 17

**VUYISILE
KONA**



**JUDICIAL COMMISSION OF INQUIRY INTO ALLEGATIONS OF STATE CAPTURE,
CORRUPTION AND FRAUD IN THE PUBLIC SECTOR INCLUDING ORGANS OF STATE**

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IN THE JUDICIAL COMMISSION OF INQUIRY INTO ALLEGATIONS OF
STATE CAPTURE, CORRUPTION AND FRAUD IN THE PUBLIC SECTOR
INCLUDING ORGANS OF STATE

AFFIDAVIT

I, the undersigned,

VUYISILE KONA

hereby make oath and state:

1. I am a South African citizen and a businessman living in Gauteng.
2. I was appointed as the Chairman of South African Airways (SAA) on 28 September 2012 and was removed from the board by the then Minister of Public Enterprises, Malusi Gigaba (Minister Gigaba), on 26 February 2013. The said decision of Minister Gigaba manifested in a resolution of the shareholders of the SAA on 7 March 2013.

MG.


3. I also served as the SAA board appointed chief executive officer of SAA from 12 October 2012. I was subsequently placed on "precautionary suspension" on 11 February 2013 by the same board who appointed me to that position.
4. I launched an application challenging the aforesaid decisions in the High Court of South Africa, South Gauteng, Johannesburg under case number: 216/80 on 12 April 2013, which application remains pending.
5. Certain of the papers in that application have been made available to this Commission as annexures to an affidavit submitted by Sizakele Mzimela dated 6 June 2019, which had 16 annexures. (The Mzimela affidavit).
6. The facts contained in this affidavit are, unless the contrary appears from the context or is so stated, within my own knowledge and are true and correct. The facts of which I do not have personal knowledge are to the best of my knowledge and belief both true and correct.

BACKGROUND

7. In 2012, SAA's auditors had flagged going concern challenges for the airline and thus were not prepared to sign the financial statements.
8. SAA at this time requested a financial guarantee of between R4 and R6 billion from the Department of Public Enterprise (the DPE). However,

MS 2

there was general concern from the DPE regarding the competency of SAA's management.

9. It was then determined that SAA's management would have to bear the weight of accountability for their use of state resources in light of the fact that there were other entities who could have benefited from the resources and whose did not suffer from the same management problems.
10. The board resigned en mass, following this directive from the DPE as the financials already indicated that the airline was in trouble following fierce competition on the domestic market, margins falling on the lucrative Africa routes and the long haul routes bleeding cash.
11. The timing was perfect for those wishing to shirk accountability for their actions over the years to jump ship in order to not be held accountable.
12. My appointment as chairman arose out of the aforementioned circumstance and I was forced to quickly arrest the situation and bring stability in order to satisfy investors.

THE MZIMELA AFFIDAVIT

13. On 12 June 2019, I received a notice in terms of Rule 3.3 of this Commission's Rules (the first rule 3.3 notice). The first rule 3.3 notice effectively stated, *inter alia*, in paragraphs 2 – 4 that:

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Ms Mzimela's affidavit implicates or may implicate me, with specific reference to paragraphs 99 to 102 thereof.".

14. I, together with my legal representatives, read and considered the contents of the Mzimela affidavit, and in particular paragraphs 99 - 102.
15. I and my legal representatives were and are of the opinion that even if the contents of the Mzimela affidavit are true and correct I am not in any way implicated in state capture, corruption, fraud or any other unlawful conduct.
16. My legal representatives (Mr Barnabus Xulu, instructing Adv Anton Katz SC), appeared at the Commission on Wednesday 26 June 2019 where Ms Mzimela testified before the Commission on 26 June 2019.
17. In essence, her oral evidence on 26 June 2019 repeated the contents of her affidavit and I was not implicated in unlawful, illegal or improper conduct in the respects referenced in the first rule 3.3 notice or in any way in her oral testimony.
18. I say this confidently, although there are certain nuances and inferences concerning certain factual descriptions by Ms Mzimela which do not accord entirely with my recollection of the events in late 2012.
19. Not requesting the information as described in paragraphs 99 of the Mzimela affidavit would have been in dereliction of my duty as the chairman of the board. Being an experienced airline executive, I was



and am acutely aware of an airline's main cost drivers being aircraft, maintenance and fuel. I needed to be aware of what the fleet plan was at all material times to ensure that costs are in line with both budgets and market related prices.

20. From the time of my appointment it was evident that the CEO wished to resign, and it is my considered opinion that the 'unbearable situation' existed prior to my appointment or my purported disregard for procurement protocol.

21. Of relevance for purposes of the Mzimela affidavit, is annexure "6". Annexure "6" was a statement by Ms Sandra Coetzee dated December 2018 with certain annexures.

THE COETZEE AFFIDAVIT

22. On 26 June 2019, I received a second rule 3.3 notice dated 26 June 2016.

22.1 The second rule 3.3 notice refers to an affidavit (not a statement) of Ms Coetzee. It stated that the evidence of Ms Coetzee formed part of Ms Mzimela's evidence scheduled to be delivered on Wednesday 26 June 2019.

MS
Z

22.2 The second rule 3.3 notice referred specifically to paragraphs 26 to 31 of Ms Coetzee's affidavit.

23. I have read and considered the contents of Ms Coetzee's affidavit and there are, in my view, three factual inaccuracies contained in paragraphs 26 to 31.

24. In paragraph 28 Ms Coetzee says that I explained that my approach to business was one of "honouring favours among friends";

24.1 To the extent that Ms Coetzee implies anything untoward, improper or unlawful in my explained approach I deny such implication;

24.2 My approach is that I have zero tolerance towards corruption, fraud or any unlawful conduct; and

24.3 I deny that I used the words in any untoward context.

25. Ms Coetzee further suggests that I illustrated my approach with reference to a previous employer (whose name she cannot remember) who supplied me with a television set.

26. I am not in a position to comment on her implication for two interrelated reasons.

26.1 First, her statement is vague and impossible to contextualize and properly understand; and

MS.
[Signature]

26.2 Secondly, bearing in mind that the meeting took place almost seven years ago, and without her version containing any detail, I cannot remember having the kind of conversation alleged by Ms Coetzee. I have never taken or offered any kind of bribe throughout my professional life.

27. What I do recall is that Ms Coetzee came across as aggressive and generally uncooperative. I got the distinct impression that Ms Coetzee was inflexible inasmuch as she regarded her view on the law, and its requirements as the correct and only possibly correct view.

28. She could not understand that she could have been or may have been incorrect about anything at all, including legal propositions.

29. It was in that context, to the best of my recall, that the discussion took place. What I tried to emphasize was that agreements generally had to be honoured.

30. Ms Coetzee appeared to hear what she wanted to hear. I suspect she took a disliking to me, and regarded anything and everything I said in a suspicious and often incorrect light.

31. I cannot comment on Ms Coetzee's interactions with Ms Mzimela, Mr Alvin Chetty or any other person.

32. I deny in the strongest terms that my approach was anything other than proper and lawful.



THE SAXONWORLD MEETING

33. I have been advised that I am constrained to relate an incident which may and probably is, of relevance to this Commission.
34. On 29 October 2012 I was "invited" by Mr Siyabonga Mahlangu, who at the time was "special counsel" and adviser to Minister Gigaba, to visit the Gupta family home in Saxonwold.
35. I went to the meeting, which had been described to me by Mr Mahlangu as a "stake holder" meeting.
36. I was stunned at what transpired at the meeting.
37. Present at the meeting, amongst others were Mr Duduzane Zuma, and Mr Tshepiso Magashule, a son of Mr Ace Magashule.
38. Mr Mahlangu sat through the 40-minute meeting during which the younger Gupta brother, Rajesh, also known as Tony, made an offer to me of R 100 000,00
39. I resisted the offer.
40. I asked Mr Tony Gupta what the offer was for. Mr Gupta immediately upped the offer to R 500 000,00 without any explanation.
41. I again asked what the money was for. When no reason was forthcoming, I rejected the offer, and left the meeting.

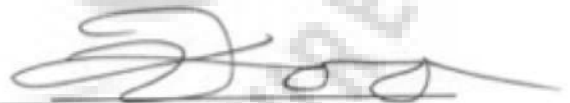


42. I confided in Dudu Myeni about the meeting, and she subsequently replaced me as acting chairperson on 7 December 2012 when I moved to the position of Acting CEO.

43. When rumours of the meeting began to leak, Mr Mahlangu chastised me for having spoken to Myeni about it. In an SMS on November 27 Mr Mahlangu told me: "Uyangithengisa [you are selling me out]. Why did you let her know that u knew where she was going. U will compromise the mission."

44. I have been advised that I could and perhaps should have made the information above available to the Commission at an earlier stage. I apologize for any inconvenience my "late" providing of this evidence may have caused.

45. If there is anything further I can assist the Commission I will do so.



VUYISILE KONA



I certify that:

1. the deponent has acknowledged that:

- 1.1 he knows and understands the contents of this affidavit;
- 1.2 he has no objection to taking the prescribed oath;
- 1.3 he considers the prescribed oath to be binding on his conscience.

2. The deponent thereafter uttered the words: "I swear that the contents of this affidavit are true, so help me God".

3. The deponent signed this declaration in my presence at the address set out hereunder, on this day of

2019.

[Handwritten signatures and stamps are present over the text. A large, faint watermark "MASSACHUSETTS" is visible in the background.]

[Signature] 2019/07/04 21:25
[Signature] 21:25
 277 JOHNS CHURCH STREET
 SAs GARSONTEIN
 COMMISSIONER OF
 SERVICEM.

OATHS

MASSACHUSETTS
 STATE CAPTURE



South African Airways
BAC Secretariat Office
Room 108f
1st Floor E Block
Airways Park
1627

Private Bag x13
ORTIA
Kempton Park, 1627

Tel: 27 11 978-6009
Fax: 27 11 978-6161

EXTRACT FROM THE MINUTES OF THE MEETING OF THE BID ADJUDICATION COUNCIL (22022011) SOUTH AFRICAN AIRWAYS (PTY) LTD HELD 22 FEBRUARY 2011, AT AIRWAYS PARK AT 10:30

6.1 Request to Confine to New Age Newspaper

Adjudicated by BAC: 22 February 2011

It was **RESOLVED THAT** the procurement and distribution of the New Age Newspaper at check-in counters at the OR Tambo Int. Airport, King Shaka Int. Airport and Cape Town Int. Airport for a period of 2 (two) months commencing 01 April 2011, be and is hereby supported and recommended for approval through the Delegation of Authority subject to negotiation of a 10 (ten) percent discount and if not obtained, the submission should be re-tabled at the BAC.

True excerpt of the Minutes



Disclaimer: For Internal Purposes Only

Directors

CA Carolus* (Chairperson), SP Mzimela (Chief Executive), T Daka*, TC Jantjies*, Y Kwinana*, DH Lewis*, RM Loubser*, BF Mohale*, DC Myeni*, JP Ndhlovu*, LG Nkosi-Thomas*, LJ Rabbets*, ZJ Sithole*, M Whitehouse*

*Non Executive

Ruth Kibuuka Company Secretary

South African Airways (Proprietary) Limited

Reg. No. 1997/022444/07

A STAR ALLIANCE MEMBER 



Group Corporate Affairs
Room 227A
Airways Park
Jones Road
Kempton Park
1627

Private Bag X13
O.R. International Airport
1627

Tel: 27 11 978-6879
Fax: 27 11 978-2999

Email: ThabaniMkhize@flysaa.com

23 February 2011

TNA Media
Private Bag X14
Alberton
1450

Per e-mail

Dear Jacques

RE: The New Age Bulk Distribution Proposal

Receipt of your request for the bulk subscription and distribution of The New Age newspaper on-board SAA flights is once again acknowledged and we thank you for your proposal.

You will recall that on previous telephone and written correspondence, we informed you of the requirement to follow internal procurement processes prior to entering into any supply agreement. The Bid Adjudication Committee sat on 22 February 2011 and considered your proposal and I am pleased to advise that it accepted the request to distribute the New Age publication on board our aircraft on similar conditions and pricing currently enjoyed by SAA on the publications and newspapers distributed on board our aircraft.

Given the above approval, I wish to put forward the following SAA offer to TNA Media:

SAA intends to purchase no more than 24000 copies per month (of The New Age newspaper) at R2.30 per copy, VAT inclusive. These copies are to be made available on board only on SAA flights.

The quantity and prices offered above have been calculated based on our current monthly average intake of similar publications. It is also based on the fact that The New Age newspaper does not yet have an established readership and that passenger interest in this publication has not yet been determined.

Please note that SAA is not in a position to take anything more than the quantity mentioned above. Should TNA Media wish for SAA to distribute more than this quantity, additional copies would have to be provided free of charge by TNA Media.

We trust the above is in order and look forward to your response

Regards,

Thabani Mkhize

Manager: Brand and Sponsorship

Directors

CA Carolus* (Chairperson), SP Mzimela (Chief Executive), T Daka*, TC Jantjies*, Y Kwinana* DH Lewis*, RM Loubser*, BF Mohale*, DC Myeni*, JP Ndhlovu*, LG Nkosi-Thomas*, LJ Rabbets*, ZJ Sithole*, M Whitehouse*

*Non Executive. *Chilean

Ruth Kibuuka Company Secretary

South African Airways (Proprietary) Limited

Reg. No. 1997/022444/07

A STAR ALLIANCE MEMBER

BAC SUBMISSION FOR CONFINEMENT/SCOPE EXTENSION AND OTHERS

To:	Acting Chief Executive Officer
From:	Global Supply Management (GSM)
Date:	06 November 2012

To request the Acting ACEO approval to buy additional copies of the New Age Newspaper and distribute at check-in counters at OR Tambo, King Shaka and Cape Town International airports.

PURPOSE

To request approval to procure additional copies of the New Age Newspaper and distribute onboard the aircraft and at check-in counters at OR Tambo, King Shaka and Cape Town International airports.

BACKGROUND

In the meeting of 22 February 2011, the BAC supported and recommended for approval through the DOA subject to negotiation of 10% discount. The Business Unit engaged into negotiations with The New Age Media and a discount of 30% was achieved.

MOTIVATION

SAA will be implementing the additional copies for a period of 12 months whilst SAA is evaluating the current usage and scope in supplying our customers with publications.

COUNTER PARTY

The following counterparties were consulted:

- Inflight Logistics
- Airport Operations
- GSM

FINANCIAL IMPLICATION (Full TCO)

The purchase price per copy is R2.31 excluding vat. The total spends on the proposed quantities for a 12 month period will be R4 204 200. Additional copies of TNA newspapers results in additional cost of R2 402 400.

Airport	Current Daily copies	Proposed daily copies	price (vat excl)	current spend daily	Proposed spend daily	current est yearly spend	Proposed est yearly spend
JNB	2100	3500	2.31	4 851.00	8 085.00	1 261 260	2 102 100
DNB	450	2000	2.31	1 039.50	4 620.00	270 270	1 201 200
CT	450	1500	2.31	1 039.50	3 465.00	270 270	900 900
	3000	7000		6 930.00	16 170.00	1 801 800	4 204 200

RISK

There is no risk identified at this stage.

PFMA IMPLICATION

In order to comply with the SAA Supply Chain Policy Management, the CEO is requested to authorise the procurement of additional copies of The New Age newspaper.

APPROVAL PROCESS

CEO approval requested.

NATIONAL TREASURY REGISTER FOR TENDER DEFAULTERS

As at 20 November 2012 GSM it has been verified that The New Age is not listed as one of the defaulters.

RECOMMENDATION

It is recommended that the CEO (Acting) approves the request to procure additional copies of the New Age Newspaper and distribute onboard the aircraft and at check-in counters at OR Tambo, King Shaka and Cape Town International airports. The cost for additional copies will be R 2 402 400.00

SIGNATURES:**Compiled by:**

Name
Vuyiswa Mbonani

06/12/2012

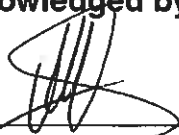
Date

Verified by

Alvin Chetty
HOD GSM

06/12/2012

Date

Acknowledged by:

Martin Kemp
HOD: Inflight Services

6/12/2012

Date



Zuks Ramasia There is currently
GM Operations no budget or operations

6/12/2012

Date

Requested and Approved by:



Vuyisile Kona
CEO (Acting)

6/12/12

Date



