



EXHIBIT SS 24

**RYAN MARC
SACKS**



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

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AFFIDAVIT

I, the undersigned,

RYAN MARC SACKS

do hereby make oath and state that:

1. I am an adult male chartered accountant and certified fraud examiner.
2. I am a director of Crowe Forensics SA (Pty) Ltd ("Crowe Forensics") carrying on business at 3 Sandown Valley Crescent Sandown. My telephone number is 011 217 8000. Crowe Forensics' name was changed from Horwath Forensics so as to align with Crowe Global's new brand strategy.
3. The facts herein contained are, unless otherwise indicated or where it appears from the context to the contrary, within my own personal knowledge and are both true and correct.
4. I make this affidavit in response to the summons served on me by the Judicial Commission of Inquiry into Allegations of State Capture, Corruption and Fraud in the Public Sector including Organs of State ("the Commission").

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5. The summons requires me to produce:

"1.1 A complete copy of the following report: "Passenger Rail Agency of South Africa (PRASA), Swifambo Flow of Funds Analysis, (Draft) Preliminary Report," dated 20 April 2017.

1.2 Copies of all supporting documentation, annexure or appendices referred to in the report, referenced and described in Paragraph 1.1 above."

6. In order to provide context, I state that Werksmans Attorneys were duly appointed by the Passenger Rail Agency of South Africa ("PRASA") on 6 August 2015 to perform a forensic investigation into various instances of irregular, fruitless and wasteful expenditure incurred by PRASA, and all irregular and/or unlawful activity related thereto which had been outlined in but not limited to the final report compiled by the Auditor General of South Africa dated 31 July 2015 as well as the Public Protector's report entitled "*Derailed*" which was published on 24 August 2015. Crowe Forensics, then named Horwath Forensics, was appointed by Werksmans Attorneys as expert forensic accountants to assist them, together with certain other service providers of different disciplines, in the afore-mentioned investigation.
7. On 28 December 2015, Crowe Forensics, represented by me, was appointed by the Directorate for Priority Crime Investigation ("DPCI") to perform a cash flow



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analysis investigation pertaining to the allegations of irregular, fruitless, wasteful and unauthorised expenditure incurred by PRASA related to Swifambo Tender number HO/SCM/223/11/2011. This culminated in Crowe Forensics signing a confidentiality agreement with the DPCI in relation to the investigation to be performed with respect to Swifambo. The confidentiality agreement and the appointment by the DPCI are attached hereto as annexures "RS1" and "RS2" respectively.

8. The DPCI team, under the command of General Mosipi, had envisaged extending the mandate of Crowe Forensics to include other cases, as and when it was deemed appropriate to do so. In this regard, the next case envisaged was the investigation into Siyangena Technologies. However, subsequent to General Khana taking over the command of the investigation from General Mosipi, no further appointments were made by the DPCI for Crowe Forensics to conduct any further cash flow analysis.
9. On 11 April 2017 I received an email from Colonel Magobosha, who was a member of General Khana's team, requesting a meeting with the DPCI to present my preliminary report on the Swifambo cash flow analysis. It was stated that this presentation was required in advance of a meeting that Colonel Magobosha and his team were scheduled to have with the prosecutors on 20 April 2017.



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10. I met with the DPCI at their offices in Pretoria on 19 April 2017 and my "*Draft Preliminary*" report was presented by me to Brigadier Makinyane, another member of General Khana's team. Since the presentation of my draft report I have not heard anything further from the DPCI.
11. As required in paragraph 1.1 of Annexure "A" to the summons, I produce and attach a complete copy of my draft report as annexure "**RS3**".
12. The draft report contained my findings of the '*first level analysis*' of the cash flow activity contained in the Swifambo bank accounts. Accordingly, my draft report confirms the funds received by Swifambo from PRASA, as well as the utilisation of these funds by Swifambo. The '*second level analysis*' that was envisaged was to analyse the flow of funds within the bank accounts which benefitted from proceeds paid to them by Swifambo.
13. At the time my draft report was submitted to the DCPI the report was still to be finalised as I required further information regarding additional bank accounts for Swifambo. I do note, however, that I had completed the analysis of four Swifambo bank accounts, which I considered to have contained the bulk of the Swifambo bank activity, specifically the utilisation of the funds received by Swifambo from PRASA of approximately R2.6 billion.
14. Furthermore, even though my draft report included references to annexures, at the time my draft report was submitted to the DPCI the supporting annexures or



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appendices had yet to be collated and finalised. This exercise was still in the process of being completed and this was made clear to the DCPI when the draft report was presented. My draft report was submitted to the DPCI based on their request for it at the time, with the full knowledge of the DPCI that the report was draft and preliminary and accordingly still to be finalised, based on the outstanding information. The matters requiring completion are clearly identified in the report itself.

15. My draft report does not therefore contain any annexures or appendices as referred to in paragraph 1.2 of Annexure "A" to the summons.
16. I am, however, in possession of the statements of the four bank accounts of Swifambo, referred to in paragraph 13 above, which were provided to me by the DPCI and which formed the main basis of the abovementioned first level analysis. These bank statements constitute "*supporting documentation*" to my draft preliminary report as envisaged in paragraph 1.2 of Annexure "A" to the summons. In the circumstances, I produce and attach the four bank account statements as annexures "**RS4.1**" to "**RS4.4**".
17. Furthermore, I referred in my draft preliminary report to a listing which describes and references the documentation that the DPCI had obtained by subpoenaing various banks to produce their records of banking accounts that were relevant to the investigation into Swifambo. This listing constitutes a "*supporting document*". I accordingly produce and attach it as annexure "**RS5**".



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18. Copies of the documentation that was obtained by the DPCI under subpoena were made available to me for the purpose of analysis. This documentation is contained in twenty lever arch files and is detailed in annexure "RS5".
19. I have been advised that the content of the twenty files similarly constitutes "supporting documentation" as envisaged in paragraph 1.2 of Annexure "A" to the summons. It is not feasible to attach the twenty files to this affidavit. However, I tender the production of those files to the Commission for inspection, and to allow the Commission to make copies thereof if it deems that to be necessary.


DEPONENT

THUS SIGNED AND SWORN TO AT JOHANNESBURG ON THIS 30TH DAY OF JULY 2020, THE DEPONENT HAVING ACKNOWLEDGED THAT HE KNOWS AND UNDERSTANDS THE CONTENTS OF THIS AFFIDAVIT, THAT IT IS BOTH TRUE AND CORRECT TO THE BEST OF HIS KNOWLEDGE AND BELIEF, THAT HE HAS NO OBJECTION TO TAKING THE PRESCRIBED OATH AND THAT THE PRESCRIBED OATH WILL BE BINDING ON HIS CONSCIENCE.



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**REPORT FOR THE DIRECTORATE FOR PRIORITY CRIME
INVESTIGATIONS**

**RE: PASSENGER RAIL AGENCY OF SOUTH AFRICA
("PRASA")**

REGARDING CASE NUMBER HILLBROW CAS 405/07/2015

SWIFAMBO FLOW OF FUNDS ANALYSIS

(DRAFT) PRELIMINARY REPORT

20 April 2017 (Revised)

CONFIDENTIAL

****FOR DISCUSSION PURPOSES ONLY****

Directors: L Defries CA(SA) T Hatzkilson CA(SA) P Katz CA(SA) R Sacks CA(SA)

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1. DISCLOSURE

- 1.1. This document is intended only for the use of the addressees named herein. If you are not the intended recipient of this document, you are hereby notified that any dissemination, distribution or copying of this document without our prior written consent is strictly prohibited.

2. BACKGROUND TO THE GENESIS OF THE INVESTIGATION

- 2.1. On 27 July 2012 PRASA appointed Swifambo Rail Leasing (Pty) Ltd ("**Swifambo Rail Leasing**" or "**SRL**") as the preferred bidder for the provision of 88 diesel electric (hybrid) locomotives under tender number HO/SCM/223/11/2011 (hereafter referred to as "**the locomotive tender**"). The contract was signed on 25 March 2013 by Lucky Montana¹ ("**Montana**") in his capacity as GCEO of PRASA and Auswell Mashaba ("Mashaba") on behalf of Swifambo Rail Leasing. The estimated value of the contract was R3.5 billion over a 3 year period.
- 2.2. **Hillbrow CAS 405/07/2015** – On 08 July 2015, Parker Mamabolo ("**Mamabolo**"), in his capacity as Assistant Manager (Special Operations) for PRASA, reported a number of suspected corrupt activities in which PRASA employees and senior management are implicated in the unlawful awarding of PRASA tenders. In a supplementary affidavit from Mamabolo it is alleged that the circumstances under which PRASA tender number HO/SCM/223/11/2011, to the value of R3.5-billion to Swifambo Rail Leasing, was irregular and/or unlawful and may amount to fraud and/or corruption.

¹ Montana resigned on 15 March 2015, the Board of PRASA accepted his resignation on 1 April 2015.

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- 2.3. The Auditor General of South Africa ("**AGSA**") released its report styled "*Draft Final Management Report*" for the financial year ended 31 March 2015 that identified a significant number of irregularities and wasteful expenditure. Irregularities are identified and individuals named as being responsible for such irregularities in terms of the appointment of service providers in contravention of the PRASA Supply Chain Management Policy and Procedure and Public Finance and Management legislation. The AGSA concluded that the awarding of this tender to Swifambo Rail Leasing amounted to "irregular expenditure."
- 2.4. Werksmans Attorneys were duly appointed by PRASA on 6 August 2015 to perform a forensic investigation into various instances of irregular, fruitless and wasteful expenditure incurred by PRASA, and all irregular and/or unlawful activity related thereto which has been outlined in but not limited to the final report compiled by the Auditor-General of South Africa dated 31 July 2015 as well as the Public Protector's report entitled "*Derailed*" which was published on 24 August 2015.
- 2.5. Werksmans attorneys have launched an application for the setting aside of contract with Swifambo Rail Leasing. The civil applications and supporting documentation are available to the SAPS, from which it is apparent that further documentation is available and requires introduction to the criminal cases along with the appropriate affidavits. During this process a number of PRASA staff members were interviewed. These interviews were recorded and the transcripts are available.

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3. APPOINTMENT OF HORWATH FORENSICS

3.1. On 28 December 2015, Horwath Forensic SA (Pty) Ltd ("**Horwath Forensics**"), represented by Mr. Ryan Sacks (director) were appointed by the State to perform a forensic investigation pertaining to the allegations of irregular, fruitless, wasteful and unauthorised expenditure incurred by PRASA related to Swifambo Tender number HO/SCM/223/11/2011. Per the mandate letter the scope of the investigation includes all identified bank account details and individuals implicated in the process of awarding this tender as well as those entities that benefitted therefrom, and to conduct a forensic audit in relation to all bank accounts currently identified and subsequent accounts that will emerge from further subpoenas, to trace the flow of funds and establish whether any of the individuals / entities and PRASA employees involved in the awarding of the tenders fraudulently or irregularly benefitted from the process.²

4. INTRODUCTION TO THE FORENSIC ACCOUNTING INVESTIGATION

4.1. Horwath Forensics were **mandated to trace the flow of funds** paid from PRASA to Swifambo Rail Leasing and Swifambo Rail Holdings (Pty) Ltd ("**Swifambo Rail Holdings**" or "**SRH**") in terms of PRASA tender HO/SCM/223/11/2011, in order to establish whether any individuals or entities involved in the awarding of the tender irregularly or fraudulently benefited from this process or any other individuals/entities who benefitted from this process. Accordingly, our forensic investigation considered the bank account information of Swifambo Rail Leasing, Swifambo Rail Holdings and any individuals and

² Mandate letter signed on 28 December 2015 from N.P. Mhlongo, Head: Commercial Crime, DCPI, SAPS, supported by the letter signed on 23 December 2015 from Adv BC Chauke, Acting Head of Office, Specialised Commercial Crime Unit, Johannesburg.

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entities identified during the course of our investigation who received funds from Swifambo Rail Leasing and Swifambo Rail Holdings.

- 4.2. The **objective** of the Horwath Forensics investigation was to analyse the payments made by PRASA to Swifambo to the value **R2,650,207,950** and to conclude on the subsequent utilisation of these funds by Swifambo.
- 4.3. For the purposes of this report, unless where the company name is specified, Swifambo refers to *collectively* to Swifambo Rail Leasing and Swifambo Rail Holdings, whose business operations cannot be distinguished from one another. In form, Swifambo Rail Holdings is the holding company for Swifambo Rail Leasing.
- 4.4. This report will illustrate how the above funds (paid by PRASA) were utilised by Swifambo. Specifically, suspicious payments made to entities that are evidently unrelated to the tender for the purchase of locomotives by PRASA are identified. Accordingly, this report will show significant payments made to persons and entities that **have evidently played no part in the procurement of locomotives**, but have nonetheless benefitted from the proceeds of this transaction.

5. SCOPE AND METHODOLOGY

- 5.1. The findings to date incorporated in this preliminary report were compiled after the review of information furnished to us by the South African Police Services (“**SAPS**”). Specifically, we have performed a detailed bank statement analysis of the accounts in the name of Swifambo. Specifically, the following **two (2)** bank accounts:

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- 5.1.1. **Swifambo Rail Leasing (Pty) Ltd** – Standard Bank account number 022682570 for the period 01 January 2012 to 18 September 2015.
- 5.1.2. **Swifambo Rail Holdings (Pty) Ltd** - Standard Bank account number 202538117 for the period 01 January 2011 to 03 September 2015.
- 5.1.3. There appears to be additional bank accounts held by the Swifambo companies. This point is expanded on below.
- 5.2. For the purposes of this investigation, the analysis of the Swifambo bank accounts and the utilization of the funds by Swifambo received from PRASA is considered to be the '**FIRST LEVEL**' analysis. **This report only deals with the first level findings.**
- 5.3. Based on the findings emanating from the first level analysis, the forensic audit procedures will be extended to focus on entities and the related bank accounts which benefitted from funds received from Swifambo, and the utilization of these funds by these entities. This is considered to be the '**SECOND LEVEL**' analysis. The fieldwork for the second level analysis has already commenced (for the information that is available to us).
- 5.4. **At this stage, with regard to the first level analysis, it is apparent that there are additional bank accounts held by Swifambo, which has not been provided for analysis. Specifically, the bank statements for two Swifambo bank accounts, which are indicative of being 'call' (or investment) accounts in nature. Based on the analysis to date, it is apparent that there has been significant flows of funds to other Swifambo accounts, in all likelihood these two aforementioned bank accounts. It is our understanding that**

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these two bank accounts statements have been subpoenaed by SAPS from the respective bank (detailed below). Therefore, until such time as we receive these bank statements, we cannot complete our first level analysis (i.e. of the entire Swifambo cash position), and report thereon.

- 5.5. Therefore, the first level findings in this report are considered to be '**in progress**' and are **subject to finalization** after the complete analysis of the bank accounts received and the bank accounts still to be received.
- 5.6. We compiled a list of the identified related party individuals and entities, which we utilised to allocate the bank statement transactions.
- 5.7. The transactions were allocated to the appropriate sources and beneficiaries of funds using the reference, date and amounts reflected on the bank statements and were subsequently confirmed to either the source or beneficiary bank statements, where these were available.
- 5.7.1. We were not provided with the accounting records of Swifambo (i.e. management accounts, general ledgers etc.) which could be utilised to assist in understanding the nature of the transactions in the bank accounts).
- 5.8. Note that the list of information received and/or requested to be received is not exhaustive as additional information will be required based on the findings of the analysis.

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6. INFORMATION RECEIVED

- 6.1. Refer **<ANNEXURE 1 – to be inserted>** for a listing of the bank accounts and other information furnished to Horwath Forensics by SAPS obtained per Subpoenas in terms of Section 205 of the Criminal Procedure Act 50 of 1977.
- 6.2. Again, at this stage, this report is considered to be preliminary. Accordingly we are still in the process of analysing the received bank accounts per the Second Level analysis.

7. INFORMATION OUTSTANDING / REQUESTED

- 7.1. Level One – specific information outstanding for this report (for Level One analysis) are the other Swifambo bank accounts, specifically, the Swifambo Bidvest bank account.³
- 7.2. Level Two (thereafter) – further, information to be requested for the investigation going forward is an evolving process. We intend to liaise with SAPS in this regard in order to provide the relevant detail of the bank accounts / transactions required for further analysis.

8. LIMITATION OF SCOPE

- 8.1. The scope of our investigation is limited to the mandate and by the completeness and accuracy of the information and documentation obtained from outside sources.

³ This was communicated to SAPS during the course of the investigation.

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- 8.2. Although we endeavour to be as comprehensive as possible in gathering information, we cannot guarantee the accuracy or completeness of information obtained from outside sources.
- 8.3. The scope of our work did not constitute an audit in terms of International Standards on Auditing and accordingly we do not express an opinion on any of the financial data or other information on which our financial analysis was based.
- 8.4. If new or additional documentation or information is brought to our attention subsequent to the date of this report and/or extended investigations are conducted, which would affect our findings, we reserve the right to supplement and/or amend our findings accordingly

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9. BACKGROUND TO THE APPOINTMENT OF SWIFAMBO AS THE PREFERRED BIDDER

9.1. On 27 November 2011, PRASA invited bid proposals under tender number HO/SCM/223/11/2011. On 2 December 2011, PRASA issued a Request for Proposals ("the **RFP**") in respect of the tender.

9.2. Six (6) bidders submitted responses to the RFP by the closing date, namely:

9.2.1. Mafori Financing t/a Swifambo Rail Leasing (Pty) Ltd;

9.2.2. Havdap Investment Solution (Pty) Ltd;

9.2.3. Thelo Rolling Stock Leasing (Pty) Ltd;

9.2.4. CRM Consortium;

9.2.5. RRL Grindod; and

9.2.6. GE South Africa.

9.3. On 9 March 2012 Swifambo, represented by its CEO, Mashaba, submitted its response to the RFP. Swifambo submitted its response with Vossloh Espana SAU ("**Vossloh**") as its supply partner.

9.4. Swifambo was presented as a wholly owned subsidiary of Swifambo Rail Holdings. At the time of submission of the bid, the shareholders of Swifambo Rail Holdings were represented as being:

9.4.1. Mr Auswell Mashaba;

9.4.2. Identity Capital Partners (Pty) Ltd;

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- 9.4.3. Thintamakhosi Empowerment Trust; and
- 9.4.4. Hadassah Mining House (Pty) Ltd.
- 9.5. Swifambo indicated that its locomotives would be designed and manufactured by Vossloh, which locomotives would be tailor made to meet the exact requirements set in the RFP. Swifambo also expressed the intention to enter into a joint venture with Vossloh Southern Africa, the purpose of which would be to provide locally-based maintenance to the PRASA fleet.
- 9.6. Swifambo was appointed by PRASA as the preferred bidder on 27 July 2012, and concluded the Sale and Purchase of Locomotives Agreement (hereafter referred to as **"the contract"**) with PRASA on 25 March 2013 for the supply of 70 new locomotives to PRASA for a value of **R 3.5 billion inclusive of VAT**.
- 9.7. Per the contract, the price of each locomotive was **€3,822,900 per locomotive**.
- 9.7.1. Accordingly, the total Euro contract price, for 70 locomotives was **€267,603,000** (i.e. 70 multiplied by €3,822,900).
- 9.8. The contract defined the price for each locomotive at the **"Set Rate"** of R10.18 to the Euro as follows: *"the Seller (Swifambo) submitted to the Purchaser (PRASA) a price based on Euro, at the Rand/Euro exchange rate of R10.18 (the "Set Rate")"*.
- 9.9. The contract details that Swifambo will be responsible for the cost and risk of fluctuation of the Rand/Euro exchange rate from the Set Rate (i.e. R10.18) up to R10.40 and that PRASA will be responsible for cost and risk for currency fluctuations above R10.40.

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- 9.10. **Swifambo Rail Leasing (Pty) Ltd**, registration number 2010/007968/07, was registered at the CIPC⁴ on 22 April 2010. The business address for Swifambo is recorded on their website as Central Park Office, 16th Street, Midrand, Gauteng (Block A), however it appears that they also conduct business from Block H, River View Park, Janadel Ave, Jhb telephone number 011 205 0227.
- 9.11. Per CIPC the directors for Swifambo Rail Leasing (Pty) Ltd are recorded as being:
- 9.11.1. **Auswell Mashaba** ID 6403175730084 was appointed as a director of Swifambo Leasing on 07 March 2012. A Mashaba is reflected as being the Chairman of Swifambo Rail Leasing.⁵
- 9.11.2. **Cynthia Michelle Parrish** ("**Parrish**") ID Passport no. 442936175 is a United States citizen with date of birth 1959/10/23 was appointed as a director of Swifambo Rail Leasing on 07 February 2012. Parrish is recorded as the Chief Legal Counsel of Musa Capital, who were listed as advisors to the 'Swifambo Consortium' in a presentation given by Mashaba.
- 9.11.3. **Jacqueline Nolwandle Mboweni** ("**Mboweni**") ID 6110030746086 was appointed as a director of Swifambo Rail Leasing on 01 March 2014.⁶
- 9.11.4. **Makhosini Thaniel Mashele** ("**Mashele**") ID 7405195333087 was appointed as a director of Swifambo Rail Leasing on 01 March

⁴ CIPC = Companies and Intellectual Property Commission

⁵ An Annexure listing the companies in which Mashaba is a director or holds a members interest according to CIPC electronic records will be inserted on finalization of the Level One report.

⁶ An Annexure listing the companies in which Mboweni is a director or holds a members interest according to CIPC electronic records will be inserted on finalization of the Level One report.

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2014 and is MT Mashele is reflected as being the Chief Executive Officer of Swifambo Rail Leasing.⁷

9.12. Swifambo Rail Leasing is 100% owned by **Swifambo Rail Holdings (Pty) Ltd.** Per CIPC the directors for Swifambo Rail Holdings (Pty) Ltd are recorded as being Mashaba and Parrish.

10. PAYMENTS FROM PRASA TO SWIFAMBO

10.1. In total, Swifambo received eight (8) payments from PRASA totalling **R2,650,207,950** (including VAT). Two payments were received into Swifambo Rail Holdings bank account and six payments were received into Swifambo Rail Leasing's bank account. <Table 1> below shows the receipts by Swifambo from PRASA per Swifambo's bank accounts:

Table 1 - Receipts by Swifambo from PRASA per Swifambo bank statements				
RECEIVING BANK ACCOUNT	ACCOUNT DETAILS	DATE	BANK STATEMENT DESCRIPTION	AMOUNT
1 Swifambo Rail Holdings	Standard Bank 0202538117	2013-04-05	INTERBANK CREDIT TRANSFER /PRASA MIDRAND BRAN 547	R 460,526,315.79
2 Swifambo Rail Leasing	Standard Bank 022682570	2013-12-06	INTERBANK CREDIT TRANSFER PRASA TECH HO SANDTON 826	R 64,473,684.21
3 Swifambo Rail Leasing	Standard Bank 022682570	2013-12-24	INTERBANK CREDIT TRANSFER PRASA TECH HO SANDTON 787	R 468,672,880.80
4 Swifambo Rail Leasing	Standard Bank 022682570	2014-05-13	INTERBANK CREDIT TRANSFER SHOSHOLOZA MEY L HO	R 335,308,062.36
5 Swifambo Rail Leasing	Standard Bank 022682570	2014-07-01	INTERBANK CREDIT TRANSFER SHOSHOLOZA MEY L HO	R 430,166,416.92
6 Swifambo Rail Holdings	Standard Bank 0202538117	2015-01-12	CATS THIRD PARTY PAYMENT METRORAIL PRASA CORPORATE	R 444,565,613.96
7 Swifambo Rail Leasing	Standard Bank 022682570	2015-06-05	INTERBANK CREDIT TRANSFER SHOSHOLOZA MEY L HO	R 182,424,651.62
8 Swifambo Rail Leasing	Standard Bank 022682570	2015-07-07	INTERBANK CREDIT TRANSFER SHOSHOLOZA MEY L HO	R 264,070,324.63
TOTAL				R 2,650,207,950.29
VAT THEREON at 14%				R 325,464,134.25
TOTAL NET OF VAT				R 2,324,743,816.04

10.2. The payments listed per <Table 1> above accord with the records of PRASA.

⁷ An Annexure listing the companies in which Mashele is a director or holds a members interest according to CIPC electronic records will be inserted on finalization of the Level One report.

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- 10.3. The first payment of R460,526,316 from PRASA to Swifambo was on 5 April 2013, eleven days after the contract was signed on 25 March 2013. This payment was paid by PRASA prior to the fulfilment of the condition precedent which required a performance bond to be provided by Swifambo Rail Leasing.
- 10.4. Per the contract between Swifambo and PRASA, all payments from PRASA were to be made into Standard Bank account number 022682570 held in the name of Swifambo Rail Leasing. Two payments, however, in the amounts of R460,526,316 on 05 April 2013 and R444,565,614 and 12 January 2015, respectively, were paid into Standard Bank account number 202538117 held in the name of Swifambo Rail Holdings.

11. SUMMARY OF THE CIVIL APPLICATIONS – RELEVANT COMMENTARIES FOR THE FLOW OF FUNDS ANALYSIS

11.1. This report needs to be read in conjunction with:

- 11.1.1. The Founding and Replying Affidavits of PRASA, as the **Applicant**, deposed to by Mr. Popo Molefe ("**Molefe**"), chairperson of the Board of PRASA (hereafter collectively referred to as the "**Molefe Affidavits**").⁸
- 11.1.2. The Answering Affidavit⁹ of Swifambo, as the **Respondent**, deposed to by Felice Massaro ("Massaro"), Group Chief Executive

⁸ In the matter between Passenger Rail Agency Of South Africa (Applicant) And Swifambo Rail Leasing (Pty) Ltd (Respondent). The Founding Affidavit is dated 27 November 2015 and the Replying Affidavit is dated 25 August 2016. Molefe's affidavit drew upon the findings of the forensic audit, and includes the confirmatory affidavit of Ryan Sacks.

⁹ In the matter between Passenger Rail Agency Of South Africa (Applicant) And Swifambo Rail Leasing (Pty) Ltd (Respondent), dated 6 June 2016.

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Officer of Swifambo (hereafter referred to as the “**Massaro Affidavit**”).¹⁰

- 11.1.3. The Affidavit of Philemon Makgatlale Mamabolo, as well as Mamabolo’s supplementary Affidavit (hereafter collectively referred to as the “**Mamabolo Affidavits**”).¹¹
- 11.2. For the purposes of the flow of funds analysis, various excerpts of the affidavits which are applicable to the findings of the flow of funds analysis are included in this section.
- 11.3. It is important to take into account the arguments as set out in the Molefe affidavits as the **flow of funds analysis and findings detailed in this report support the arguments set out in the Molefe affidavits** – which argues that Swifambo was a **fronting** company set up to benefit from the **locomotive tender**, in order to **enrich** specific individuals and/or entities.
- 11.4. The **favouring** of Swifambo’s bid above the other bids and subverting the procurement process for which the RFP was established further supports this argument.

¹⁰ Massaro was appointed as a director of Swifambo on 31 May 2016, according to the records of CIPC, six days before he deposed to his Answering Affidavit, and on the same day that he was authorised by Swifambo to represent it in this application and to depose to the answering affidavit. Accordingly, in the Replying Affidavit, Molefe contends that Massaro cannot have any personal knowledge of what transpired during the bid process and the negotiation of the contract. The directors of Swifambo who have that knowledge have not provided affidavits (or provided those facts to Massaro). In particular, there is no evidence from Mashaba, who was integral to the bid and contract. Swifambo has avoided obtaining the facts from Mashaba or any other person who has personal knowledge of the bid process and the negotiation of the contract. The inference must be that any evidence given under oath would implicate Swifambo or at the very least be contrary to the case sought to be made out by Swifambo in relation to its alleged innocence. A consequence of the approach adopted by Swifambo is that the conclusion arrived at in the founding affidavit that Swifambo was preferred throughout the bid process is not addressed in any meaningful manner by Massaro and there is nothing in the answering affidavit that justifies any other conclusion. Molefe argues that the allegations and denials made by Mr Massaro should be disregarded to the extent that they are uncorroborated and unsubstantiated by some reliable source of evidence.

¹¹ Dated 8 July 2015 and 28 September 2015, respectively.

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11.5. In summary, the Molefe affidavits contend that:

- 11.5.1. Swifambo had no previous involvement in the rail industry prior to the award of the contract and was not in a position to perform the contract.
- 11.5.2. Swifambo was set up for the sole purpose of obtaining the locomotive tender and had a fronting relationship with Vossloh.
- 11.5.3. Swifambo Rail Leasing was acquired by Swifambo Rail Holdings on 7 February 2012 and applied to change its name (from Finance Vryheid (Pty) Ltd) to intimate some involvement in the rail industry on 1 March 2012, only four months prior to the award of the tender.
- 11.5.4. Swifambo had no business or commercial operations other than to be the 'middle man' **to earn a commission** in the locomotive tender i.e. There is no evidence that Swifambo performed work of any substance on the contract or that it has other business or another source of income.
- 11.5.5. Swifambo did not incur any costs of manufacture or any related costs relating to the completion of the locomotives i.e. **it did not incur any 'cost of sales' related expenses.**¹²

¹² Cost of sales is the **direct** costs attributable to the production of the goods sold by a company. This amount includes the cost of the materials used in creating the good along with the direct labour costs used to produce the good. It excludes indirect expenses such as distribution costs and administration costs. Cost of sales appears on the income statement and can be deducted from revenue to calculate a company's gross profit. Also referred to as "cost of sales." (per <http://www.investopedia.com/>).

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- 11.5.6. Swifambo added no value to the performance of the contract. Vossloh assumed all the obligations to supply the locomotives and Swifambo pocketed a significant portion of the contract price for acquiring the contract.
- 11.5.7. Massaro does not deny that Swifambo had no previous involvement or track record in the rail industry prior to the award of the tender. Swifambo was a shelf company acquired for the sole purpose of obtaining the tender. Massaro confirmed that Swifambo was not trading when it submitted the bid. Massaro alleges that the execution of the contract involved purchasing and setting up office equipment, and external technical engineering services were engaged. It appears from all of this that Swifambo had no offices or infrastructure and was not in a position to provide the services in the tender.
- 11.5.7.1. Save for Swifambo's BEE compliance, there was no reason for Swifambo to be involved in the bid when Vossloh would ultimately be supplying the locomotives.

Timeline of events leading up to Swifambo's bid

- 11.6. PRASA published a request for expressions of interest ("RFEI") on **24 and 26 July 2009**. The RFEI stated that PRASA had a shortfall of locomotives and wanted to lease locomotives.
- 11.7. During **May 2011**, Vossloh inspected PRASA's fleet and prepared a status report.

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11.8. In **June 2011**, Daniel Mtimkulu ("**Mtimkulu**"), the former PRASA Chief Engineer Rail, recommended the supply of **air conditioning systems** by Vossloh Kiepe Ges.m.bh.H (a subsidiary of Vossloh incorporated in Germany). Mtimkulu also authorised payment in terms of the air conditioning contract in the amount of €3,631,090.¹³ There are significant irregularities surrounding the supply of these air conditioning units, which is currently being investigated by PRASA.

11.9. The RFP was published on **27 and 28 November 2011**.

11.10. The RFP was collected by someone from "**S Group**", and S Group Holdings Company (Pty) Ltd paid for the tender documents using the reference "Swifambo". Molefe assumes they did so as an agent for Swifambo. Refer to the flow of funds analysis in in this report for further information pertaining to S Group.

11.11. Swifambo responded to the tender as Mafori Finance Vryheid trading as Swifambo Rail Leasing. The bid was submitted on **27 February 2012**.

11.11.1. Again, Swifambo Holdings acquired Mafori Finance Vryheid on **7 February 2012**, and Mafori Finance Vryheid changed its name to Swifambo Rail Leasing on 5 March 2012.

Non-compliance by Swifambo with requirements of the RFP

11.12. The Molefe Affidavit contends that **Swifambo's bid did not comply** with the requirements set out in the RFP in multiple material respects, including (but not limited to) the following items:

¹³ Approximately R24,6 million at the average exchange rate of R6.8 to the US Dollar for June 2011 (per www.oanda.com).

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- 11.12.1. A tax clearance certificate was not submitted for Vossloh, as required for *inter alia* all joint venture partners.
- 11.12.2. The tax clearance certificate submitted by Swifambo did not contain a VAT number.
- 11.12.3. The bid did not comply with the local content requirement as the locomotives were to be designed and manufactured in Spain.
- 11.12.4. The bid did not contain evidence to support Swifambo's claims that it and its shareholders had previous experience in the rail industry, and in terms of which the final bidder selected pursuant to the RFP **was required to:**
 - 11.12.4.1. Be technically and financially qualified to provide the solution sought by PRASA;
 - 11.12.4.2. Have sufficient experience in similar projects;
 - 11.12.4.3. Have the commitment and resources to provide the services required in the project; and
 - 11.12.4.4. Be able to carry out all the obligations of the contract.
- 11.12.5. At the time the bid was submitted, Vossloh Espana S.A. was not a (co) bidder as defined in the RFP and Swifambo had not concluded a sub-contract with Vossloh. The bid indicated that Swifambo would rely solely on the experience and technical capabilities of Vossloh Espana S.A. to fulfil its obligations. There was no legal relationship between Swifambo and Vossloh Espana S.A., and therefore no indication that Swifambo could perform.

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- 11.12.6. Furthermore, the bid indicated that Swifambo intended to enter into a joint venture with Vossloh Southern Africa. There is reference to Vossloh Southern Africa Holdings (Pty) Ltd, which was incorporated as a shelf company (Main Street 951 (Pty) Ltd) on **29 November 2011**. On **17 May 2012** the company's name changed to Vossloh Southern Africa Holdings (Pty) Ltd.
- 11.12.7. The RFP required the joint venture to be in place by the time the bid was submitted (on 27 February 2012 by Swifambo). Accordingly, there was non-compliance with the RFP. In any event, Swifambo **never** entered into a joint venture with Vossloh Southern Africa. It entered into a **subcontracting** arrangement with the Spanish Entity, Vossloh Espana.
- 11.12.8. Swifambo's financial standing was unsatisfactory, in that:
- 11.12.8.1. Swifambo's auditors (Van Wyk Auditors) confirmed that Mafori Finance trading as Swifambo Rail was a new company and had not traded before.
- 11.12.8.2. Swifambo's bankers (Standard Bank) confirmed that Mafori's bank account had recently been opened, and indicated that Swifambo had no financial history which the bank could use to evaluate its financial viability.
- 11.12.9. Swifambo and Vossloh concluded a contract on **4 July 2013**, sixteen (16) months **after** the bid was submitted, and **after** the contract was signed between PRASA and Swifambo on 25 March 2013.

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- 11.12.10. Swifambo obtained a R3.5 billion tender for the supply of locomotives when it had no offices or infrastructure, no experience and no contracts to obtain and supply the locomotives.

Meeting between Molefe, Mamabolo and Mashaba

11.13. Molefe's Replying Affidavit deals with the meeting between Molefe, Mamabolo, Mashila Mtlala (member of board and FCIP Committee Chairperson) and Auswell Mashaba, held on 31 August 2015.

- 11.13.1. Mashaba explained how he was approached by Makhensa Mabunda ("**Mabunda**") to participate in a tender to supply PRASA with locomotives.
- 11.13.2. Mashaba also dealt with his interactions with Maria Gomes ("**Gomes**"), and how Gomes wanted money for the "movement". Gomes also told him that she knew the bid to supply locomotives to PRASA was worth billions and she could not understand why ten percent (10%) of the value of the bid could not be paid to the African National Congress. Gomes was insistent that money should go to the movement.
- 11.13.3. Mashaba explained further that Mabunda had instructed him to pay some of the money received from PRASA into specified accounts, without Mashaba knowing who was being paid or the reason for the payment. Mashaba was insistent that he did not know the identity of the beneficiaries and he was merely informed that the money would "benefit the movement".

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- 11.13.4. Mashaba provided a pack of documents to Mamabolo incorporating documentation in support of various payments made by Swifambo/Mashaba – these supporting documents are included in the Molefe Replying Affidavit but are dealt with in this report, where relevant.
- 11.13.4.1. After payments were made by PRASA to Swifambo or Swifambo Holdings, Mashaba was instructed by Gomes to make the payments set out in the payments schedule (provided in the pack).
- 11.13.4.2. Mashaba confirmed that such payments were made to entities who were not creditors of Swifambo or Swifambo Holdings.
- 11.13.4.3. The amounts received by Swifambo or Swifambo Holdings would be transferred to his company AM Consulting Engineers (“**AMCE**”). AMCE would pay a company known as **Similex**. Once the payments had been made to Similex, Gomes would then ostensibly distribute the funds.
- 11.13.4.4. Mashaba maintained that he did not know who ultimately received the money.
- 11.13.4.5. Mashaba explained that there were cash payments to Gomes (on the payment schedule provided, showing amounts of R90, 000.00 and R1,050,000.00, which were undated in the payments schedule).

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11.13.5. The information provided by Mashaba regarding the aforementioned payments made by Swifambo is **corroborated** in the detailed findings in this report. The aforementioned payments from Swifambo to AMCE and ultimately to Similex and Gomes will be dealt with in the **second level flow of funds analysis**. This analysis is **currently still being performed**.

Irregularities in the tender process

11.14. Molefe contends in the Molefe Founding Affidavit that the tender process followed by PRASA to procure the locomotives, resulting in a purchase agreement with Swifambo, was *at the very least* **irregular**. The Molefe Founding Affidavits sets out the various reasons as to why the tender was irregular, which are summarised below (including but not limited to).

11.15. The evaluation process was improper.

11.16. Key supporting documentation cannot be found.

11.17. The needs assessment was not performed.

11.18. Approval from the Minister of Transport was not obtained.

11.19. There are no indications that National Treasury received a written submission.

11.20. There was no proper budgeting for the provision for the purchase of the locomotives.

11.21. Mtimkulu, who was instrumental to the procuring from and contracting with Swifambo in his role as the Executive Manager: Engineering Services: PRASA

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Rail, forged his qualifications. In a disciplinary hearing, Mtimkulu was found guilty of gross dishonesty, fraud and bringing the name of PRASA into disrepute.¹⁴

11.22. The technical specifications of the locomotives were designed to match the exact specifications of the Vossloh locomotives to ensure Swifambo was awarded more points during the technical evaluation (Swifambo was the only bidder who met the 70% threshold for technical evaluation).

11.23. The PRASA **SCM**¹⁵ compliance check **overlooked** the fact that:

- 11.23.1. A tax clearance certificate was not submitted for Vossloh
- 11.23.2. Swifambo's bid did not contain evidence to support its claims that it and its shareholders had previous experience in the rail industry.
- 11.23.3. No documents were provided in Swifambo's bid to confirm that it had entered into a joint venture with Vossloh Southern Africa. This was essential considering the bid indicated that Swifambo would rely solely on the experience and technical capabilities of Vossloh to fulfil its obligations.

11.24. The PRASA BEC¹⁶ raised serious concerns about the compliance of Swifambo's bid. These concerns were dismissed by the erstwhile Chief Procurement Officer, Chris Mbatha ("**Mbatha**"), who advised the BEC to focus on the technical evaluation only as SCM had checked the compliance aspect.

11.25. During the course of the bid process, prior to evaluation, the tender documents were in the possession of Brenda Malongete ("**Malongete**"), an independent

¹⁴ The investigation into Mtimkulu is ongoing.

¹⁵ SCM = Supply Chain Management.

¹⁶ BEC = Bid Evaluation Committee.

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consultant, at her private home. This fact is considered to be **extremely irregular**.

11.26. In terms of the procurement policy the preparation of the (technical) scoring sheet was the task of the CFSC, not the BEC as was performed in this instance.

11.27. Some of the members of the BEC suspected that in their application of the scoring sheet to Swifambo's bid that the specification had been **tailored** to fit Vossloh's locomotives. Their suspicions in this regard, coupled with their concern over the compliance of Swifambo's bid, caused them to suspect that the tender had been rigged.

11.28. The tailoring of the specification meant that the award of the tender was weighted in favour of Swifambo's bid before the scoring process commenced. The scoring demonstrates the advantage Swifambo had over the other bidders.

11.29. Although Swifambo derived assistance from the tailoring of the specification in its favour, for Swifambo to achieve the compliance threshold of 70%, further **manipulation** of the scoring was required which was evident upon review, including:

11.29.1. Large gaps in both the manuscript scoring sheet;

11.29.2. Additional line in the electronic combined scoring sheet, but not in the individual scoring sheets. The electronic combined scoring sheet was last amended by **Ntombeziningi Shezi**, SCM Prasa Cres, chairperson of the BEC;¹⁷

¹⁷ Shezi refused to speak to PRASA's attorneys or investigators.

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- 11.29.3. Members of the BEC replaced by individuals who were not part of the BEC; and
- 11.29.4. Rounding of numbers in favour of Swifambo.
- 11.30. Apart from the specifications being tailored and calculations manipulated to suit the Swifambo bid, the methodology adopted in the scoring process is **irrational**.
- 11.31. Another glaring irregularity that undermines the technical evaluation is that Swifambo offered the '**Euro 3000**' model diesel locomotives in their bid and that was the locomotive evaluated, but PRASA acquired the '**Euro 4000**' diesel locomotives **that were not evaluated**.¹⁸
- 11.32. The BEC recommended that Swifambo be appointed as the approved bidder.
- 11.33. There were various irregularities and areas of concern identified pertaining to the functions of the CTPC , the BAC¹⁹ and the FCIP with regards to approving the bid of Swifambo.
- 11.34. The BAC recommended that the appointment of Swifambo "be based on outright purchase option". The decision to purchase, when the RFP called for a lease, is **irregular and irrational** and cannot be explained when the entire process (until that point) had been directed at a lease.
- 11.35. It appears that an analysis performed by Brian Alexander ("**Alexander**"), the general manager responsible for treasury at PRASA, was central to the decision to move towards a purchase (Alexander appears to have been approached by Mbatha). The capacity in which Alexander performed this analysis is unclear. It falls outside the structures contemplated in the procurement policy and appears

¹⁸ The Euro 4000 is referred to as the **Afro 4000** in terms of this matter.

¹⁹ BAC = Bid Adjudication Committee.

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to have directly influenced the decision to change the scope of the tender from lease to outright purchase. This is highly irregular considering that it is inconsistent with the RFP and the procurement process.

11.36. The board met on **24 July 2012**. Board members in attendance included Sfiso Norbet Buthelezi ("**Buthelezi**") (as chairperson) and Montana. After considering (incorrect) information about the Swifambo bid, the Board approved Swifambo. The decision was irrational, arbitrary and in breach of the boards obligations – as explained in Molefe's Founding Affidavit. The decision of the board to award the tender to Swifambo in the absence of detailed and accurate information, and taking into consideration the fact that the value of the tender was R3.5 billion, was "**astounding**" according to Molefe in his Founding Affidavit.

11.36.1. Buthelezi/Sebenza – the flow of funds analysis will show that an entity, Sebenza Forwarding and Shipping (Pty) Ltd ("**Sebenza**"), **received R99 million from Swifambo.**

11.36.2. Previous directors of Sebenza include, **Buthelezi**, the **former Chairman** of the Board of PRASA.

11.36.3. Mamabolo alleged in his affidavit that Buthelezi, while Chairman of PRASA Board, failed to disclose his interest in Makana Investment Corporation ("**Makana**"), which has a 15% shareholding in Cadiz, a company allegedly providing advisory services to PRASA on the Rolling Stock. It has now been confirmed that it has a has a 55% shareholding in Sebenza, the preferred forwarding and clearing service provider to PRASA).

11.36.4. In addition, per investigations at PRASA into disclosure of interests, Buthelezi did not disclose his interest in Sebenza.

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- 11.36.5. **We note that, per the contract between PRASA and Swifambo, the cost of forwarding was for the cost of PRASA and not Swifambo. This is expanded on in the detailed findings.**
- 11.37. Molefe's Founding Affidavit contends that problems with the procurement process were identified and brought to Montana's attention before the board approved the Swifambo bid. Montana attended the board meeting on 24 July 2012 and refrained from pointing out any irregularities in the procurement process. The "inference" is that Montana was determined to proceed with the process that would result in the appointment of Swifambo as the preferred bidder.
- 11.38. In addition, Bridgette Gasa ("Gasa") raised serious concerns about Swifambo in an email, on 6 November 2012, to both Buthelezi (the erstwhile chairman) and Montana, and in another email to Mbatha on 20 November 2012. Despite these concerns, Montana allowed the negotiations to proceed and the contract between PRASA and Swifambo was concluded thereafter.
- 11.39. The **irregular** tender process and appointment of Swifambo as the preferred supplier of the locomotives **must be read in conjunction with / and context of the flow of funds i.e. the tender process was the manner in which the implicated individuals were able to enter PRASA into a business relationship with Swifambo and from which they illicitly benefitted from the contract.**
- 11.40. A consequence of the approach adopted by Swifambo is that the conclusion arrived at in Molefe's Founding Affidavit that Swifambo was preferred throughout the bid process **was not addressed** in any meaningful manner in the Massaro

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Affidavit and there is nothing in the Massaro affidavit that justifies any other conclusion.

Irregularities in the contract

11.41. The contract between Swifambo and PRASA was concluded on **25 March 2013**.
The contract was signed by Montana.

11.42. The contract materially deviated from the terms of the RFP. The RFP required a lease of locomotives. The main contract provided for a purchase of locomotives.

11.43. The contract inexplicably states that the RFP invited proposals for three options, and one of them was the outright sale of locomotives to PRASA. This statement is incorrect.

11.43.1. The competing bidders were not afforded an opportunity to bid on an outright sale as one of the options. This change in procurement strategy is **fundamentally flawed and unlawful**.

11.44. The award of the tender to Swifambo and the conclusion of the contract without the contractual involvement of Vossloh constituted a material irregularity. Swifambo had no technical capacity, and Vossloh had no contractual obligation to design, manufacture and deliver the locomotives in terms of the contract. **The risk to PRASA was palpable.**

11.45. The conclusion of the contract without the submission of an **unconditional performance bond**, as required, by Swifambo within the time period prescribed in the RFP was **irregular**.

11.46. In terms of the contract, the first twenty (20) locomotives to be delivered were the Euro 4000 locomotives.

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- 11.46.1. The Euro 4000 was designed for the European rail network, not South Africa. The Euro 4000 does not comply with the specifications as set out in the RFP, chief of which the Euro 4000 has an overall vehicle gauge height of 4,140 mm. The RFP clearly shows that the maximum vehicle gauge height requirement is 3,965mm. It will not be possible for Vossloh to reduce this height. The consequence of the **material deviation** from the locomotive gauge specification is that PRASA is saddled with locomotives that are not fit for purpose and **unsafe to operate on the South African rail network**.
- 11.47. On 11 April 2014, Mtimkulu sent a memorandum to Montana in which he requested a variation to the contract to include certain systems. According to Mtimkulu, the variation was required because “the systems that came with the locomotives per the Swifambo proposal to PRASA were **rudimentary** and therefore needed to be upgraded to ensure that the locomotives were fitted and assembled with the latest technology.”
- 11.47.1.1. The additional cost to PRASA was **R335,000,000**.
- 11.47.1.2. The request was recommended by Dr Josephat Phungula (“**Phungula**”) and approved by Montana on 11 April 2014, who had no authority to do so.
- 11.48. The suggestion that the proposal was rudimentary is nonsensical as the locomotives offered to PRASA by Swifambo were state of the art, and the systems mentioned in the memorandum were standard features.
- 11.49. The contract value is R3.5 billion. There was a **draft third addendum**, which was prepared by **Malongete**, and had been negotiated by Montana. The

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proposed third addendum to the contract would have resulted in the contract price increasing from R3.5 billion to R5 billion.

11.49.1. The draft third addendum was presented to PRASA's legal department, where it came to the attention of Fani Dingiswayo ("**Dingiswayo**", the General Manager: Group Legal Services). Mtimkulu asked the legal department to consider and approve the terms of the third addendum. PRASA's legal department raised a number of concerns with the third addendum and refused to be drawn into the approval process. The concerns included the absence of ministerial and board approval for the amendment, which increased the price of a contract previously approved by the board.

11.49.2. As a result, Dingiswayo and his superior Martha Ngoye ("**Ngoye**", the Group Executive: Risk, Legal and Compliance) were unlawfully and summarily dismissed by Montana. Montana accused Dingiswayo of using his position as the General Manager of PRASA's Group Legal Services to the detriment of PRASA. Ngoye was dismissed for questioning and objecting to Montana's decision to summarily dismiss Dingiswayo.

11.50. The third addendum was **not approved** by the board, and it remains **unsigned**.

Technical deficiencies of the locomotives

11.51. Taking into account the irregularities in the tender and the contract, Massaro contends that the locomotives received by PRASA are "*perfectly usable and comply with all the technical requirements*". Molefe contends that this is **incorrect**, and the Molefe Replying Affidavit provides supporting documentation

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and evidence, including evidence from an expert engineer, William Potgieter, an electrical engineer with over 39 years of project management experience in various forms (including locomotive procurement projects, technical management, technical training systems, and commuter train upgrades)

- 11.51.1. Crucially, the locomotives received by PRASA do not comply with the specified vehicle gauge which prescribes the maximum dimensions permissible in the manufacture of rolling stock ("vehicle structure gauge"). **The maximum height for a locomotive structure is prescribed at 3,965 mm.** Swifambo cannot ignore the limit and were well aware of this fact.
- 11.51.2. However, disregarding the fact that Swifambo was well aware as to the technical requirements, Swifambo still supplied 'Afro 4000' locomotives with a height of 4,140mm. This resulted in locomotives which were too high and unusable.
- 11.51.3. At various stages after the contract was concluded between PRASA and Swifambo, qualified PRASA personnel raised their concerns directly with Mtimkulu as to the technical specifications. The personnel included Peter Stow (who was employed at PRASA's Technical Division as a Senior Engineer), Nelson Mphailane (the Senior Operations Manager (MLPS)) and Letsane Rathaba. Further, Transnet Freight Rail ("TFR") advised PRASA that the dimensions of the Afro 4000 locomotives exceeded the allowable height and PRASA had been informed of this "as far back as October 2013, i.e. approximately a year before the shipping of the locomotives."

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- 11.51.4. From the documentation it appears that the agreement to a specification of 4,140mm, well knowing that the vehicle structure gauge was 3,965mm was crucially dependent on Mtimkulu's **dishonest conduct**.

PRASA's arguments extend to the hybrid locomotives. The Molefe Replying Affidavit sets out that both the Afro 4000 and hybrid locomotives are not fit for purpose, cannot meet the operational needs required in the South African rail industry, and the Rail Safety Regulator ("RSR") has to date not authorised PRASA to use the Afro 4000 for commercial purposes.

Contract pricing between Swifambo and Vossloh

11.52. The Massaro Affidavit includes the contract between Swifambo and Vossloh (hereafter referred to as "**the subcontract**"). Swifambo and Vossloh concluded the subcontract on **4 July 2013** (i.e. after the award to Swifambo and after the contract between PRASA and Swifambo was concluded). The obligations in the subcontract **mirror** the terms of the contract between PRASA and Swifambo.

11.53. The purchase price per locomotive agreed to between Swifambo and Vossloh was **€3,657,052** (per Annexure B of the Swifambo / Vossloh agreement), or a total cost of **€255,993,640** for 70 locomotives.

- 11.53.1. Again, the purchase price per locomotive agreed to between PRASA and Swifambo was **€3,822,900**, or **€267,603,000** for 70 locomotives.

11.54. Accordingly, based on the contract pricing, **Swifambo would earn a margin of €165,848 per locomotive, or €11,609,360 in total.**

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11.55. Therefore, using the set rate of R10.18, Swifambo would contractually earn a gross margin of **R1,688,333** per locomotive ($€165,848 \times R10.18$), or **R118,183,285** in total for 70 locomotives.

11.55.1. Again, the contract between PRASA and Swifambo defined the price for each locomotive at the “**Set Rate**” of R10.18 to the Euro. The contract details that Swifambo will be responsible for the cost and risk of fluctuation of the Rand/Euro exchange rate from the Set Rate (i.e. R10.18) up to R10.40 and that PRASA will be responsible for cost and risk for currency fluctuations above R10.40.

11.56. Swifambo was contracted to pay Vossloh **€255,993,640**. Again, per the contract, Swifambo’s exposure to fluctuations in the Rand to Euro exchange rate was **capped** (as PRASA was liable for any fluctuations beyond R10.40 to the Euro.) Therefore, Swifambo was liable for the fluctuation of the Rand to the Euro from R10.18 to R10.40 (or R0.22). Accordingly, **over the duration of the contract, Swifambo would be exposed to a total foreign exchange loss of R56,318,600** (calculated as $€255,993,640 \times R0.22$).²⁰

11.56.1. Per Molefe’s Replying Affidavit, per the payments made by Swifambo to Vossloh to date, Swifambo incurred a loss of foreign exchange of **R38,222,740.73 to date**.²¹

11.57. Massaro stated that Swifambo would earn a “*relatively small margin*” for the contract. Again, as Molefe contends, there was no reason to involve Swifambo in the tender if Vossloh would be performing the contract. However, the

²⁰ This assumes that the Rand does not strengthen to below R10.40 to the Euro during the period of the contract.

²¹ Refer Molefe Replying Affidavit Para 11.3.10. This amount includes the impact of the overpayment and the variation order, which was not considered in the contract.

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aforementioned “relatively small margin” that Swifambo received for acquiring the contract amounts to **R118,183,285**.²²

Molefe’s view on the financial disclosures made in the Massaro affidavit

11.58. Swifambo made a number of financial disclosures in an attempt to demonstrate the prejudice it would allegedly suffer should the contract be set aside. The financial disclosures were purportedly made by the auditors of Swifambo, namely Van Wyk auditors.

11.59. Molefe contends that the financial disclosures are **vague, unreliable and are aimed to conceal the true financial position and the actual expenses incurred**.²³ Further, the financial disclosures do not comply with generally accepted accounting principles and auditing standards, and PRASA disputes that an auditor could be the author.

11.60. Accordingly, the financial disclosures as presented in Massaro’s affidavit are important for the flow of funds analysis as it demonstrates, per the version presented in Massaro’s affidavit, how the illicit payments were **concealed** by Swifambo.

11.61. **<Table 2>** shown below is a reproduction of the income statement from the Massaro Affidavit, and sets out the revenue earned and expenses incurred for Swifambo.²⁴

11.62. Note that we are unable to reconcile this financial disclosures (and transactions) to the Swifambo bank statements as insufficient detail has been supplied such as the underlying books of account i.e. general ledgers.

²² Not including the overpayments by PRASA to Swifambo as set out in the Molefe Replying Affidavit.

²³ Molefe’s views are based on the findings of the forensic audit.

²⁴ Refer Massaro Affidavit “AA7”.

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TABLE 2			
SWIFAMBO RAIL LEASING (PTY) LTD			
REPRODUCTION OF DOCUMENT "AA7" OF MASSARO AFFIDAVIT			
INCOME STATEMENT			
	DEBIT	CREDIT	
Sales		R 2,384,435,930.47	
Interest Received		R 7,529,981.70	
Discount Received for Cash		R 6,797.59	
Assets	R 3,622,947.64		
Motor Vehicles	R 1,933,350.19		
Computer Equipment	R 344,849.91		
Office Equipment	R 102,798.40		
Furniture & Fittings	R 284,086.90		
Leasehold Improvement	R 685,793.62		
Deposits	R 272,068.62		
Clearance Fees	R 3,988,195.66		
Consulting Fees	R 30,324,510.78		
Cost of Sales/Purchases	R 2,383,509,707.15		
Employee Costs	R 5,865,313.80		
Salaries and Wages	R 5,470,590.81		
PAYE UIF SDL	R 286,196.99		
Medical Aid Contribution	R 108,526.00		
Marketing	R 500,000.00		
Office	R 3,474,650.43		
Accounting Fees	R 9,783.00		
Advertising & Promotions	R 35,206.13		
Administration Fee	R 35,506.40		
Bank Charges	R 59,998.66		
Computer Expenses	R 297,230.13		
Courier & Postage	R 2,026.49		
Entertainment Expenses	R 70,561.21		
Finance Charges	R 3,434.75		
General Expenses	R 31,049.33		
Insurance	R 109,055.83		
Interest Paid	R 1,208.64		
Leasing Charges	R 23,809.22		
Motor Vehicle Expenses	R 36,388.21		
Printing & Stationery	R 62,073.74		
Rent Paid	R 2,278,554.30		
Repairs & Maintenance	R 129,178.38		
Security	R 6,020.94		
Staff Training	R 37,532.46		
Staff Welfare	R 89,236.86		
Subscriptions	R 8,956.82		
Telephone & Fax	R 147,838.93		
Pft/Loss on Foreign Exchange	R 68,912,878.00		
Travel & Accommodation	R 2,133,951.02		
VAT	R 325,464,134.25		
	R 2,827,796,288.73	R 2,391,972,709.76	
Nett Loss	R -435,823,578.97		

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11.63. Molefe contends that the income statement **cannot bear scrutiny** as it contains material discrepancies from which it is possible to identify items that have been inflated and items that should not be reflected as expenses, including:²⁵

11.63.1. VAT of R325 million should be excluded from the income statement altogether. **This is a rudimentary error.** The expenses (and thus the net loss) are inflated by R325 million as a result of the error.

11.63.1.1. Further, on their own version, Swifambo conveniently includes VAT in expenses but then fails to include the corresponding VAT in sales. It is our view that this was a mechanism to 'balance' the financial position so as to conceal material illicit payments. Either way VAT **should not** be disclosed in the income statement.

11.63.2. Loss of foreign exchange of R68 million is **inflated**. The contract between PRASA and Swifambo defines the exposure of both PRASA and Swifambo to currency fluctuations. Again, it has been calculated that the total maximum loss on foreign exchange that Swifambo could incur (for the duration of the contract) to date was **R38,222,740.73**. Therefore this expense is **significantly overstated** in the income statement by **R30,690,740.27**.

11.63.2.1. Again, the maximum loss on foreign exchange Swifambo would incur on its contract with Vossloh is R56,318,600, which is significantly less than the R68

²⁵ The income statement warrants further scrutiny based on the immediate deficiencies identified, however, additional supporting information is required in this regard such as general ledgers and cash books.

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million already recorded in its income statement when only **52%**²⁶ of the contract had been paid.

- 11.63.3. The income statement also includes consulting fees of R30,324,510.78. Molefe questions as to the reasons why Swifambo should incur consulting services amounting to R30 million when Massaro contends, per his Answering Affidavit, that the directors of Swifambo are sufficiently qualified in the rail industry to add value for the purposes of the tender. If these fees were legitimate and were in fact incurred by Swifambo (which is denied), it confirms that Swifambo added no value to the bid and was simply a front which needed to outsource the necessary skills.
- 11.63.4. To further illustrate that the income statement is deficient, it also includes assets of R3,622,947.64. Including capital assets, such as motor vehicles and equipment, in an income statement is another rudimentary error as capital assets should be included in a balance sheet.
- 11.64. The Massaro Affidavit provides further details as to the consulting fees and payroll expenses Swifambo allegedly incurred. The arguments provided in the Molefe Replying Affidavit, which are supported by the flow of funds analysis (detailed in this report) will show that Massaro's arguments cannot be substantiated and his arguments were provided in support of the **concealment** of the true nature of disbursements of funds by Swifambo.

²⁶ 52% is calculated as €132.9 million (amount Vossloh confirmed it had received from Swifambo per its letter to National Treasury) divided by €250 million (contract value)

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11.64.1. Massaro stated that “in 2011, Swifambo engaged Musa Capital, an independent advisory firm, for the purposes of assisting with preparing its bid. The engagement lasted over a period from 2011 to 2012.”²⁷ Molefe denies that Swifambo did any preparatory work as Mafori Finance Vrydheid (Pty) Ltd (**defined in the Founding Affidavit as “Swifambo”**) was **only acquired** by Swifambo Holdings on 7 February 2012 and the bid was submitted on 9 March 2012. For the same reason, Swifambo **could not** have engaged Musa Capital in 2011. It is accordingly inconceivable that Musa Capital, if it was involved at all, would have rendered any services relating to the preparation of Swifambo’s bid beyond 9 March 2012. Accordingly, the allegation that Swifambo’s engagement of Musa Capital lasted over a period “from 2011 to 2012” is **misleading and vague to the point of being meaningless**. Swifambo claims that it conducted “costly preparatory work” but failed to disclose, or provide any documentary proof, regarding the nature and extent of such work, precisely what services were provided by Musa Capital (and to whom), the cost of those services, and precisely when those services were rendered. Further, Molefe denies that Swifambo did any work during the execution of the contract. The work was done by Vossloh.

11.64.2. Massaro alleges that “during bid preparation” it appointed a “multi-skilled team”²⁸ to undertake various tasks but fails to disclose any particularity, or provide any documentary proof regarding the date

²⁷ Massaro Answering Affidavit Para 78.1

²⁸ Massaro Answering Affidavit Para 78.3

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when the team was appointed, the identity of the members of this team and their areas of expertise, an explanation of the roles played by this team during the preparation of Swifambo's bid and the contract negotiations, why the services of this team were necessary given that, on Swifambo's version, it had the skills and had appointed Musa Capital to assist in the preparation of its bid, whether this team comprised Swifambo employees, Musa Capital or external consultants, and the cost for the services performed by this team, if any. Molefe contends that these statements are vague and unsubstantiated. **The allegation affirms the fact that Swifambo was fronting and had nothing to add to the process.** If Swifambo was a legitimate locomotive supplier and able to perform the work required, it would have been **unnecessary** for it to rely on outside consultants for the preparation of a bid and subsequent contractual negotiations. In any event, the alleged tasks are exaggerated. For instance, there was no need for the identification of a technological partner. Mabunda, through the S-Group, had already identified Vossloh as the potential supplier. It is absurd to suggest that a multi-skilled team had to be appointed to undertake the task of "BBBEE". And the exercise of assessing the financial ability of Swifambo to perform the tender could not have been onerous - **Swifambo was not trading at the time.**

- 11.64.3. Massaro attached alleged "*payroll extracts of Swifambo's permanent employees*" to his affidavit.²⁹ Molefe contends that the allegations contained in these paragraphs **demonstrate that**

²⁹ See Massaro Affidavit Para 78.4.1 (Annexures AA19.1 and AA19.2).

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Swifambo was fronting. The reports attached by Massaro evidences that Swifambo has **only two permanent employees**. It certainly does not evidence that the *"contract execution has involved the employment of management, staff, support staff"* as alleged. The functions and responsibilities of those two employees are not stated. The remaining persons and entities mentioned are, if they were engaged, consultants or subcontractors. However, the allegations are so vague and unsubstantiated that they cannot be relied on as evidence of their engagement. Swifambo has not disclosed the identity of the subcontractors or the dates when they were engaged, and Swifambo has not attached any documents evidencing their engagement. The inference must be that the detail and documents will contradict the allegations made by Massaro. The allegations nevertheless indicate that Swifambo added nothing to the performance of the contract as, according to the allegations of Massaro, Swifambo had to appoint a management consultant, project advisor and technical engineering services. Furthermore, **it was only after the releasing of the RFP that Swifambo set up an office and purchased office equipment**, despite the bold claim, in its letter of 9 March 2012, that *"Swifambo... has unique experience in the South African operating environment, in the rail business, in rail leasing and in passenger locomotive manufacturing and maintenance."*³⁰ **The setting up of the office, leasing premises and purchasing equipment was the only work performed by Swifambo (if the list is examined) as the**

³⁰ PRASA invited bid proposals on 27 November 2011. The analysis of Swifambo's bank accounts show that Swifambo only started incurring costs for rent and office set up costs from **1 December 2011**. There was no operational activity in Swifambo's bank accounts prior to this date.

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remaining items fall within the description of the consultants and subcontractors. The only contract provided by Swifambo is its contract with Vossloh, concluded in July 2013, and in terms of which Vossloh would perform 100% of the work.

11.65. Massaro contends in his affidavit that *“it is only in the event that the project were allowed to run to completion that Swifambo would likely ‘break even’.* This is confirmed by our auditor”.³¹ Massaro, however, did not provided a calculation from Swifambo’s auditors. Even if Swifambo had not been overpaid R450 million by PRASA, its margin would be **R118,183,285**, a significant amount for a company which has limited operations and business: the Molefe Replying affidavit sets out that Swifambo was a shelf company, acquired and utilised as a front. It has no business other than the contract that it obtained unlawfully and it only has two (unidentified) employees.

11.66. **In summary, the aforementioned discrepancies evidence the manner in which the income statement was manipulated by Swifambo to conceal significant illicit payments and its true financial position.**

11.66.1. The difficulty Swifambo faces is that it needs to show that it incurred legitimate expenses in an amount over **R451,269,654.48**, if it wishes to contend that it is running at a loss, because that is the difference between the amount paid to Swifambo by PRASA (excluding VAT) and the amount paid to Vossloh by Swifambo, as shown below:³²

³¹ Massaro Answering Affidavit Para 81

³² This assumes that VAT was received from PRASA was paid to SARS by Swifambo. This aspect is dealt with in the flow of funds analysis.

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Amount paid by PRASA to Swifambo including VAT	R 2,650,207,950.29
Accordingly, amount paid by PRASA to Swifambo excluding VAT	R 2,324,743,816.04
Amount paid by Swifambo to Vossloh (no VAT)	R 1,873,474,161.62
<i>Difference between amount Swifambo received from PRASA (excluding VAT) and subsequently on paid to Vossloh</i>	<i>R 451,269,654.42</i>

11.67. The flow of funds analysis detailed in this report will demonstrate how the income statement was manipulated in this regard to conceal the significant payments Swifambo made that was not in the ordinary course of business i.e. illicit payments to suspicious individuals and entities.

11.68. Massaro states in his affidavit that Swifambo remains liable to pay Vossloh an amount of approximately **R462 million** and are not in a position to settle this amount.

11.68.1. Molefe contends, however, that is astonishing that Swifambo remains liable to Vossloh for an amount of **R462 million**,

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considering the R2.6 billion in payments made under the contract by PRASA to Swifambo, including overpayments.³³

- 11.68.2. More particularly, PRASA has paid Swifambo approximately R2.6 billion (approximately R2.3 billion net of VAT). Approximately R1.8 billion of this amount has been paid over by Swifambo to Vossloh. The “surplus” retained by Swifambo is accordingly approximately R500 million (excluding VAT). Having regard to the absence of any evidence that Swifambo performed any material work on the contract, there is **no legitimate reason** why Swifambo was not in a position to pay a significant portion of the retained R500million to Vossloh to cover the outstanding trade creditors amounts of R462million.
- 11.68.3. In the circumstances, the reasonable and inevitable inference from the fact that Swifambo does not have these retained amounts (which is what Massaro contends) is that it has expended those amounts for non-business purposes. On the face of it, however, there are no circumstances that warrant Swifambo being close to a position of insolvency, or a position where its expenses have exceeded revenue by R100 million.
- 11.68.4. **The flow of funds analysis will demonstrate that Swifambo was not in a position to settle the alleged amounts owing to Vossloh as they had (illicitly) expended the money already.**

³³ Swifambo received overpayments from PRASA including an additional payment of R335,308,062 which was irregularly authorised by Montana on receipt of Mtimkulu’s memorandum.

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- 11.68.5. Swifambo received an additional payment of R335,308,062 which was irregularly authorised by Montana on receipt of Mtimkulu's memorandum.

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DETAILED FINDINGS (TO DATE):

12. SUMMARY OF SWIFAMBO BANK ACCOUNTS

12.1. <Table 3> below summarises Swifambo's bank accounts:

TABLE 3 - SUMMARY OF SWIFAMBO BANK ACCOUNTS												N2	
NO.	NAME	BANK	ACCOUNT NUMBER	TYPE	PERIOD FROM (STATEMENTS)	PERIOD TO (STATEMENTS)	No of transactions	TOTAL INFLOWS	TOTAL INFLOWS FROM PRASA	TOTAL OUTFLOWS	TOTAL OUTFLOWS TO VOSSLOH	NET TOTAL INFLOW / (OUTFLOW)	
1	Swifambo Rail Leasing	Standard Bank	022682570	Current	2012-01-01	2015-09-18	455	R2,460,489,084	R1,745,116,021	R2,460,200,885	R1,295,724,162	R 288,199	
2	Swifambo Rail Holdings	Standard Bank	202538117	Current	2011-01-01	2015-09-03	411	R950,471,374	R905,091,930	R947,861,593	R288,750,000	R 2,609,781	
3	Swifambo Rail Leasing	Standard Bank	370362756	Current	2014-01-01	2015-11-30	553	R395,691,981	-	R395,699,114	R289,000,000	-R 7,133	
4	Swifambo Rail Leasing	Standard Bank	678504253-001	Call	2014-01-09	2015-11-12	111	R1,172,414,861	-	R1,063,928,764	-	R 108,486,097	
5	N1	Bidvest Bank	90002430974										
TOTAL								R4,979,067,300	R2,650,207,951	R4,867,690,356	R1,873,474,162	R111,376,944	
Total inflows from PRASA								R2,650,207,951					
Total outflows to Vossloh										R1,873,474,162			
Inter account transfers (net to NIL)								R2,268,408,104		R2,268,408,104			
Other								R60,451,245		R725,808,090			
								R4,979,067,300		R4,867,690,356		R111,376,944	
NOTES:													
N1 Subject to confirmation, awaiting subpoena information													
N2 Payment information sourced from Swifambo letter to Treasury, will confirm upon receipt of bank statement (paid from Bidvest Bank account)													

12.2. Swifambo Rail Leasing (Pty) Ltd – Standard Bank Current account number **22682570**:

12.2.1. This account is the main operating account for Swifambo, detailed in the contract as the bank account into which PRASA must pay into. PRASA made six (6) payments into this account.

12.2.2. We received the bank statements for the period 1 January 2012 to 18 September 2015.

12.2.3. Per the bank statements the first transaction in this account was on **1 January 2012** i.e. this account was operational before the first payment from PRASA to Swifambo.

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- 12.2.3.1. The first receipt from PRASA was received into this account on 6 December 2013 (this was PRASA's second payment on the contract).
- 12.2.4. We received the opening documents for this bank account per the subpoena, however, the opening documents do not correlate with the transactional activity. This aspect will need be analysed further.
- 12.2.5. This account has been included in our flow of funds analysis.
- 12.3. Swifambo Rail Holdings (Pty) Ltd – Standard Bank Current account number **202538117**:
- 12.3.1. This account was utilised interchangeably with the Swifambo Rail Leasing main operating account. PRASA made two (2) payments into this account.
- 12.3.2. We received the bank statements for the period 1 January 2011 to 3 September 2015.
- 12.3.3. The first transaction in this account was on **1 January 2011**.
- 12.3.4. The first receipt from PRASA was received into this account on 5 April 2013 (this was PRASA's first payment on the contract).
- 12.3.5. The period of opening of the bank account correlates to the period when Swifambo Rail Holdings acquired Swifambo Rail Leasing.
- 12.3.6. We received the opening documents for this bank account per the subpoena.
- 12.3.7. This account has been included in our flow of funds analysis.

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12.4. Swifambo Rail Leasing (Pty) Ltd – Standard Bank Current account number **370362756:**

12.4.1. We received the bank statements for the period 1 January 2014 to 30 November 2015.

12.4.2. The first transaction in this account was on **9 January 2014**.

12.4.3. We received the opening documents for this bank account per the subpoena.

12.4.4. This account has been included in our flow of funds analysis.

12.5. Swifambo Rail Leasing (Pty) Ltd – Standard Bank Money Market Call account number **678504253:**

12.5.1. We received the bank statements for the period 9 January 2014 to 12 November 2015.

12.5.2. The first transaction in this account was on **9 January 2014**.

12.5.3. We have not received the opening documents for this bank account.

12.5.4. This account has been included in our flow of funds analysis.

12.6. It is evident that Swifambo has additional bank accounts from which Swifambo made internal transfers to, and ostensibly payments to Vossloh. **We have not received these bank account(s) for analysis.** Specifically, it appears that Swifambo holds a bank account with Bidvest Bank (with an account number 90002430974).

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12.6.1. We have confirmed this bank account through subpoenaed information from Standard Bank, in that three (3) payments were made into a Bidvest account, detailed as follows:

Payment	Paying bank account	bank	Date	Bank Description	Statement	Amount
1	Swifambo Leasing 022682570	Rail	15 May 2014	ELECTRONIC PAYMENT TO SWIFAMBO VUK6613:41	BANKING SRL_0 RAIL	R260,000,000
2	Swifambo Leasing 022682570	Rail	3 July 2014	ELECTRONIC PAYMENT TO SWIFAMBO VUK6617:43	BANKING SRL_0 RAIL	R350,000,000
3	Swifambo Leasing 022682570	Rail	4 July 2014	ELECTRONIC PAYMENT TO SWIFAMBO VUK6612:18	BANKING SRL_0 RAIL	R27,000,000

12.6.2. Further, the bank statements for Swifambo Rail Holdings shows another possible payment to the Bidvest account, based on the bank statement description, detailed as follows:

Paying bank account	Date	Bank Statement Description	Amount
Swifambo Rail Holdings 0202538117	30 July 2013	INTERBANK TRANSFER BIDVEST BANK R 1307304442NP6774 41,50	R290,000,000

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- 12.6.3. Lastly, the bank statements for Swifambo Rail Holdings shows another possible payment to the Bidvest bank account or another Swifambo bank account (as this amount was not internally transferred to a known Swifambo account), detailed as follows:

Paying account	bank	Date	Bank Statement Description	Amount
Swifambo Leasing Std 022682570	Rail Bank	13 December 2013	INTERBANK TRANSFER SWIFAMBO RAIL 1312134442NP232 5 41,50	R52,000,000

- 12.7. A possibility remains that there could be additional unknown bank accounts which Swifambo owns, and which could be confirmed after the analysis of the requested additional accounts.

- 12.8. The cash balance for Swifambo at **30 November 2015** is **R111,376,943.89**. We are not in a position to comment on the current cash position of Swifambo as we **do not** have the bank accounts up to current date.

- 12.8.1. At this stage, it is unclear if balances have been retained in other Swifambo accounts, and we require the bank statements to confirm this position.

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13. (PRE) ACTIVITY IN SWIFAMBO BANK ACCOUNTS PRIOR TO FIRST RECEIPT FROM PRASA

13.1. Swifambo Rail Leasing Standard Bank current account number 022682570

- 13.1.1. Per the bank statements for the Swifambo Rail Leasing Standard Bank account number 022682570 the account was operational from **1 January 2012**.
- 13.1.2. There is evidently no transactional or operational activity in this account, except for bank charges and insignificant receipts with a description "Musa". Musa could refer to Musa Capital, linked to Parrish.
- 13.1.3. The first significant transactional activity occurred with the (second) receipt from PRASA for an amount of R 64,473,684 on 06 December 2013.
- 13.1.4. Accordingly, it is evident that Swifambo Rail Leasing had an operating bank account from 1 January 2012, and the bank charges in this account were ostensibly financed by Musa.

13.2. Swifambo Rail Holdings Standard Bank call account number 202538117

- 13.2.1. Per the bank statements for the Swifambo Rail Holdings Standard Bank account number 202538117 the account was operational from 1 January 2011.
- 13.2.2. The first significant transactional activity occurred with the (first) receipt from PRASA for an amount of R460,526,315.79 on 5 April 2013.

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13.2.3. Between 1 January 2011 and 5 April 2013, this bank account evidently was used to pay for various operating costs of Swifambo.

13.2.4. Receipts between 1 January 2011 and 5 April 2013 (i.e. before the receipts from PRASA) totaled **R1,043,865.40**. The majority of these receipts had a description **“Siyaya Rail Solutions”** and **“Vossloh”**, listed below, the significance of which is expanded on in more detail in this report:

13.2.4.1. **“Siyaya Rail Solutions”** – three (3) receipts totaling R690,000. This appears to be an entity styled Siyaya Rail Infrastructure and Solutions with registration number 2009/012646/07. The directors of this entity are recorded at CIPC as Makhensa Solly Risimati Mabunda and Hangalakani Gerson Hlomane. Again, **Mabunda is heavily linked to Montana per investigation intelligence.**

13.2.4.2. **“Vossloh SA”** and **“Vossloh Track”** – three (3) receipts totaling R257,265.40. Vossloh is the entity that later became the subcontractor to Swifambo Leasing to manufacture the locomotives. Investigation intelligence shows that Vossloh had direct dealings with Mtimkulu before the Swifambo contract with PRASA.³⁴

³⁴ It is apparent from the allegations made that PRASA, through Mtimkulu and other PRASA representatives had a pre-existing relationship with Vossloh by virtue of an order placed by PRASA for air-conditioning units.

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- 13.2.4.3. Other (unknown at this stage) – three (3) receipts totaling R96,600.
- 13.2.5. Payments between 1 January 2011 and 5 April 2013 totaled **R1,008,516.23**. Based on the bank statement descriptions these payments appear to be for rental and furnishings of Swifambo's offices (i.e. set up costs), summarised as follows:
- 13.2.5.1. **“Growth Point Properties”** – monthly payments (seventeen, 17) ostensibly for rent totaling R368,136.32;
- 13.2.5.2. **“Delacovia Interior”** – three (3) payments ostensibly for office furnishings totaling R276,700.17; and
- 13.2.5.3. **“MSR Mabunda”** – two (2) payments totaling R250,000. Mabunda is a director of Siyaya and linked to Montana.
- 13.3. In summary, the activity in the Swifambo bank accounts prior to the first receipt from PRASA on 5 April 2013, shows:
- 13.3.1. Swifambo had no trading activity prior to the receipts from PRASA i.e. it was not an operating or trading company. The only expenses it incurred prior to the first receipt from PRASA was ostensibly startup costs in nature such as office ‘set-up’ costs and bank charges (for maintaining the banking facilities).
- 13.3.2. Therefore, the bank accounts confirm that Swifambo was a company set up for the locomotive tender with PRASA.

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13.3.3. Further, the startup costs of Swifambo were evidently funded by entities of interest, namely Siyaya (Mabunda), Vossloh and Musa Capital. The source of these funds needs to be confirmed and will in all likelihood provide an indication as to which person(s) held an interest in Swifambo from the outset.

14. FLOW OF FUNDS ANALYSIS OF THE SWIFAMBO BANK ACCOUNTS – ‘LEVEL 1’

14.1. PREAMBLE:

14.1.1. The preliminary findings to date are considered to be ‘**Level 1**’ i.e. they pertain only to the flow of funds to and from the Swifambo bank accounts (we are in the process of analysing the flow of funds for entities that received funds from Swifambo i.e. Level 2).

14.1.2. For the purposes of ascertaining the utilization of funds by Swifambo we analysed the **combined** bank accounts for Swifambo Rail Leasing and Swifambo Rail Holdings.

14.1.2.1. Again, the business operations cannot be distinguished between Swifambo Rail Leasing and Swifambo Rail Holdings. It is evident from the cash flow activity that both bank accounts were used interchangeably for the transactional activity of Swifambo. Further, PRASA paid into both the Swifambo Rail Leasing and Swifambo Rail Holdings bank accounts.

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14.1.2.2. In addition, there were regular inter-bank account transfers, which further necessitated the requirement to combine the bank accounts in order to eliminate the inter-account activity.

14.1.3. Again, it must be noted that at this stage we have **NOT** received all the Swifambo bank accounts for analysis. It is evident that there are significant transfers to and from other Swifambo bank accounts which appear to be 'call' account in nature (i.e. the Bidvest account/s).

14.1.4. Therefore, it is of utmost importance to note that the analysis of the utilization of the R2.6 billion received from PRASA **cannot be completed** until such time as these additional accounts are received for analysis and the utilization of the funds contained within is assessed.

14.2. FINDINGS TO DATE – SUMMARY OF THE FLOW OF FUNDS IN THE SWIFAMBO BANK ACCOUNTS

14.2.1. <Table 4> below shows a summary of the flow of funds in the Swifambo bank accounts for the period 1 November 2011 to 30 November 2015 showing the receipt of the funds from PRASA of R2.6 billion and the utilization thereof by Swifambo:

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TABLE 4 - SUMMARY OF SWIFAMBO FLOW OF FUNDS

Source: Swifambo Standard Bank accounts combined (Swifambo Rail Holdings 0202538117; Swifambo Rail Leasing 022682570; Swifambo Rail Leasing 370362756 & Swifambo Rail Leasing 678504253-001)

Description column is either per 1) the bank statements 2) the Standard Bank schedule of payments or 3) other sources of information

REPORT TABLE NUMBER	DESCRIPTION SUMMARY	TRANSACTION LINKED TO	TRANSACTION COUNT	PAYMENT AMOUNT	RECEIPT AMOUNT	NET AMOUNT
1	PRASA	PRASA	8	-	R 2,650,207,950	R 2,650,207,950
31	VOSSLOH	VOSSLOH - RECEIPTS	5	-	R 811,509	R 811,509
7	VOSSLOH	VOSSLOH - LOCOMOTIVES	6	R 1,873,474,162	-	-R 1,873,474,162
8	AM CONSULTING ENGINEERS	A MASHABA	17	R 15,328,246	R 179,500	-R 15,148,746
9	MAMOROKO TRUST	A MASHABA	4	R 85,200,000	-	-R 85,200,000
10	A MASHABA	A MASHABA	10	R 2,293,256	-	-R 2,293,256
11	VUYANATHI PROPERTIES	A MASHABA	1	R 286,000	-	-R 286,000
12	BAHN WHEEL SOLUTIONS P/L	MT MASHELE	5	R 43,320,000	R 7,500,000	-R 35,820,000
13	RISHI RISHILE INVESTMENTS	MT MASHELE	25	R 3,234,840	-	-R 3,234,840
14	ENERWASTE	MSR MABUNDA	4	R 31,880,000	-	-R 31,880,000
15	MSR MABUNDA	MSR MABUNDA	11	R 12,594,000	-	-R 12,594,000
16	SIYAYA CONSULTING ENGINEERS	MSR MABUNDA	9	R 4,789,445	R 1,450,000	-R 3,339,445
17	SIYAYA RAIL INFRASTRUCTURE	MSR MABUNDA	5	R 1,390,000	R 440,000	-R 950,000
18	SIYAYA ENERGY	MSR MABUNDA	1	R 2,000,000	-	-R 2,000,000
19	NSOVO HOLDINGS	MSR MABUNDA	18	R 2,188,587	-	-R 2,188,587
20	S GROUP	MSR MABUNDA	2	R 1,699,949	-	-R 1,699,949
21	WKH LANDGREBE	WKH LANDGREBE	19	R 27,947,935	-	-R 27,947,935
22	MUSA CAPITAL	CYNTHIA PARRISH	11	R 20,219,955	R 56,000	-R 20,163,955
23	SEBENZA FORWARDING	SIPHISO BUTHELEZI	10	R 99,284,090	-	-R 99,284,090
24	NKOSI SABELO	NKOSI SABELO	2	R 28,500,000	-	-R 28,500,000
25	MIZANA ENGINEERING	KHENSANI MASHABA	14	R 2,716,777	-	-R 2,716,777
26	MIZANA INVESTMENTS	KHENSANI MASHABA	2	R 3,777,778	-	-R 3,777,778
27	KNOWLES HUSSAIN LINDSAY	KNOWLES HUSSAIN LINDSAY	1	R 10,400,000	-	-R 10,400,000
28	SARS	SARS	30	R 237,021,909	-	-R 237,021,909
	"678504253"	UNKNOWN	4	R 33,050,000	R 0	-R 33,050,000
	SARS - VAT	SARS - VAT	11	-	R 38,602,204	R 38,602,204
	"REFUND"	UNKNOWN	1	R 5,000,000	-	-R 5,000,000
	JACOB ZUMA FOUNDATION	JACOB ZUMA	1	R 150,000	-	-R 150,000
	CLIFTON RENOVATIONS	CLIFTON MICHAEL SPIES	2	R 471,647	-	-R 471,647
	FOSCHINI RETAIL GROUP	FOSCHINI RETAIL GROUP	1	-	R 480,000	R 480,000
	GEORGE ATTORNEYS	GEORGE ATTORNEYS	2	R 2,500,000	-	-R 2,500,000
	GLOBAL AVIATION	GLOBAL AVIATION	1	R 198,600	-	-R 198,600
	HOME LIVING SPACE	HOME LIVING SPACE	3	R 511,368	-	-R 511,368
	LEO HAESE CENTURION	LEO HAESE CENTURION	1	R 893,019	-	-R 893,019
	MCARTHY TOYOTA	MCARTHY TOYOTA	1	R 241,446	-	-R 241,446
	NJ MBOWENI	NJ MBOWENI	1	R 1,000,000	-	-R 1,000,000
	VELA INTERNATIONAL	NJ MBOWENI	1	R 570,000	-	-R 570,000
	NTSHOVELO LOGISTICS	NTSHOVELO LOGISTICS	1	R 1,710,000	-	-R 1,710,000
	ON BOARD TRAVEL	ON BOARD TRAVEL	34	R 2,486,981	-	-R 2,486,981
	OPERATIONAL ACCOUNT	OPERATIONAL ACCOUNT	7	R 1,000,500	R 5,100,000	R 4,099,500
	OUTSERVE	OUTSERVE	1	R 1,000,000	-	-R 1,000,000
	SALESIAN SCHOOL	SALESIAN SCHOOL	1	R 75,000	-	-R 75,000
	SANCO	SANCO	1	R 500,000	-	-R 500,000
	STERLINGS LIVING	STERLINGS LIVING	1	R 5,000,000	-	-R 5,000,000
	INTER-ACCOUNT	SWIFAMBO HOLDINGS & LEASING	174	R 2,268,408,104	R 2,268,408,104	-
	BANK CHARGES PAID (FEES)		418	R 58,788	R 2,000	-R 56,788
	INTEREST RECEIVED / PAID		42	R 204	R 5,088,891	R 5,088,687
	TOTAL - OTHER	VARIOUS DESCRIPTIONS	600	R 13,041,933	R 741,142	-R 12,300,791
			1530	R 4,847,414,518	R 4,979,067,301	R 131,652,782
	TOTALS EXCLUDING INTER ACCOUNT TRANSFERS		1356	R 2,579,006,414	R 2,710,659,196	R 131,652,782

Reconciliation to the bank statements:

SRL Current Std Bank 022682570

R 288,199

SRH Current Std Bank 202538117

R 2,609,781

SRL Call 1 Std Bank 370362756

-R 7,133

SRL Call 2 Std Bank 678504253

R 108,486,097

Accumulated bank balance total for Swifambo at 30 November 2015

R 111,376,944

Reconciling difference - transfer to Bidvest Bank account (To be confirmed)

R 20,275,838

Difference

R 0

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14.2.2. The movements in the (combined) Swifambo bank accounts can be summarised as follows:

14.2.2.1. Swifambo received **R 2,710,659,196** into the four bank accounts analysed.

14.2.2.2. Swifambo paid **R 2,579,006,414** from the four bank accounts analysed.

14.2.2.3. The **ONLY** source of receipts (i.e. income) for Swifambo was the R2.6 billion received from PRASA. The only other material receipt was ostensibly a VAT refund from SARS for R38 million.

14.2.2.4. The difference between the amounts received from PRASA by Swifambo and subsequently on paid to Vossloh is **R 776,733,789**.

14.2.2.5. Of the R2.6 billion received from PRASA, all amounts have essentially been disbursed by Swifambo (subject to confirmation as to the balances in the Call accounts). The bank balance of Swifambo at 30 November 2015 was **R111,376,943.89**. Accordingly, Swifambo expended **R665,356,844.78** (excluding the payments to Vossloh) for the period analysed.

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14.2.3. In summary, the amounts received by Swifambo have been expended as shown per <Table 5> below.³⁵

TABLE 5 - SUMMARY OF UTILISATION BY SWIFAMBO OF RECEIPTS FROM PRASA	
Payment date	APPROXIMATE AMOUNT
Amounts received from PRASA	2,650,207,950.29
<i>Utilised as follows (approximately):</i>	
Vossloh	1,873,474,161.62
SARS	237,021,909.04
Disbursements linked to "Mashaba"	102,928,001.75
Disbursements linked to "Mabunda"	54,651,981.51
Disbursements linked to "MT Mashele"	39,054,840.00
Net other disbursements (including outflows to call accounts)	231,700,112.48
Balance at 30 November 2015	111,376,943.89

14.2.4. The payments have been allocated based on the bank statement descriptions and confirmed them to the beneficiary bank statements (where noted) – **this is applicable to the entire flow of funds analysis.**³⁶

14.2.5. The amounts that have been expended, and the beneficiaries of these funds, **must be considered** in context of the gross margin it would earn, and its **limited** business activity and operations of Swifambo (as described in the civil applications, and summarised above).

14.2.5.1. The outflows need to be considered in terms of the margin earned by Swifambo on the contract with

³⁵ The amounts shown per Table 6 for "Mashaba", "Mabunda" and "Mashele" are the net payments to these individuals or the entities linked to these individuals.

³⁶ The analysis is based on bank statement descriptions – by their very nature bank statement descriptions are limited as bank users can input any description – the ultimate destination of funds would need to be confirmed.

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PRASA. Swifambo would earn a gross margin of approximately **R118 million** over the entire contract. However, it is evident that Swifambo had already expended significantly more than it would earn from the contract (and at this stage, Swifambo had only delivered on 13 locomotives out of 70 per the contract).

14.2.5.2. It is evident that there are many individuals and/or entities that benefited significantly from the funds received from Swifambo, and it is suspected and / or alleged that these entities were not actual service providers to Swifambo.

14.2.6. The report sections to follow will provide additional detail relating to the transactional activity described above.

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14.3. TIMING BETWEEN PRASA RECEIPTS AND VOSSLOH PAYMENTS

14.3.1. <Table 6> below shows the period of time between receipts by Swifambo from PRASA, and the subsequent on payments to Vossloh:

PRASA PAYMENT NO	AMOUNT RECEIVED BY SWIFAMBO (R')	DATE RECEIVED BY SWIFAMBO	AMOUNT PAID TO VOSSLOH (R') *	DATE PAID TO VOSSLOH*	SWIFAMBO ACCOUNT WHICH PAID VOSSLOH	DAYS BETWEEN PAYMENTS	DIFFERENCE (including VAT)
1	R460,526,316	2013-04-05	R288,750,000	2013-08-01	Bidvest Bank 90002430974 ?**	116	R 171,776,316
2	R64,473,684	2013-12-06	R52,118,805	2014-01-02	Unknown?*	26	R 12,354,879
3	R468,672,881	2013-12-24	R320,000,000	2014-01-17	Unknown?*	23	R 148,672,881
4	R335,308,062	2014-05-13	R241,565,356	2014-05-19	Bidvest Bank 90002430974 ?**	6	R 93,742,706
5	R430,166,417	2014-07-01	R375,040,000	2014-07-08	Bidvest Bank 90002430974 ?**	7	R 55,126,417
6	R444,565,614	2015-01-12	R307,000,000	2015-01-20	Std Bank 022682570	8	R 137,565,614
7	R182,424,652	2015-06-05	R114,000,000	2015-06-15	Std Bank 370362756	10	R 68,424,652
8	R264,070,325	2015-07-07	R175,000,000	2015-07-10	Std Bank 370362756	3	R 89,070,325
TOTAL	R 2,650,207,950		R 1,873,474,162				R 776,733,789

* Details obtained from the Swifambo letter to National Treasury - will confirm all payments upon receipt of remaining Swifambo bank statement
** these bank statements have not been provided for analysis

14.3.2. As explained, PRASA made eight (8) payments to Swifambo totalling R 2,650,207,950 (including VAT of R 325,464,134.25).

14.3.3. Swifambo subsequently made eight (8) payments to Vossloh totalling R 1,873,474,162 (excluding VAT), as the payments to Vossloh were zero rated..

14.3.4. <Table 6> above shows the date and amount of the payments from Swifambo to Vossloh per the letter addressed to National Treasury from Swifambo. Of the eight payments from Swifambo to Vossloh, **five (5) payments were made from bank accounts which have not been provided to Horwath Forensics for analysis.** Accordingly, we can only confirm these payments directly from Swifambo's bank accounts upon receipt of this information.

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- 14.3.5. We highlight that Swifambo received its first payment from PRASA on 5 April 2013 for R460,526,316. However, Swifambo only made the (correlating) first payment to Vossloh on 1 August 2013 (**or 116 days later**) for only R288,750,000. This is a difference of R171,776,316, which is expanded on in more detail below.

14.4. **PAYMENTS TO VOSSLOH FOR LOCOMOTIVES – EIGHT PAYMENTS FOR R1.873 BILLION**

- 14.4.1. Swifambo submitted a letter, dated 7 October 2015, to National Treasury (based on a request from National Treasury to Swifambo) to confirm the payments that Swifambo made to Vossloh.
- 14.4.2. **<Table 7A>** below shows the payments from Swifambo to Vossloh per their letter to National Treasury.
- 14.4.3. The Swifambo bank statements that we have analysed, however, only show three (3) payments made directly from a known Swifambo bank account to Vossloh.
- 14.4.4. The balance of the payments to Vossloh was ostensibly made from other Swifambo bank (call) accounts.

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Table 7A - Payments made by Swifambo to Vossloh per the Treasury Letter 7 October 2015

Per Letter to Treasury			Note	Swifambo bank account which made this payment
No.	Payment date	Amount Excl. VAT		
1	1-Aug-13	R 288,750,000.00	Note 2	Bidvest Bank 90002430974 (Note 1)
2	2-Jan-14	R 52,118,805.20	Note 3	Unknown ?
3	17-Jan-14	R 319,999,999.98	Note 4	Unknown ?
4	19-May-14	R 241,565,356.44	Note 4	Bidvest Bank 90002430974 (Note 1)
5	8-Jul-14	R 375,040,000.00	Note 5	Bidvest Bank 90002430974 (Note 1)
6	20-Jan-15	R 307,000,000.00		Std Bank 022682570
7	15-Jun-15	R 114,000,000.00	Note 6	Std Bank 370362756
8	10-Jul-15	R 175,000,000.00	Note 6	Std Bank 370362756
Total		<u>R 1,873,474,161.62</u>		

Note 1 - this payment suspected to be paid from a Swifambo Bidvest Bank account 90002430974 (to be confirmed). The Bidvest account was funded by inflows from the Standard Bank accounts.

Note 2 - the Bidvest bank payment was funded by a payment of R290 million (on 30/7/2013) from the Standard Bank account 202538117

Note 3 - the Bidvest bank payment was funded by a payment of R52 million (on 13/12/2013) from the Standard Bank account 022682570

Note 4 - the Bidvest bank payment was funded by a payment of R260 million (on 15/5/2014) from the Standard Bank account 022682570

Note 5 - the Bidvest bank payment was funded by two payments of R350 million (on 3/7/2014) & R27 million (on 4/7/2014) from the Standard Bank account 022682570

Note 6 - these two payments were funded first by a transfer from Standard Bank account 022682570 to Standard Bank account 678504253, and funds were subsequently transferred from Standard Bank account 678504253 to Standard Bank account 370262756.

14.4.5. It is therefore conclusive from the bank account activity that the five payments denoted in Table 7 above, which could not be traced to the known Swifambo accounts were made from other Swifambo bank accounts.

14.4.5.1. In this regard, it is our understanding that SAPS have subpoenaed two additional bank accounts for

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Swifambo from Standard Bank, namely Standard Bank account number 678504253 and Standard Bank account number 370362756.

14.4.5.2. In addition, it is apparent that Swifambo also has at least one other bank account, held with Bidvest Bank. It is our understanding that this bank account has not been subpoenaed as of yet.

14.4.6. The flow of funds between the various Swifambo accounts are convoluted (as explained per the notes in Table 7A) as funds are transferred between the various Swifambo accounts before ultimately being paid to Vossloh.

14.4.7. Only until such time as we receive the afore-mentioned bank accounts, will we be in a position to confirm the exact payments from Swifambo to Vossloh (and which accords with the Swifambo letter to Treasury, and confirms thereof).

14.4.8. **Payments from Vossloh to Swifambo** – we identified 5 payments from “Vossloh” (or derivations thereof), totaling **R 811,508.59** that were paid into Swifambo’s bank accounts, as shown per **<Table 7B>** below.

14.4.8.1. It is unclear as to the reason for these payments, and this will have to be investigated further.

14.4.8.2. However, as explained above in Para. 13 (pre-activity in the Swifambo bank accounts), three receipts totaling R257,265 was received by Swifambo from

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“Vossloh SA”/“Vossloh Track” prior to the contract between PRASA and Swifambo. And these funds were ostensibly used to fund the set-up costs of the Swifambo office.

TABLE 7B - RECEIPTS FROM VOSSLOH										
NO	BANK ACCOUNT	ACCOUNT DETAILS	BANK STATEMENT DATE	BANK STATEMENT DESCRIPTION	PAYMENTS (R)	RECEIPTS (R)	NET (R)	SOURCE	PAID TO/FROM	CONFIRMED TO ACCOUNT DETAILS
1	Swifambo Rail Holdings	Std Bank 202538117	2012-02-20	TELETRANSMISSION INWARD VOSSLOH TRACK 1202163421TT2 522		R 145,065.40	-R 145,065.40		Vossloh Track	
2	Swifambo Rail Holdings	Std Bank 202538117	2012-04-11	TELETRANSMISSION INWARD VOSSLOH TRACK 1204043421TT1181		R 56,100.00	-R 56,100.00		Vossloh Track	
3	Swifambo Rail Holdings	Std Bank 202538117	2012-09-14	ELECTRONIC BANKING PAYMENT FR VOSSLOH SA MIDRAND BRAN 648		R 56,100.00	-R 56,100.00		Vossloh	
4	Swifambo Rail Holdings	Std Bank 202538117	2013-04-11	TRANSFER FROM VOSSHLOH RENTAL JAN-MAR 2013		R 65,738.51	-R 65,738.51		Vossloh	
5	Swifambo Rail Leasing	Std Bank 370362756	2014-04-17	ELECTRONIC BANKING PAYMENT FR VOSSLOH - RENT AND OTHER PMTS		R 488,504.68	-R 488,504.68		Vossloh	
						R 0.00	R 811,508.59	-R 811,508.59		

14.5. PAYMENTS LINKED TO MASHABA

- 14.5.1. **Auswell Mashaba** was appointed as a director of Swifambo Leasing on 07 March 2012.
- 14.5.2. Mashaba is reflected as being the Chairman of Swifambo Rail Leasing. Further, he signed the contract with PRASA in his capacity as “CEO” of Swifambo.
- 14.5.3. During August 2015, Mashaba confirmed that Mabunda had requested that Mashaba establish several companies for the purpose of securing the tender. Again, Mabunda is known to be an

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associate of Montana. Mashaba confirmed that he had received instruction to make payments to entities and/or individuals that had no involvement in the work envisaged by the tender and provided a schedule of some of the amounts he claimed to have paid (amounting to over R86 million) from the proceeds of the Swifambo tender to third parties that were “political affiliates” and not creditors of Swifambo.

14.5.4. The supporting documentation provided by Mashaba, included in Mamabolo’s affidavit, indicates that the payments were made to the following accounts:

14.5.4.1. Nedbank account number 1469018578, held in the name of **Nkosi Sabelo Incorporated**, a firm of attorneys; and

14.5.4.2. FNB account number 62415888538, held in the name of **Similex (Pty) Ltd.**

14.5.5. Mashaba did not indicate from which bank accounts these payments were made from. However, per the flow of funds analysis, we identified **significant** payments, totaling **R 103,107,502** made from Swifambo to Mashaba or entities directly linked to Mashaba, as follows:

14.5.5.1. “AM Consulting Engineers” – fifteen (15) payments totaling R 15,328,246;

14.5.5.2. “Mamoroko Makolele Trust” – four (4) payments totaling R85,200,000;

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- 14.5.5.3. “A Mashaba” – nine (9) payments totaling R 2,293,256; and
- 14.5.5.4. “Vuyanathi Properties” – one (1) payment totaling R286,000.
- 14.5.6. There is a **high probability** that the payments made to Nkosi Sabelo Incorporated and Similex were made from the aforementioned entities linked to Mashaba, from the funds received from Swifambo. We are currently performing the second level flow of funds analysis of the bank accounts of the entities linked to Mashaba to confirm and / or refute these allegations.
- 14.5.7. **AM CONSULTING ENGINEERS (PTY) LTD (“AMCE”) – FIFTEEN PAYMENTS FOR R15.3 MILLION**
 - 14.5.7.1. Registration number 2007/027846/07 was registered on 28 September 2007.
 - 14.5.7.2. The auditors of AMCE are W K H Landgrebe (CA) SA and Co.
 - 14.5.7.3. The active directors of AMCE are Mashaba, who was appointed on 28 September 2007, Moloko Floyd Sebone (MF Sebone”) ID 7405125344089 who was appointed on 19 June 2015 and Landgrebe Secretarial Services in the capacity of Company Secretary.

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14.5.7.4. The previous directors of AMCE include Wolf Rodenacker ID 4102075060186 and Njombo Mashaba (“N Mashaba”).

14.5.7.5. Bank account summary:

Bank account 1	Standard Bank	
Account number	202 447 618	
Signatories on account	Auswell Mashaba	
Directors of entity	Auswell Mashaba	Floyd M Sebone
Bank account 2	Standard Bank	
Account number	144 133 679	
Signatories on account	Auswell Mashaba	
Directors of entity	Auswell Mashaba	Floyd M Sebone

14.5.7.6. **<Table> 8** below reflects the fifteen (15) payments made by Swifambo to “AMCE” (or derivations thereof) totaling R 15,328,246, and two (2) corresponding receipts totaling R179,500.00. The net payments to AMCE total R 15,148,746.

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TABLE 8 - PAYMENTS TO / FROM AM CONSULTING ENGINEERS (AMCE) - sorted by oldest to latest										
NO	BANK ACCOUNT	ACCOUNT DETAILS	BANK STATEMENT DATE	BANK STATEMENT DESCRIPTION	PAYMENTS (R)	RECEIPTS (R)	NET (R)	SOURCE	PAID TO/FROM	CONFIRMED TO ACCOUNT DETAILS
1	Swifambo Rail Holdings	Std Bank 202538117	2012-07-25	ELECTRONIC BANKING PAYMENT TO A-M CONSULTING ENG WJ200 16:39	R 500		R 500	Bank Statement	AM Consulting Engineers	Standard Bank 202447618
2	Swifambo Rail Holdings	Std Bank 202538117	2013-04-08	IB TRANSFER TO Loan to AMCE 11H25 4,70	R 5,000,000		R 5,000,000	Bank Statement	AM Consulting Engineers	Standard Bank 202447618
3	Swifambo Rail Holdings	Std Bank 202538117	2013-04-09	IB TRANSFER TO loan to AMCE 10H55 4,70	R 3,000,000		R 3,000,000	Bank Statement	AM Consulting Engineers	Standard Bank 202447618
4	Swifambo Rail Holdings	Std Bank 202538117	2013-10-01	IB TRANSFER TO Refund 12H08 4,70	R 550,000		R 550,000	Bank Statement	AM Consulting Engineers	Standard Bank 202447618
5	Swifambo Rail Holdings	Std Bank 202538117	2014-02-14	ELECTRONIC BANKING PAYMENT TO A-M CONSULTING ENG YWU44 13:54	R 91,660		R 91,660	Bank Statement	AM Consulting Engineers	Standard Bank 202447618
6	Swifambo Rail Holdings	Std Bank 202538117	2014-03-04	IB TRANSFER TO Refund 18H18	R 699,360		R 699,360	Bank Statement	AM Consulting Engineers	Standard Bank 144133679
7	Swifambo Rail Holdings	Std Bank 202538117	2014-06-09	IB TRANSFER TO Refund 16H50	R 114,000		R 114,000	Bank Statement	AM Consulting Engineers	Standard Bank 144133679
8	Swifambo Rail Holdings	Std Bank 202538117	2014-06-09	IB TRANSFER TO refund 16HB2	R 1,692,000		R 1,692,000	Bank Statement	AM Consulting Engineers	Standard Bank 144133679
9	Swifambo Rail Holdings	Std Bank 202538117	2014-06-24	ELECTRONIC BANKING PAYMENT FR LOAN FROM AMCE MIDRAND BRAN 607		R 90,000	-R 90,000	Bank Statement	AM Consulting Engineers	Standard Bank 202447618
10	Swifambo Rail Leasing	Std Bank 022682570	2014-08-08	ELECTRONIC BANKING PAYMENT TO AM CONSULTING ENG NA252 09:52	R 90,000		R 90,000	Bank Statement	AM Consulting Engineers	Standard Bank 202447618
11	Swifambo Rail Holdings	Std Bank 202538117	2014-09-23	ELECTRONIC BANKING PAYMENT FR A-M CONSULTING ENGINEERS		R 89,500	-R 89,500	Bank Statement	AM Consulting Engineers	Standard Bank 202447618
12	Swifambo Rail Leasing	Std Bank 022682570	2014-10-23	ELECTRONIC BANKING PAYMENT TO A-M C A-M CONSULTIN NA25214:25	R 570,000		R 570,000	Bank Statement	AM Consulting Engineers	Standard Bank 202447618
13	Swifambo Rail Leasing	Std Bank 022682570	2014-10-24	ELECTRONIC BANKING PAYMENT TO A-M C A-M CONSULTIN NA25209:57	R 159,500		R 159,500	Bank Statement	AM Consulting Engineers	Standard Bank 202447618
14	Swifambo Rail Holdings	Std Bank 202538117	2015-01-28	ELECTRONIC BANKING PAYMENT TO A-M CONSULTING ENG RZJ32 14:59	R 89,500		R 89,500	Bank Statement	AM Consulting Engineers	Standard Bank 202447618
15	Swifambo Rail Holdings	Std Bank 202538117	2015-04-09	IB TRANSFER TO Loan to AMCE 11H01 5,00	R 3,000,000		R 3,000,000	Bank Statement	AM Consulting Engineers	Standard Bank 202447618
16	Swifambo Rail Holdings	Std Bank 202538117	2015-08-20	IB TRANSFER TO Refund Loan 11H52	R 242,000		R 242,000	Bank Statement	AM Consulting Engineers	Standard Bank 144133679
17	Swifambo Rail Holdings	Std Bank 202538117	2015-08-25	ELECTRONIC BANKING PAYMENT TO A M CONSULTING ENG RZJ32 16:26	R 29,725		R 29,725	Bank Statement	AM Consulting Engineers	Standard Bank 202447618
					R 15,328,246	R 179,500	R 15,148,746			

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14.5.8. MAMOROKO MAKOLELE TRUST ("MM TRUST") – FOUR PAYMENTS FOR R85.2 MILLION

14.5.8.1. Bank account summary:

Bank account	ABSA		
Account number	928 295 908 8		
Signatories on account	Auswell Mashaba	Joyce Mashaba	Tsakani
Individuals (Trustees?) linked to entity	Auswell Mashaba	Joyce Mashaba	Tsakani

14.5.8.2. Joyce Tsakani Mashaba could be the wife of Mashaba

14.5.8.3. <Table> 9 below reflects the four (4) payments made by Swifambo to "MM Trust" (or derivations thereof):

TABLE 9 - PAYMENTS TO / FROM MAMOROKO MAKOLELE TRUST ("MM TRUST") - sorted by oldest to latest										
NO	BANK ACCOUNT	ACCOUNT DETAILS	BANK STATEMENT DATE	BANK STATEMENT DESCRIPTION	PAYMENTS (R)	RECEIPTS (R)	NET (R)	SOURCE	PAID TO/FROM	CONFIRMED TO ACCOUNT DETAILS
1	SWIFAMBO RAIL HOLDINGS	STANDARD BANK - 202538117	2013-04-09	INTERBANK TRANSFER MANOROKO MAKOL 1304094442NP2927 41,50	R 22,500,000	-	-R 22,500,000	BANK STATEMENT	MM TRUST	ABSA 4050955966
2	SWIFAMBO RAIL LEASING	STANDARD BANK - 22682570	2014-03-20	ELECTRONIC BANKING PAYMENT TO MMTRUST VUK66 16:38	R 50,000,000	-	-R 50,000,000	BANK STATEMENT	MM TRUST	ABSA 4050955966
3	SWIFAMBO RAIL LEASING	STANDARD BANK - 22682570	2015-03-02	ELECTRONIC BANKING PAYMENT TO MAMOR MAKOROKO MAKO RCT4612:22	R 9,000,000	-	-R 9,000,000	BANK STATEMENT	MM TRUST	ABSA 4050955966
4	SWIFAMBO RAIL HOLDINGS	STANDARD BANK - 202538117	2015-07-02	INTERBANK TRANSFER MAMOROKO MAKOL 1507024442NP9105 , 00	R 3,700,000	-	-R 3,700,000	BANK STATEMENT	MM TRUST	ABSA 4050955966
					R 85,200,000	-	-R 85,200,000			

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14.5.9. A MASHABA – TEN PAYMENTS FOR R2.29 MILLION

14.5.9.1. We are not in possession of these bank statements.

14.5.9.2. We identified account number **10010403591** from the Standard Bank transaction schedule.

14.5.9.3. <Table> 10 below reflects the ten (10) payments made by Swifambo to “A Mashaba”:

TABLE 10 - PAYMENTS TO / FROM A MASHABA - sorted by oldest to latest										
NO	BANK ACCOUNT	ACCOUNT DETAILS	BANK STATEMENT DATE	BANK STATEMENT DESCRIPTION	PAYMENTS (R)	RECEIPTS (R)	NET (R)	SOURCE	PAID TO/FROM	CONFIRMED TO ACCOUNT DETAILS
1	Swifambo Rail Holdings	Std Bank 202538117	2013-10-25	IB PAYMENT TO A MASHABA 967036429 18,30	R 480,000		R 480,000		A Mashaba	
2	Swifambo Rail Holdings	Std Bank 202538117	2013-12-05	IB PAYMENT TO A MASHABA 967036429 18,30	R 60,000		R 60,000		A Mashaba	
3	Swifambo Rail Holdings	Std Bank 202538117	2014-01-09	IB PAYMENT TO A MASHABA 967036429 18,30	R 60,000		R 60,000		A Mashaba	
4	Swifambo Rail Holdings	Std Bank 202538117	2014-02-04	IB PAYMENT TO A MASHABA 967036429 18,30	R 60,000		R 60,000		A Mashaba	
5	Swifambo Rail Holdings	Std Bank 202538117	2014-03-14	IB PAYMENT TO A MASHABA 967036429 18,30	R 120,000		R 120,000	Schedule	A Mashaba	Investec 10403591
6	Swifambo Rail Holdings	Std Bank 202538117	2014-05-30	IB PAYMENT TO A MASHABA 967036429 18,30 ▲	R 120,000		R 120,000	Schedule	A Mashaba	Investec 10403591
7	Swifambo Rail Holdings	Std Bank 202538117	2015-02-11	IB PAYMENT TO MRS MABUNDA 967036429 18,30 IB PAYMENT TO A MASHABA 967036429 18,30	R 600,000		R 600,000		A Mashaba	
8	Swifambo Rail Holdings	Std Bank 202538117	2015-02-11	IB PAYMENT TO A MASHABA 967036429	R 300,000		R 300,000	Schedule	A Mashaba	Investec 10403591
9	Swifambo Rail Holdings	Std Bank 202538117	2015-08-08	IB PAYMENT TO A MASHABA 967036429 18,30	R 480,000		R 480,000	Schedule	A Mashaba	Investec 10403591
10	Swifambo Rail Leasing	Std Bank 022682570	2015-08-24	ELECTRONIC BANKING PAYMENT TO MASHA MASHABA AKANI RCT4610:59	R 13,256		R 13,256	Schedule	A Mashaba	First Rand Bank 62063696804
					R 2,293,256	-	-R 2,293,256			

14.5.10. VUYANATHI PROPERTIES – ONE PAYMENT FOR R286,000

14.5.10.1. Vuyaninathi Properties (Pty) Ltd (“Vuyaninathi Properties”) registration number 2008/171247/23 was registered on 12 August 2008.

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14.5.10.2. The auditors of Vuyaninathi Properties are WKH Landgrebe and Co.

14.5.10.3. The only active director of Vuyaninathi Properties is A Mashaba.

14.5.10.4. Bank account summary:

Bank account	Standard Bank	
Account number	818 621 13	
Signatories on account	?	
Directors of entity	? <Mashaba?>	

14.5.10.5. **<Table> 11** below reflects the one (1) payment made by Swifambo to “Vuyanathi Properties”:

TABLE 11 - PAYMENT TO VUYANATHI PROPERTIES										
NO	BANK ACCOUNT	ACCOUNT DETAILS	BANK STATEMENT DATE	BANK STATEMENT DESCRIPTION	PAYMENTS (R)	RECEIPTS (R)	NET (R)	SOURCE	PAID TO/FROM	CONFIRMED TO ACCOUNT DETAILS
1	SWIFAMBO RAIL HOLDINGS	STANDARD BANK - 202538117	2014-06-09	IB TRANSFER TO refund 16H24 5,00	R 286,000	-	-R 286,000	Bank statement	VUYANATHI PROPERTIES	Std Bank 81862113
					R 286,000	-	-R 286,000			

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14.6. PAYMENTS LINKED TO MAKHOSINI THANIEL MASHELE (MT MASHELE)

14.6.1. **MT Mashele** was appointed as a director of Swifambo Leasing on 1 March 2014.

14.6.2. Per the flow of funds analysis, we identified **significant** payments, totaling **R 46,554,840** made from Swifambo to entities directly linked to MT Mashele, as follows:

14.6.2.1. “Bahn Wheel Solutions” – four (4) payments totaling **R 43,320,000**; and

14.6.2.2. “Rishi Rishile Investments” – twenty four (24) payments totaling **R 3,234,840**.

14.6.3. We are currently performing the second level flow of funds analysis of the bank accounts of the above listed entities linked to MT Mashele.

14.6.4. **BAHN WHEELS SOLUTIONS – FOUR PAYMENTS FOR R43.3 MILLION**

14.6.4.1. Bahn Wheels Solutions (Pty) Ltd (Pty) Ltd (“Bahn Wheels”) registration number 2008/022042/07 was registered on 15 September 2008.

14.6.4.2. The registered auditors of Bahn Wheels are Van Wyk Auditors.

14.6.4.3. The sole active director of Bahn Wheels is MT Mashele who was appointed on 03 July 2013.

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14.6.4.4. Previous directors of Bahn Wheels include, MSR Mabunda, Phaweni, Elvis Sigodo Mazibuko (“ES Mazibuko”) and Khensane Marks Mangwane (“KM Mangwane”);

14.6.4.5. **We further note that Mabunda was a former director of Bahn Wheels and resigned on 24 January 2012.** Accordingly, this company is also linked to Mabunda.

14.6.4.6. Bank account summary:

Bank	Standard Bank
Account number	611 126 58
Signatories on account	No opening documents received
Directors of entity	Makhosini Thaniel Mashele

14.6.4.7. **<Table> 12** below reflects the four (4) payments totaling **R 43,320,000** made by Swifambo to “Bahn Wheels”, and one (1) corresponding receipt totaling R7,500,000. The net payments from Swifambo to Bahn Wheels are R 35,820,000.³⁷

³⁷ We are of the opinion that this is in fact a call account transactions. We are currently awaiting the call account bank statements in order to confirm and re-allocate this transaction.

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TABLE 12 - PAYMENTS TO / FROM BAHN WHEELS - sorted by oldest to latest										
NO	COMPANY	ACCOUNT DETAILS	BANK STATEMENT DATE	BANK STATEMENT DESCRIPTION	PAYMENTS (R)	RECEIPTS (R)	NET (R)	SOURCE	PAID TO/FROM	CONFIRMED TO ACCOUNT DETAILS
1	Swifambo Rail Holdings	Std Bank 202538117	2013-04-09	TRANSFER TO BAHN WHEELS SOLUTIONS PTY LTD 41,50	R 18,810,000		R 18,810,000	Bank Statement	Bahn Wheels Solutions P/L	Standard Bank 61112658
2	Swifambo Rail Holdings	Std Bank 202538117	2013-04-22	TRANSFER TO BAHN WHEELS SOLUTIONS 41,50	R 9,510,000		R 9,510,000	Bank Statement	Bahn Wheels Solutions P/L	Standard Bank 61112658
3	Swifambo Rail Leasing	Std Bank 022682570	2014-06-24	ELECTRONIC BANKING TRANSFER FR BAHN SHARES SANDTON 034		R 7,500,000	-R 7,500,000		Bahn Wheels Solutions P/L	
4	Swifambo Rail Leasing	Std Bank 022682570	2014-06-24	ELECTRONIC BANKING PAYMENT TO BAHN WHEELS SOLUTI RCT46 16:49	R 7,500,000		R 7,500,000	Bank Statement	Bahn Wheels Solutions P/L	Standard Bank 61112658
5	Swifambo Rail Leasing	Std Bank 678504253-001	2014-06-24	ELECTRONIC BANKING TRANSFER TO BAHN SHARES *	R 7,500,000		R 7,500,000		Bahn Wheels Solutions P/L	
					R 43,320,000	R 7,500,000	R 35,820,000			
* possible call account transaction - to be confirmed upon receipt of further bank statements.										

14.6.5. RISHI RISHILE INVESTMENTS – TWENTY FOUR PAYMENTS FOR R3.2 MILLION

- 14.6.5.1. “Rishile Investments” registration number 2011/007249/07 was registered on 05 April 2011.
- 14.6.5.2. The auditors of Rishile Investments are LSG Integrated who appear to be a division of Van Wyk Auditors.
- 14.6.5.3. The active directors of Rishile Investments are MT Mashele and Masesani Vongani Mashele (“MV Mashele”) ID 780626037088 both of whom were appointed on 05 April 2011.
- 14.6.5.4. **<Table> 13** below reflects the twenty five (25) payments made by Swifambo to “Rishi Rishile”. We have allocated these payments based on the bank statement descriptions as we are **not in possession** of the bank statements for this company.

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TABLE 13 - PAYMENTS TO / FROM RISHI RISHILE INVESTMENTS - sorted by oldest to latest

NO	BANK ACCOUNT	ACCOUNT DETAILS	BANK STATEMENT DATE	BANK STATEMENT DESCRIPTION	PAYMENTS (R)	RECEIPTS (R)	NET (R)	SOURCE	PAID TO/FROM	CONFIRMED TO ACCOUNT DETAILS
1	Swifambo	Std Bank	2013-08-12	IB PAYMENT TO RISHILE INVESTMENTS	R 60,000		R 60,000	Requested	Rishile	Requested
2	Swifambo	Std Bank	2013-08-28	IB PAYMENT TO RISHILE INVESTMENTS	R 91,660		R 91,660	Requested	Rishile	Requested
	Rail Holdings	202538117		967036429 18,30					Investments	
3	Swifambo	Std Bank	2013-09-04	ELECTRONIC BANKING PAYMENT TO RISHILE	R 91,660		R 91,660	Requested	Rishile	Requested
	Rail Holdings	202538117		INVESTMENT YWU44 16:55					Investments	
4	Swifambo	Std Bank	2013-10-28	IB PAYMENT TO RISHILE INVESTMENTS	R 91,660		R 91,660	Requested	Rishile	Requested
	Rail Holdings	202538117		967036429 18,30					Investments	
5	Swifambo	Std Bank	2014-01-13	ELECTRONIC BANKING PAYMENT TO RISHI	R 91,660		R 91,660	Requested	Rishile	Requested
	Rail Holdings	202538117		RISHILE INVES YWU4412:31					Investments	
6	Swifambo	Std Bank	2014-01-13	ELECTRONIC BANKING PAYMENT TO RISHI	R 91,660		R 91,660	Requested	Rishile	Requested
	Rail Holdings	202538117		RISHILE INVES YWU4412:30					Investments	
7	Swifambo	Std Bank	2014-03-07	ELECTRONIC BANKING PAYMENT TO RISHI	R 91,660		R 91,660	Requested	Rishile	Requested
	Rail Holdings	202538117		RISHILE INVES YWU4411:25					Investments	
8	Swifambo	Std Bank	2014-04-09	ELECTRONIC BANKING PAYMENT TO RISHI	R 91,660		R 91,660	Requested	Rishile	Requested
	Rail Holdings	202538117		RISHILE INVES WJ20011:20					Investments	
9	Swifambo	Std Bank	2014-05-08	ELECTRONIC BANKING PAYMENT TO RISHI	R 91,660		R 91,660	Requested	Rishile	Requested
	Rail Holdings	202538117		RISHILE INVES WJ20015:54					Investments	
10	Swifambo	Std Bank	2014-06-07	ELECTRONIC BANKING PAYMENT TO RISHI	R 91,660		R 91,660	Requested	Rishile	Requested
	Rail Holdings	202538117		RISHILE INVES YWU4416:18					Investments	
11	Swifambo	Std Bank	2014-07-15	ELECTRONIC BANKING PAYMENT TO RISHILE	R 91,660		R 91,660	Requested	Rishile	Requested
	Rail Leasing	370362756		INVESTMENT NA252 16:45					Investments	
12	Swifambo	Std Bank	2014-08-08	ELECTRONIC BANKING PAYMENT TO RISHI	R 91,660		R 91,660	Requested	Rishile	Requested
	Rail Leasing	022682570		RISHILE INVES NA25209:52					Investments	
13	Swifambo	Std Bank	2014-09-01	ELECTRONIC BANKING PAYMENT TO RISHI	R 166,660		R 166,660	Requested	Rishile	Requested
	Rail Leasing	022682570		RISHILE INVES RCT4613:39					Investments	
14	Swifambo	Std Bank	2014-10-09	ELECTRONIC BANKING PAYMENT TO RISHI	R 166,660		R 166,660	Requested	Rishile	Requested
	Rail Leasing	022682570		RISHILE INVES NA25216:22					Investments	
15	Swifambo	Std Bank	2014-10-31	ELECTRONIC BANKING PAYMENT TO RISHI	R 166,660		R 166,660	Requested	Rishile	Requested
	Rail Leasing	022682570		RISHILE INVES RCT4613:50					Investments	
16	Swifambo	Std Bank	2014-12-03	ELECTRONIC BANKING PAYMENT TO RISHI	R 166,660		R 166,660	Requested	Rishile	Requested
	Rail Leasing	022682570		RISHILE INVES RCT4610:06					Investments	
17	Swifambo	Std Bank	2015-01-09	ELECTRONIC BANKING PAYMENT TO RISHI	R 166,660		R 166,660	Requested	Rishile	Requested
	Rail Leasing	022682570		RISHILE INVES NA25215:51					Investments	
18	Swifambo	Std Bank	2015-02-03	ELECTRONIC BANKING PAYMENT TO RISHI	R 166,660		R 166,660	Requested	Rishile	Requested
	Rail Leasing	022682570		RISHILE INVES NA25211:35					Investments	
19	Swifambo	Std Bank	2015-03-02	ELECTRONIC BANKING PAYMENT TO RISHI	R 166,660		R 166,660	Requested	Rishile	Requested
	Rail Leasing	022682570		RISHILE INVES NA25213:02					Investments	
20	Swifambo	Std Bank	2015-03-31	ELECTRONIC BANKING PAYMENT TO RISHI	R 166,660		R 166,660	Requested	Rishile	Requested
	Rail Leasing	022682570		RISHILE INVES NA25217:12					Investments	
21	Swifambo	Std Bank	2015-05-05	ELECTRONIC BANKING PAYMENT TO RISHI	R 166,660		R 166,660	Requested	Rishile	Requested
	Rail Leasing	022682570		RISHILE INVES RCT4614:16					Investments	
22	Swifambo	Std Bank	2015-05-29	ELECTRONIC BANKING PAYMENT TO RISHI	R 166,660		R 166,660	Requested	Rishile	Requested
	Rail Leasing	022682570		RISHILE INVES RCT4614:58					Investments	
23	Swifambo	Std Bank	2015-06-29	ELECTRONIC BANKING PAYMENT TO RISHI	R 166,660		R 166,660	Requested	Rishile	Requested
	Rail Leasing	022682570		RISHILE INVES NA25214:06					Investments	
24	Swifambo	Std Bank	2015-07-29	ELECTRONIC BANKING PAYMENT TO RISHI	R 166,660		R 166,660	Requested	Rishile	Requested
	Rail Leasing	022682570		RISHILE INVES RCT4611:35					Investments	
25	Swifambo	Std Bank	2015-08-28	ELECTRONIC BANKING PAYMENT TO RISHI	R 166,660		R 166,660	Requested	Rishile	Requested
	Rail Leasing	022682570		RISHILE INVES NA25216:29					Investments	
					R 3,234,840	-	R 3,234,840			

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14.7. PAYMENTS LINKED TO MAKHENSA SOLLY RISIMATI (MSR) MABUNDA

- 14.7.1. **Mabunda** is a known associate of Montana and has been a supplier to PRASA over an extended period of time through a number of business interests he holds.
- 14.7.2. The “**Siyaya**” companies appear to be part of a group of companies falling under the “**S-Group**”. The S-Group is allegedly controlled by Mabunda and appears to have extensive involvement in the operations of PRASA.
- 14.7.3. The following entities in which Mabunda holds an interest have been confirmed as suppliers to PRASA and have been paid significant amounts (within the period 2011 to 2015):
- 14.7.4. Siyaya Rail Infrastructure Solution (Pty) Ltd (to which PRASA paid approximately R 26,6 million);
- 14.7.5. Siyaya Energy (Pty) Ltd (to which PRASA paid approximately R23,6); and
- 14.7.6. Siyaya DB Engineers (Pty) Ltd (the amount paid is to be determined).
- 14.7.7. Continuing investigations are being conducted to identify other linked Mabunda entities in the books and records of PRASA.
- 14.7.8. Again, during August 2015, Mashaba confirmed that Mabunda had requested that Mashaba establish several companies for the purpose of securing the tender.

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14.7.9. Per the flow of funds analysis, we identified **significant** payments totaling **R 56,541,982** being made from Swifambo to **multiple** entities directly linked to Mabunda, as follows:

14.7.9.1. “Enerwaste Solutions” – four (4) payments totaling **R31,880,000**;

14.7.9.2. “MSR Mabunda” – thirteen (13) payments totaling **R 12,594,000**;

14.7.9.3. “Siyaya Consulting Engineers” – seven (7) payments totaling **R 4,789,445**;

14.7.9.4. “Siyaya Rail Infrastructure” – three (3) payments totaling **R 1,390,000**;

14.7.9.5. “Siyaya Energy” – one (1) payments totaling **R2,000,000**;

14.7.9.6. “Nsovo Holdings” – eighteen (18) payments totaling **R 2,188,587**; and

14.7.9.7. “S Group” – two (2) payments totaling **R 1,699,949**.

14.7.10. **ENERWASTE SOLUTIONS – FOUR PAYMENTS FOR R31.8 MILLION**

14.7.10.1. Mabunda is linked to multiple variations of the company “Enerwaste”, however, the bank statements for Swifambo refer to “Enerwaste Solutions” in the

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descriptions. We confirmed that the payments were paid into the Enerwaste Solutions bank accounts.

14.7.10.2. Enerwaste Solutions (Pty) Ltd (“Enerwaste Solutions”) registration number is 2008/027578/07, and was registered on 24 November 2008.

14.7.10.3. The registered auditors of Enerwaste Solutions are Van Wyk Auditors.

14.7.10.4. The active directors of Enerwaste Solutions are MSR Mabunda, appointed on 22 October 2009 and **NC Mabunda** (it is likely that this is the same person as Nhlamulo Cindy Maluleke, being the maiden name for NC Mabunda), appointed on 06 August 2010.

14.7.10.5. Previous directors of Enerwaste Solutions include Phaweni.

14.7.10.6. Bank account summary:

Bank	Standard Bank	
Account number	611 126 66	
Signatories on account	Makhensa SR Mabunda	Cindy N Maluleke
Directors of entity	Makhensa SR Mabunda	Cindy N Maluleke

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14.7.10.7. <Table 14> below reflects the four (4) payments made by Swifambo to “Enerwaste Solutions” as follows:

TABLE 14 - PAYMENTS TO ENERWASTE - sorted by oldest to latest										
NO	BANK ACCOUNT	ACCOUNT DETAILS	BANK STATEMENT DATE	BANK STATEMENT DESCRIPTION	PAYMENTS (R)	RECEIPTS (R)	NET (R)	SOURCE	PAID TO/FROM	CONFIRMED TO ACCOUNT DETAILS
1	Swifambo Rail Holdings	Std Bank 202538117	2013-04-09	TRANSFER TO ENERWASTE SOLUTIONS PTY 41,50	R 13,680,000		R 13,680,000	Bank Statement	Enerwaste Solutions	Standard Bank 61112666
2	Swifambo Rail Holdings	Std Bank 202538117	2013-04-11	TRANSFER TO ENERWASTE SOLUTIONS PL 41,50	R 10,000,000		R 10,000,000	Bank Statement	Enerwaste Solutions	Standard Bank 61112666
3	Swifambo Rail Holdings	Std Bank 202538117	2013-08-07	IB TRANSFER TO Refund 16H09 IB PAYMENT TO ENERWASTW SOLUTIONS 967036429 18,30	R 4,000,000		R 4,000,000		Enerwaste Solutions	
4	Swifambo Rail Holdings	Std Bank 202538117	2013-08-07	IB PAYMENT TO ENERWASTW SOLUTIONS 967036429	R 4,200,000		R 4,200,000	Bank Statement & Schedule	Enerwaste Solutions	Standard Bank 61112666
					R 31,880,000	-	R 31,880,000			

14.7.11. MSR MABUNDA – ELEVEN PAYMENTS FOR R12.5 MILLION

14.7.11.1. Per our analysis it appears that payments were made by Swifambo into more than one bank account linked to Mabunda.

14.7.11.2. To date, we have identified two (2) bank accounts linked to Mabunda which received funds from Swifambo, namely:

14.7.11.2.1. Standard Bank account number 12554774.

14.7.11.2.2. Bank account number 1057142697, bank unknown.

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14.7.11.2.3. Another bank account received funds, but we do not have the details of this bank account yet.

14.7.11.3. Currently we only have one bank account for analysis, the details are as follows:

Bank	Standard Bank
Account number	125 547 74
Signatories on account	Makhensa SR Mabunda
Directors of entity	Individual account

14.7.11.4. **<Table 15>** below reflects the eleven (11) payments made by Swifambo to “MSR Mabunda”:

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TABLE 15 - PAYMENTS TO / FROM MSR MABUNDA - sorted by oldest to latest

NO	BANK ACCOUNT	ACCOUNT DETAILS	BANK STATEMENT DATE	BANK STATEMENT DESCRIPTION	PAYMENTS (R)	RECEIPTS (R)	NET (R)	SOURCE	PAID TO/FROM	CONFIRMED TO ACCOUNT DETAILS
1	Swifambo Rail Holdings	Std Bank 202538117	2013-12-05	IB PAYMENT TO MRS MABUNDA 967036429 18,30	R 100,000		R 100,000	Schedule	MSR Mabunda	Nedbank 1057142697
2	Swifambo Rail Holdings	Std Bank 202538117	2014-01-09	IB PAYMENT TO MRS MABUNDA 967036429 18,30	R 1,100,000		R 1,100,000	Schedule	MSR Mabunda	Nedbank 1057142697
3	Swifambo Rail Holdings	Std Bank 202538117	2014-02-04	IB PAYMENT TO MRS MABUNDA 967036429 18,30	R 250,000		R 250,000	Schedule	MSR Mabunda	Nedbank 1057142697
4	Swifambo Rail Holdings	Std Bank 202538117	2014-03-14	IB PAYMENT TO MRS MABUNDA 967036429 18,30	R 200,000		R 200,000	Schedule	MSR Mabunda	Nedbank 1057142697
5	Swifambo Rail Holdings	Std Bank 202538117	2014-05-30	IB PAYMENT TO MRS MABUNDA 967036429 18,30	R 2,400,000		R 2,400,000	Schedule	MSR Mabunda	Nedbank 1057142697
6	Swifambo Rail Holdings	Std Bank 202538117	2014-05-30	IB PAYMENT TO MRS MABUNDA 967036429 18,30	R 200,000		R 200,000	Schedule	MSR Mabunda	Nedbank 1057142697
7	Swifambo Rail Holdings	Std Bank 202538117	2014-06-09	IB PAYMENT TO MRS MABUNDA 967036429 18,30	R 2,314,000		R 2,314,000	Schedule	MSR Mabunda	Nedbank 1057142697
8	Swifambo Rail Holdings	Std Bank 202538117	2014-06-09	IB PAYMENT TO MRS MABUNDA 967036429 18,30	R 4,000,000		R 4,000,000		MSR Mabunda	
9	Swifambo Rail Leasing	Std Bank 022682570	2014-09-17	ELECTRONIC BANKING PAYMENT TO MAKHE MAKHENZA MABU NA25214:15	R 750,000		R 750,000	Bank Statement & Schedule	Makhensa Mabunda	Standard Bank 12554774
10	Swifambo Rail Leasing	Std Bank 022682570	2014-09-17	ELECTRONIC BANKING PAYMENT TO MAKHE MAKHENZA MABU NA25214:15	R 480,000		R 480,000	Bank Statement & Schedule	Makhensa Mabunda	Standard Bank 12554774
11	Swifambo Rail Holdings	Std Bank 202538117	2015-06-19	IB PAYMENT TO MRS MABUNDA 967036429 18,30	R 800,000		R 800,000	Schedule	MSR Mabunda	Nedbank 1057142697
					R 12,594,000	-	R 12,594,000			

14.7.12. SIYAYA CONSULTING ENGINEERS – SEVEN PAYMENTS FOR R4.7 MILLION

14.7.12.1. Siyaya Consulting Engineers (Pty) Ltd (“Siyaya Consulting Engineers”) registration number is 2006/004006/07, and was registered on 10 February 2006.

14.7.12.2. Siyaya Consulting Engineers was previously named **Siyaya DB Engineers (Pty) Ltd.**

14.7.12.3. The registered auditors are Van Wyk Auditors.

14.7.12.4. The active directors of Siyaya Consulting Engineers are MSR Mabunda, and Mikateko Rosemary

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Mabunda (“**MR Mabunda**”) ID 7905180366083, in the capacity of ‘Company Secretary’.

14.7.12.5. Previous directors of Siyaya Consulting Engineers include **MT Mashele**, who resigned on or about 14 May 2014, Prince Henry Phaweni (“**Phaweni**”) 5901315712087 who resigned on or about 01 June 2010 and Vhelaphi Hudson Mabunda.

14.7.12.5.1. **MT Mashele is a director of Swifambo.**

14.7.12.6. Siyaya Consulting Engineers principal place of business was recorded as being 71 Courtday Crescent, Ranjiesfontein, Midrand, South Africa.

14.7.12.7. Siyaya Consulting Engineers is a supplier to PRASA and have an existing business relationship with DB International, however DB International have applied for the liquidation of Siyaya Consulting Engineers for non-payment.

14.7.12.8. Bank account summary:

Bank	Standard Bank	
Account number	201 345 897	
Signatories on account	?	?
Directors of entity	Makhensa SR Mabunda	Mikateko R Mabunda

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14.7.12.9. **<Table 16>** below reflects the seven (7) payments made by Swifambo to Siyaya Consulting Engineers, and two (2) corresponding receipts totaling R1,450,000 (Net payments to Siyaya Consulting Engineers equals R3,339,445):

TABLE 16 - PAYMENTS TO / FROM SIYAYA (DB) CONSULTING ENGINEERS - sorted by oldest to latest										
NO	BANK ACCOUNT	ACCOUNT DETAILS	BANK STATEMENT DATE	BANK STATEMENT DESCRIPTION	PAYMENTS (R)	RECEIPTS (R)	NET (R)	SOURCE	PAID TO/FROM	CONFIRMED TO ACCOUNT DETAILS
1	Swifambo Rail Holdings	Std Bank 202538117	2012-02-01	ELECTRONIC BANKING PAYMENT FR SIYAYA RAIL SOLUTIONS		R 250,000	-R 250,000	Bank Statement	Siyaya DB Engineers	Standard Bank 201345897
2	Swifambo Rail Leasing	Std Bank 022682570	2014-09-17	ELECTRONIC BANKING PAYMENT TO SIYAYA SIYAYA DB CON NA2 5214:15	R 809,400		R 809,400	Bank Statement	Siyaya DB Engineers	Standard Bank 201345897
3	Swifambo Rail Leasing	Std Bank 022682570	2014-10-24	ELECTRONIC BANKING PAYMENT TO SIYAYA SIYAYA DB CON NA25211:15	R 1,200,000		R 1,200,000	Bank Statement	Siyaya DB Engineers	Standard Bank 201345897
4	Swifambo Rail Leasing	Std Bank 022682570	2014-11-03	ELECTRONIC BANKING PAYMENT FR SIYAYA CONSULTING ENGINEERS		R 1,200,000	-R 1,200,000	Bank Statement	Siyaya DB Engineers	Standard Bank 201345897
5	Swifambo Rail Leasing	Std Bank 022682570	2014-12-04	ELECTRONIC BANKING PAYMENT TO SIYAYA SIYAYA CONSUL RCT4612:44	R 735,300		R 735,300	Schedule	Siyaya Consulting Engineers	Nedbank 1057142697
6	Swifambo Rail Leasing	Std Bank 022682570	2015-02-12	ELECTRONIC BANKING PAYMENT TO SIYAYA SIYAYA RAIL S NA25211:24	R 934,800		R 934,800	Bank Statement & Schedule	Siyaya Consulting Engineers	Standard Bank 61103233
7	Swifambo Rail Leasing	Std Bank 022682570	2015-06-29	ELECTRONIC BANKING PAYMENT TO SIYAYA SIYAYA DB CON RCT4613:50	R 346,401		R 346,401	Bank Statement	Siyaya Consulting Engineers	Standard Bank 201345897
8	Swifambo Rail Leasing	Std Bank 022682570	2015-06-30	ELECTRONIC BANKING PAYMENT TO SIYAYA SIYAYA DB CON RCT4615:01	R 601,317		R 601,317	Bank Statement	Siyaya Consulting Engineers	Standard Bank 201345897
9	Swifambo Rail Leasing	Std Bank 022682570	2015-08-04	ELECTRONIC BANKING PAYMENT TO SIYAYA SIYAYA DB CON NA25216:00	R 162,226		R 162,226	Bank Statement & Schedule	Siyaya Consulting Engineers	Standard Bank 201345897
					R 4,789,445	R 1,450,000	R 3,339,445			

14.7.13. SIYAYA RAIL INFRASTRUCTURE – THREE PAYMENTS FOR R1.3 MILLION

14.7.13.1. Siyaya Rail Infrastructure Solutions and Technology (Pty) Ltd, (“Siyaya Rail Solutions”) registration number 2009/012646/07 was registered on 30 June 2009.

14.7.13.2. The registered auditors are Van Wyk Auditors.

14.7.13.3. The directors of Siyaya Rail Solutions are MSR Mabunda, appointed on 30 June 2009 and

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Hangalakani Gerson Hlomane (“HG Hlomane”) ID 6905215379086, appointed on 17 November 2014.

- 14.7.13.4. Siyaya Rail Solutions is noted as a supplier to PRASA.
- 14.7.13.5. It is also noted that Siyaya Rail Solutions made three payments to Swifambo Rail Holdings prior to the first receipt from PRASA, ostensibly to fund ‘setup costs’ as explained in Para <insert> above.
- 14.7.13.6. Bank account summary:

Bank	Standard Bank		
Account number	611 037 99		
Signatories on account	?		
Directors of entity	Makhensa SR Mabunda	Hangalakani Hlomane	G

- 14.7.13.7. **<Table 17>** below reflects the three (3) payments made by Swifambo to “Siyaya Rail Solutions”, and two (2) corresponding receipts totaling R 440,000 (Net payments to Siyaya Rail Solutions equals R 950,000):

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TABLE 17 - PAYMENTS TO / FROM SIYAYA RAIL INFRASTRUCTURE - sorted by oldest to latest

NO	BANK ACCOUNT	ACCOUNT DETAILS	BANK STATEMENT DATE	BANK STATEMENT DESCRIPTION	PAYMENTS (R)	RECEIPTS (R)	NET (R)	SOURCE	PAID TO/FROM	CONFIRMED TO ACCOUNT DETAILS
1	Swifambo Rail Holdings	Std Bank 202538117	2011-12-08	ELECTRONIC BANKING PAYMENT FR SIYAYA RAIL SOLUTIONS		R 120,000	-R 120,000	Bank Statement & Schedule	Siyaya Rail Infrastructure	Standard Bank 61103799
2	Swifambo Rail Holdings	Std Bank 202538117	2012-03-29	ELECTRONIC BANKING PAYMENT TO SIYAYA RAIL WJ200 12:00	R 125,000		R 125,000	Bank Statement & Schedule	Siyaya Rail Infrastructure	Standard Bank 61103799
3	Swifambo Rail Holdings	Std Bank 202538117	2012-03-29	ELECTRONIC BANKING PAYMENT TO SIYAYA RAIL WJ200 11:56	R 125,000		R 125,000	Bank Statement & Schedule	Siyaya Rail Infrastructure	Standard Bank 61103799
4	Swifambo Rail Holdings	Std Bank 202538117	2012-05-24	ELECTRONIC BANKING PAYMENT FR SIYAYA RAIL SOLUTIONS		R 320,000	-R 320,000	Bank Statement & Schedule	Siyaya Rail Infrastructure	Standard Bank 61103799
5	Swifambo Rail Holdings	Std Bank 202538117	2015-03-17	IB PAYMENT TO SIYAYA RAIL INFRA 967036429 18,30	R 1,140,000		R 1,140,000	Bank Statement & Schedule	Siyaya Rail Infrastructure	Standard Bank 61103233
					R 1,390,000	R 440,000	R 950,000			

14.7.14. SIYAYA ENERGY – ONE PAYMENT FOR R2 MILLION

14.7.14.1. Siyaya Energy (Pty) Ltd, (“Siyaya Energy”) with registration number 2009/015177/07, was registered on 04 August 2009.

14.7.14.2. The registered auditors of Siyaya Energy are Van Wyk Auditors.

14.7.14.3. The active directors of Siyaya Energy are MSR Mabunda, appointed on 04 August 2009 and Nhlamulo Cindy Mabunda (“**NC Mabunda**”) ID 7807290289082, appointed on 19 February 2015.

14.7.14.4. During 2010 Siyaya Energy was awarded a contract number HO/AUT/200/05/2010 to supply and deliver bulk fuel services to the entire PRASA. The contract with Siyaya further provides for the investigation and prevention of fuel fraud at Autopax. To date PRASA have paid Siyaya Energy approximately R

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23,698,096.35 (number to be verified) during the period investigated.

14.7.14.5. Bank account summary:

Bank	Standard Bank	
Account number	611 032 33	
Signatories on account	?	
Directors of entity	Makhensa SR Mabunda	Nhlamulo C Mabunda

14.7.14.6. <Table 18> below reflects the one (1) payment made by Swifambo to Siyaya Energy:

TABLE 18 - PAYMENT TO SIYAYA ENERGY										
NO	BANK ACCOUNT	ACCOUNT DETAILS	BANK STATEMENT DATE	BANK STATEMENT DESCRIPTION	PAYMENTS (R)	RECEIPTS (R)	NET (R)	SOURCE	PAID TO/FROM	CONFIRMED TO ACCOUNT DETAILS
1	SWIFAMBO RAIL HOLDINGS	STANDARD BANK - 202538117	2013-12-05	IB PAYMENT TO SIYAYA ENERGY PTY L 967036429 18,30	R 2,000,000	-	-R 2,000,000	BANK STATEMENT	SIYAYA ENERGY	STD BANK 61103233

14.7.15. **NSOVO HOLDINGS – EIGHTEEN PAYMENTS FOR R2.1 MILLION**

14.7.15.1. Nsovo Holdings (Pty) Ltd (“Nsovu”) with registration number 2005/027941/07, was registered on 10 August 2005.

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14.7.15.2. There does not appear to be an active registered auditor but the most recent auditors would appear to be Van Wyk Auditors.

14.7.15.3. The active directors of Nsovu Holdings are MSR Mabunda, appointed on 10 August 2005 and Nhlamulo Cindy Maluleke ID 7807290289082 (it is likely that this is the maiden name for Nhlamulo Cindy Mabunda).

14.7.15.4. Bank account summary:

Bank	Standard Bank	
Account number	127 099 80	
Signatories on account	?	?
Directors of entity	Makhensa SR Mabunda	Nhlamulo C Mabunda

14.7.15.5. <Table 19> below reflects the eighteen (18) payments made by Swifambo to “Nsovo” (or derivations thereof):

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TABLE 19 - PAYMENTS TO / FROM NSOVO HOLDINGS - sorted by oldest to latest

NO	BANK ACCOUNT	ACCOUNT DETAILS	BANK STATEMENT DATE	BANK STATEMENT DESCRIPTION	PAYMENTS (R)	RECEIPTS (R)	NET (R)	SOURCE	PAID TO/FROM	CONFIRMED TO ACCOUNT DETAILS
1	Swifambo Rail	Std Bank	2014-06-10	ELECTRONIC BANKING PAYMENT TO NSOVO	R 8,550.00		R 8,550.00	Bank	Nsovo	Standard Bank
2	Swifambo Rail	Std Bank	2014-10-28	ELECTRONIC BANKING PAYMENT TO NSOVO	R 283,002.00		R 283,002.00	Bank	Nsovo	Standard Bank
	Leasing	022682570		HOLDINGS NA252 11:49				Statement & Schedule	Holdings	12709980
3	Swifambo Rail	Std Bank	2015-02-03	ELECTRONIC BANKING PAYMENT TO NSOVO	R 283,002.72		R 283,002.72	Bank	Nsovo	Standard Bank
	Leasing	022682570		NSOVO HOLDING NA25211:32				Statement	Holdings	12709980
4	Swifambo Rail	Std Bank	2015-02-12	ELECTRONIC BANKING PAYMENT TO NSOVO	R 141,501		R 141,501	Bank	Nsovo	Standard Bank
	Leasing	022682570		NSOVO HOLDING NA25211:24				Statement	Holdings	12709980
5	Swifambo Rail	Std Bank	2015-02-28	STOP ORDER 1 NSOVO HOLDINGS	R 141,501		R 141,501	Bank	Nsovo	Standard Bank
	Leasing	022682570						Statement	Holdings	12709980
6	Swifambo Rail	Std Bank	2015-03-31	STOP ORDER 1 NSOVO HOLDINGS	R 141,501		R 141,501	Bank	Nsovo	Standard Bank
	Leasing	022682570						Statement	Holdings	12709980
7	Swifambo Rail	Std Bank	2015-04-14	ELECTRONIC BANKING PAYMENT TO NSOVO	R 17,340		R 17,340		Nsovo	
	Leasing	370362756		SOLUTIONS RCT46 16:20					Holdings	
8	Swifambo Rail	Std Bank	2015-04-30	STOP ORDER 1 NSOVO HOLDINGS	R 141,501		R 141,501	Bank	Nsovo	Standard Bank
	Leasing	022682570						Statement	Holdings	12709980
9	Swifambo Rail	Std Bank	2015-06-01	STOP ORDER 1 NSOVO HOLDINGS	R 141,501		R 141,501	Bank	Nsovo	Standard Bank
	Leasing	022682570						Statement	Holdings	12709980
10	Swifambo Rail	Std Bank	2015-06-30	STOP ORDER 1 NSOVO HOLDINGS	R 141,501		R 141,501	Bank	Nsovo	Standard Bank
	Leasing	022682570						Statement	Holdings	12709980
11	Swifambo Rail	Std Bank	2015-07-31	STOP ORDER 1 NSOVO HOLDINGS	R 141,501		R 141,501	Bank	Nsovo	Standard Bank
	Leasing	022682570						Statement	Holdings	12709980
12	Swifambo Rail	Std Bank	2015-08-12	ELECTRONIC BANKING PAYMENT TO NSOVO	R 50,994		R 50,994		Nsovo	
	Leasing	370362756		SOLUTIONS RCT46 10:40					Holdings	
13	Swifambo Rail	Std Bank	2015-08-21	ELECTRONIC BANKING PAYMENT TO NSOVO	R 287,421		R 287,421	Bank	Nsovo	Standard Bank
	Leasing	022682570		NSOVO HOLDING RCT4613:11				Statement	Holdings	12709980
14	Swifambo Rail	Std Bank	2015-08-31	STOP ORDER 1 NSOVO HOLDINGS	R 141,501		R 141,501	Bank	Nsovo	Standard Bank
	Leasing	022682570						Statement	Holdings	12709980
15	Swifambo Rail	Std Bank	2015-10-14	ELECTRONIC BANKING PAYMENT TO NSOVO	R 16,827		R 16,827		Nsovo	
	Leasing	370362756		SOLUTIONS RCT46 12:36					Holdings	
16	Swifambo Rail	Std Bank	2015-10-14	ELECTRONIC BANKING PAYMENT TO NSOVO	R 36,480		R 36,480	Bank	Nsovo	Standard Bank
	Leasing	370362756		HOLDINGS RCT46 12:36				Statement	Holdings	12709980
17	Swifambo Rail	Std Bank	2015-11-12	ELECTRONIC BANKING PAYMENT TO NSOVO	R 36,480		R 36,480	Bank	Nsovo	Standard Bank
	Leasing	370362756		HOLDINGS RCT46 09:14				Statement	Holdings	12709980
18	Swifambo Rail	Std Bank	2015-11-26	ELECTRONIC BANKING PAYMENT TO NSOVO	R 36,480		R 36,480	Bank	Nsovo	Standard Bank
	Leasing	370362756		HOLDINGS RCT46 12:42				Statement	Holdings	12709980
					R 2,188,587	R -	R 2,188,587			

14.7.16. S GROUP – TWO PAYMENTS FOR R1.7 MILLION

14.7.16.1. S-Group Holding Company (Pty) Ltd (“S-Group Holding”) with registration number 2009/014696/07, was registered on 30 July 2009.

14.7.16.2. The auditors of S-Group Holding are LSG Integrated who could to be a division of Van Wyk Auditors.

14.7.16.3. The **only** active director of S-Group Holding is MSR Mabunda who was appointed on 30 July 2009.

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14.7.16.4. Bank account summary:

Bank account summary		
Bank	Standard Bank	
Account number	611 032 41	
Signatories on account	?	?
Directors of entity	Makhensa SR Mabunda	

14.7.16.5. <Table 20> below reflects the <two (2)> payments made by Swifambo to “S Group”:

TABLE 20 - PAYMENTS TO / FROM S GROUP - sorted by oldest to latest										
NO	BANK ACCOUNT	ACCOUNT DETAILS	BANK STATEMENT DATE	BANK STATEMENT DESCRIPTION	PAYMENTS (R)	RECEIPTS (R)	NET (R)	SOURCE	PAID TO/FROM	CONFIRMED TO ACCOUNT DETAILS
1	Swifambo Rail Leasing	Std Bank 022682570	2014-05-06	ELECTRONIC BANKING PAYMENT TO SGROUP RCT46 17:38	R 1,147,049		R 1,147,049	Bank Statement & Schedule	S Group	Standard Bank 61103241
2	Swifambo Rail Leasing	Std Bank 022682570	2014-07-09	ELECTRONIC BANKING PAYMENT TO EXPOO SGROUP NA2 5215:49	R 552,900		R 552,900	Schedule	S Group	Standard Bank 201345897
					R 1,699,949	R -	R 1,699,949			

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14.8. PAYMENTS LINKED TO WKH LANDGREBE – NINETEEN PAYMENTS FOR R27.9 MILLION

- 14.8.1. WKH Landgrebe are the registered auditors of:
- 14.8.1.1. Swifambo Rail Leasing;
 - 14.8.1.2. AMCE; and
 - 14.8.1.3. Vuyanimathi Properties.
- 14.8.2. Landgrebe Secretarial Services CC (“Landgrebe”) registration number 1988/029081/23 was registered on 21 October 1988.
- 14.8.3. The auditors of Landgrebe are W K H Landgrebe (CA(SA)).
- 14.8.4. Wolf Rodenacker, (“Rodenacker”) ID 4102075060186 is the sole active member and was appointed on 5 August 2011.
- 14.8.5. We note that Swifambo Rail Holdings and Swifambo Rail Leasing have different registered auditors. Whereas, WKH Landgrebe are the registered auditors of Swifambo Rail Leasing, the **majority** of the payments are effected from the Swifambo Rail Holdings bank account. However, the registered auditors for Swifambo Rail Holdings are Van Wyk Auditors.
- 14.8.6. Further, the payments to WKH Landgrebe appear to be very excessive should the cost be *exclusively* for audit fees. The nature of the payments is unknown at this stage.
- 14.8.7. We have also identified large payments made to WKH Landgrebe in the Enerwaste Solutions and Bahn Wheel Solutions bank

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accounts analysed during the second level analysis (to be finalized).

14.8.8. We do not have the bank accounts for WKH Landgrebe, and based on the nature and value of payments to this entity, being an audit firm (as well as across multiple other linked entity bank accounts) these bank accounts are regarded as very relevant for further analysis.

14.8.9. <Table 21> below reflects the nineteen (19) payments made by Swifambo to "WKH Landgrebe":

TABLE 21 - PAYMENTS TO WKH LANDGREBE - sorted by oldest to latest										
NO	BANK ACCOUNT	ACCOUNT DETAILS	BANK STATEMENT DATE	BANK STATEMENT DESCRIPTION	PAYMENTS (R)	RECEIPTS (R)	NET (R)	SOURCE	PAID TO/FROM	CONFIRMED TO ACCOUNT DETAILS
1	Swifambo Rail	Std Bank	2012-09-04	ELECTRONIC BANKING PAYMENT TO WKH L	R 114		R 114		WKH Landgrebe	
2	Swifambo Rail	Std Bank	2012-09-04	ELECTRONIC BANKING PAYMENT TO WKH L	R 969		R 969		WKH Landgrebe	
	Holdings	202538117		WKH LANDGREBE WJ20011:12						
3	Swifambo Rail	Std Bank	2012-09-04	ELECTRONIC BANKING PAYMENT TO WKH L	R 2,907		R 2,907		WKH Landgrebe	
	Holdings	202538117		WKH LANDGREBE WJ20011:12						
4	Swifambo Rail	Std Bank	2013-04-09	INTERBANK TRANSFER WKH LANDGREBE	R 8,800,000		R 8,800,000		WKH Landgrebe	
	Holdings	202538117		1304094442NP2926 41,50						
5	Swifambo Rail	Std Bank	2013-04-11	INTERBANK TRANSFER WKH LANDGREBE	R 1,200,000		R 1,200,000		WKH Landgrebe	
	Holdings	202538117		1304114442NP2980 41,50						
6	Swifambo Rail	Std Bank	2013-04-22	INTERBANK TRANSFER WKH LANDGREBE	R 4,300,000		R 4,300,000		WKH Landgrebe	
	Holdings	202538117		1304224442NP3163 41,50						
7	Swifambo Rail	Std Bank	2013-05-10	IB PAYMENT TO WKH LANDGREBE	R 2,200,000		R 2,200,000	Schedule	WKH Landgrebe	Nedbank
	Holdings	202538117		967036429 13^j						1963259165
8	Swifambo Rail	Std Bank	2013-11-26	IB PAYMENT TO WKH LANDGREBE	R 329,600		R 329,600		WKH Landgrebe	
	Holdings	202538117		967036429 18,30						
9	Swifambo Rail	Std Bank	2013-12-04	ELECTRONIC BANKING PAYMENT TO W.K.H	R 2,850		R 2,850		WKH Landgrebe	
	Holdings	202538117		LANDGREBE & YWU44 12:52						
10	Swifambo Rail	Std Bank	2013-12-07	IB PAYMENT TO WKH LANDGREBE	R 1,091,800		R 1,091,800		WKH Landgrebe	
	Holdings	202538117		967036429 18,30						
11	Swifambo Rail	Std Bank	2013-12-13	ELECTRONIC BANKING PAYMENT TO WKH01	R 52,180		R 52,180		WKH Landgrebe	
	Holdings	202538117		WKH LANDGREBE YWU4414:55						
12	Swifambo Rail	Std Bank	2014-05-30	IB PAYMENT TO WKH LANDGREBE	R 4,500,000		R 4,500,000	Schedule	WKH Landgrebe	Nedbank
	Holdings	202538117		967036429 18,30						1963259165
13	Swifambo Rail	Std Bank	2014-08-07	ELECTRONIC BANKING PAYMENT TO W.K.H	R 1,100,000		R 1,100,000	Schedule	WKH Landgrebe	Nedbank
	Leasing	022682570		LANDGREBE NA252 12:50						1963259165
14	Swifambo Rail	Std Bank	2014-09-17	ELECTRONIC BANKING PAYMENT TO WKH L	R 494,072		R 494,072		WKH Landgrebe	
	Leasing	022682570		WKH LANDGREBE NA25214:15						
15	Swifambo Rail	Std Bank	2015-06-26	IB PAYMENT TO WKH LANDGREBE	R 2,200,000		R 2,200,000		WKH Landgrebe	
	Holdings	202538117		967036429 18,30						
16	Swifambo Rail	Std Bank	2015-07-21	IB PAYMENT TO WKH LANDGREBE	R 880,000		R 880,000		WKH Landgrebe	
	Holdings	202538117		967036429 18,30						
17	Swifambo Rail	Std Bank	2015-09-02	ELECTRONIC BANKING PAYMENT TO WKH L	R 506,802		R 506,802	Schedule	WKH Landgrebe	Nedbank
	Leasing	022682570		WKH LANDGREBE NA25210:49						1963259165
18	Swifambo Rail	Std Bank	2015-09-03	ELECTRONIC BANKING PAYMENT TO WKH01	R 278,947		R 278,947		WKH Landgrebe	
	Holdings	202538117		WKH LANDGREBE YWU4415:54						
19	Swifambo Rail	Std Bank	2015-11-26	ELECTRONIC BANKING PAYMENT TO WKH	R 7,695		R 7,695		WKH Landgrebe	
	Leasing	370362756		LANDGREBE RCT46 12:41						
					R 27,947,935	-	R 27,947,935			

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14.9. PAYMENTS LINKED TO MUSA CAPITAL – SIX PAYMENTS FOR R20.2 MILLION

- 14.9.1. Musa Capital Advisors (Pty) Ltd (“Musa Capital”) registration number 2009/003976/07 was registered on 26 February 2009.
- 14.9.2. The registered auditors of Musa Capital are Horwath Leveton Boner.
- 14.9.3. The only active director of Musa Capital is William Demoyne Jimerson (“Jimerson”) ID 7008140000000 who was appointed on 07 April 2009.
- 14.9.4. Musa Capital is situated on the 3rd Floor of Commerce Square, 39 Rivonia Road, Sandhurst, Johannesburg, 2196, South Africa.
- 14.9.5. **Cynthia Michelle Parrish** (ID Passport no. 442936175 is a United Sates citizen) was appointed as a director of Swifambo Rail Leasing on 07 February 2012. Parrish is recorded as the Chief Legal Counsel of Musa Capital, who were listed as advisors to the ‘Swifambo Consortium’ in a presentation given by Mashaba.
- 14.9.6. Bank account summary:

Bank	Standard Bank
Account number	420 976 310
Signatories on account	No opening documents received

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Directors of entity	William D Jimerson

14.9.7. <Table 22> below reflects the six (6) payments made by Swifambo to “Musa Capital” (or derivations thereof), and five (5) corresponding receipts totaling R 56,000 (Net payments to Musa Capital equals R 20,163,955):

TABLE 22 - PAYMENTS TO / FROM MUSA CAPITAL - sorted by oldest to latest										
NO	BANK ACCOUNT	ACCOUNT DETAILS	BANK STATEMENT DATE	BANK STATEMENT DESCRIPTION	PAYMENTS (R)	RECEIPTS (R)	NET (R)	SOURCE	PAID TO/FROM	CONFIRMED TO ACCOUNT DETAILS
1	Swifambo Rail Leasing	Std Bank 022682570	2012-04-11	ELECTRONIC BANKING TRANSFER FR MUSA TO MAFORI FINANCE		R 200	-R 200	Bank Statement	Musa Capital	Standard Bank 420976310
2	Swifambo Rail Leasing	Std Bank 022682570	2012-06-15	ELECTRONIC BANKING TRANSFER FR MUSA TO MAFORI SANDTON 270		R 500	-R 500	Bank Statement	Musa Capital	Standard Bank 420976310
3	Swifambo Rail Holdings	Std Bank 202538117	2013-04-11	TRANSFER TO MUSA CAPITAL ADVISOR 41,50	R 5,000,000		R 5,000,000	Bank Statement	Musa Capital	Standard Bank 420976310
4	Swifambo Rail Leasing	Std Bank 022682570	2013-04-12	ELECTRONIC BANKING TRANSFER FR MUSA TO MAFORI VRY		R 300	-R 300	Bank Statement	Musa Capital	Standard Bank 420976310
5	Swifambo Rail Leasing	Std Bank 022682570	2013-04-12	ELECTRONIC BANKING PAYMENT TO MUSA CAP A M EMENGINEERING	R 2,000		R 2,000		Musa Capital	
6	Swifambo Rail Holdings	Std Bank 202538117	2013-04-22	TRANSFER TO MUSA CAPITAL CSC- JOHANNES 668 41,50	R 8,500,000		R 8,500,000	Bank Statement	Musa Capital	Standard Bank 420976310
7	Swifambo Rail Leasing	Std Bank 022682570	2013-06-07	ELECTRONIC BANKING TRANSFER FR MUSA TO SWIFAMBO		R 50,000	-R 50,000	Bank Statement	Musa Capital	Standard Bank 420976310
8	Swifambo Rail Leasing	Std Bank 022682570	2013-07-04	ELECTRONIC BANKING TRANSFER FR MUSA TO SWIFAMBO		R 5,000	-R 5,000	Bank Statement	Musa Capital	Standard Bank 420976310
9	Swifambo Rail Leasing	Std Bank 022682570	2013-07-04	ELECTRONIC BANKING OAYMENT TO MUSA CAP SWIFAMBO	R 20,000		R 20,000		Musa Capital	
10	Swifambo Rail Leasing	Std Bank 022682570	2014-03-19	ELECTRONIC BANKING PAYMENT TO MUSA CAPITAL NA2 52 15:36	R 1,697,955		R 1,697,955	Bank Statement	Musa Capital	Standard Bank 420976310
11	Swifambo Rail Leasing	Std Bank 022682570	2015-03-02	ELECTRONIC BANKING PAYMENT TO MUSA CAPITAL RCT46 21:21	R 5,000,000		R 5,000,000	Bank Statement & Schedule	Musa Capital	Standard Bank 420976310
					R 20,219,955	R 56,000	R 20,163,955			

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14.10. PAYMENTS LINKED TO SEBENZA FORWARDING – TEN PAYMENTS FOR R99.2 MILLION

- 14.10.1. Sebenza Forwarding and Shipping (Pty) Ltd (“Sebenza”) with registration number 1995/012564/07, was registered on 22 November 1995.
- 14.10.2. The registered auditors of Sebenza are Deloitte and Touche.
- 14.10.3. The active directors of Sebenza are:
 - 14.10.3.1. Sibusiso Peter-Paul Ngwenya (“SP Ngwenya”) ID 5309035726082 appointed on 22 November 1995;
 - 14.10.3.2. Govindsamy Veeran (“G Veeran”) ID 5502055041081 appointed on 09 July 1998;
 - 14.10.3.3. Anthony William Dawe (“AW Dawe”) ID 6510115139083 appointed on 01 August 2009;
 - 14.10.3.4. Nosiphesihle Jacqueline Mbongwa (“NJ Mbongwa”) ID 7703290400086 appointed on 09 May 2013;
 - 14.10.3.5. Gcwalisile Gloria Twala (“GG Twala”) ID 6609290351081 appointed on 27 February 2013; and
 - 14.10.3.6. Xolani Jeffrey Sithole (“XJ Sithole”) ID 8402075373084, appointed on 16 September 2013.
- 14.10.4. Previous directors of Sebenza include, amongst many others, **Sifiso Norbet Buthelezi** ID 6108145750085, the **former Chairman** of the Board of PRASA.

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- 14.10.5. Per **Mamabolo's affidavit**, the following allegations were made in the initial complaint – Sfiso Buthelezi, while Chairman of PRASA Board, failed to disclose his interest in Makana Investment Corporation (Makana), which has a 15% shareholding in Cadiz, a company allegedly providing advisory services to PRASA on the Rolling Stock. It has now been confirmed that it has a has a 55% shareholding in Sebenza Forwarding & Shipping Consultancy, (Sebenza) the preferred forwarding and clearing service provider to PRASA).
- 14.10.6. In addition, per investigations at PRASA, into disclosure of interests SN Buthelezi **did not disclose his interest** in Sebenza Forwarding.
- 14.10.7. Per the flow of funds analysis, Sebenza Forwarding was paid R99.2 million by Swifambo.
- 14.10.7.1. Per the contract between PRASA and Swifambo, **the cost of shipping/forwarding was for the cost of PRASA and not Swifambo.**³⁸ Further, the contract does not elaborate further with regards to the shipping costs.

³⁸ See Annexure B "**Pricing Schedule**" of the contract which states :

1. *"The Purchase Amount for each Locomotive shall be as follows: The Purchase Price shall equal 3.822.900 EUROS which amount shall exclude:*
 - 1.1. *The applicable amount for VAT, or for any other indirect tax that might be applicable;*
 - 1.2. *The import custom duties, which will not be payable by the Seller (Swifambo) or will be fully reimbursed to the Seller by the Purchaser (PRASA) if disbursed by the Seller.*
 - 1.3. *Any of those elements which according to this Agreement must be provided free of charge to the Seller by the Purchaser."*

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14.10.7.2. Per the contract between Swifambo and Vossloh, the cost of shipping/forwarding **was for the cost of Swifambo and not Vossloh.**³⁹ Further, the contract does not elaborate further with regards to the shipping costs.

14.10.7.3. Therefore, per the contract between Swifambo and Vossloh the cost of shipping was for Swifambo's cost, which could explain the payments to Sebenza. However, per the contract between PRASA and Swifambo, the cost of shipping was for PRASA's cost. A review of the invoices from Swifambo to PRASA does not appear to detail any billing by Swifambo for shipping or forwarding type costs. Therefore, using the available information, it is unclear how this financial arrangement was accounted for.

14.10.7.4. Further, the income statement presented in the Massaro affidavit (see <Table 2>) does not detail shipping or forwarding fees, it only details "clearance fees" of R 3,988,195, which is significantly lower than the amounts paid to Sebenza. Accordingly, it is

³⁹ See Annexure B "**Pricing Schedule**" of the contract which states:

2. "The Purchase Amount for each Locomotive shall be as follows: The Purchase Price for each of the 70 Locomotives shall be 3.657.052 EURO which amount shall exclude:
 - 2.1. The applicable amount for VAT, or for any other indirect tax that might be applicable;
 - 2.2. The clearing and transport costs (as defined in 17.3 of the Agreement), which shall not be payable by the Seller (Swifambo) or will be fully reimbursed to the Seller and.
 - 2.3. Any of those elements which according to this Agreement must be provided free of charge to the Seller by the Purchaser."

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unclear how Swifambo accounted for these payments and the related business reason.

14.10.8. **Accordingly, considering the above, and also taking into account the critical relationship between the former chairperson of PRASA (namely Buthelezi), his (undisclosed) relationship to Sebenza and the context of the R3.5 billion tender between PRASA and Swifambo this aspect should be investigated further.**

14.10.9. Bank account summary:

Bank	Standard Bank	
Account number	706 4024 6	
Signatories on account	No opening documents received	
	-	-
Directors of entity	?	?
	-	-

14.10.10. **<Table 23>** below reflects the ten (10) payments made by Swifambo to “Sebenza (Forwarding)”:

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TABLE 23 - PAYMENTS TO SEBENZA FORWARDING - sorted by oldest to latest										
NO	BANK ACCOUNT	ACCOUNT DETAILS	BANK STATEMENT DATE	BANK STATEMENT DESCRIPTION	PAYMENTS (R)	RECEIPTS (R)	NET (R)	PAID TO/FROM	SOURCE	CONFIRMED TO ACCOUNT DETAILS
1	Swifambo Rail Leasing	Std Bank 022682570	2014-12-03	ELECTRONIC BANKING PAYMENT TO SEBENZA RCT46 16:52	R 359,858.44		R 359,858.44	Sebenza Forwarding	Bank Statement & Schedule	Standard Bank 70640246
2	Swifambo Rail Leasing	Std Bank 370362756	2014-12-18	ELECTRONIC BANKING PAYMENT TO SEBENZA RCT46 15:51	R 6,939.66		R 6,939.66	Sebenza Forwarding	Bank Statement	Standard Bank 70640246
3	Swifambo Rail Leasing	Std Bank 022682570	2015-01-14	ELECTRONIC BANKING PAYMENT TO SEBENZA FORWA NA25216:33	R 34,511,450.17		R 34,511,450.17	Sebenza Forwarding	Bank Statement & Schedule	Standard Bank 70640246
4	Swifambo Rail Leasing	Std Bank 022682570	2015-03-02	ELECTRONIC BANKING PAYMENT TO SEBENZA FORWA NA25213:01	R 32,510,819.23		R 32,510,819.23	Sebenza Forwarding	Bank Statement & Schedule	Standard Bank 70640246
5	Swifambo Rail Leasing	Std Bank 022682570	2015-04-10	ELECTRONIC BANKING PAYMENT TO SEBENZA FORWA RCT4611:58	R 14,000,000.00		R 14,000,000.00	Sebenza Forwarding	Bank Statement & Schedule	Standard Bank 70640246
6	Swifambo Rail Leasing	Std Bank 022682570	2015-04-16	ELECTRONIC BANKING PAYMENT TO SEBENZA FORWA NA25215:11	R 8,000,000.00		R 8,000,000.00	Sebenza Forwarding	Bank Statement & Schedule	Standard Bank 70640246
7	Swifambo Rail Leasing	Std Bank 370362756	2015-05-25	ELECTRONIC BANKING PAYMENT TO SEBENZA RCT46 21:11	R 5,743		R 5,743	Sebenza Forwarding	Bank Statement	Standard Bank 70640246
8	Swifambo Rail Leasing	Std Bank 022682570	2015-06-08	ELECTRONIC BANKING PAYMENT TO SEBENZA FORWA NA25212:54	R 9,705,951		R 9,705,951	Sebenza Forwarding	Bank Statement & Schedule	Standard Bank 70640246
9	Swifambo Rail Leasing	Std Bank 022682570	2015-07-20	ELECTRONIC BANKING PAYMENT TO SEBENZA FORWA RCT4614:55	R 165,377		R 165,377	Sebenza Forwarding	Bank Statement & Schedule	Standard Bank 70640246
10	Swifambo Rail Leasing	Std Bank 370362756	2015-11-05	ELECTRONIC BANKING PAYMENT TO SEBENZA RCT46 23:21	R 17,951		R 17,951	Sebenza Forwarding	Bank Statement & Schedule	Standard Bank 70640246
					R 99,284,090	-	R 99,284,090			

14.11. PAYMENTS LINKED TO NKOSI SABELO – TWO PAYMENTS FOR R28.5 MILLION

14.11.1. Nkosi Sabelo Incorporated is a firm of attorneys.

14.11.2. Nkosi Sabelo was implicated by Mashaba in that Mashaba confirmed that he had received instruction to make payments to entities and/or individuals that had no involvement in the work envisaged by the tender and provided a schedule of some of the amounts he claimed to have paid (amounting to over R86 million) from the proceeds of the Swifambo tender to third parties that were “political affiliates” and not creditors of Swifambo.

14.11.3. The supporting documentation provided by Mashaba indicates that the payments were made to accounts including Nedbank account

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number 1469018578, held in the name of Nkosi Sabelo Incorporated, a firm of attorneys.

- 14.11.4. In addition, Nkosi Sabelo was implicated in bribery and corruption allegations related to **Petro SA** in 2013.⁴⁰
- 14.11.5. Swifambo made payments totaling R28.5 million to “Nkosi Sabelo”, however, the second level analysis will assess if additional payments were made by other linked entities to Nkosi Sabelo.
- 14.11.6. We received a bank account, however, the bank account received was not the Nedbank account detailed by Mashaba. The account received was a FNB account, details as follows:

Bank	First National Bank	
Account number	623 310 498 42	
Signatories on account	Hugh B Nkosi	George M Sabelo
Directors of entity	Hugh B Nkosi	George M Sabelo

- 14.11.7. **We do not have the bank accounts for Nkosi Sabelo, however based on the allegations and value of payments to this entity these bank accounts are regarded as very relevant for further analysis.**

⁴⁰ “Oilgate 2: New evidence of kickbacks” dated 3 May 2013 source: <http://mg.co.za/article/2013-05-03-00-oilgate-2-new-evidence-of-kickbacks>

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14.11.8. <Table 24> below reflects the two (2) payments made by Swifambo to “Nkosi Sabelo Inc:

TABLE 24 - PAYMENTS TO NKOSI SABELO - sorted by oldest to latest										
NO	BANK ACCOUNT	ACCOUNT DETAILS	BANK STATEMENT DATE	BANK STATEMENT DESCRIPTION	PAYMENTS (R)	RECEIPTS (R)	NET (R)	SOURCE	PAID TO/FROM	CONFIRMED TO ACCOUNT DETAILS
1	Swifambo Rail	Std Bank	2013-04-11	TRANSFER TO NKOSI SABELO INC	R 14,300,000		R 14,300,000	Requested	Nkosi	Requested
2	Swifambo Rail Holdings	Std Bank 202538117	2013-04-22	TRANSFER TO NKOSI SABELO INC.	R 14,200,000		R 14,200,000	Requested	Nkosi Sabelo Inc	Requested
					R 28,500,000	-	R 28,500,000			

14.12. PAYMENTS LINKED TO MIZANA ENGINEERING – FOURTEEN PAYMENTS FOR R2.7 MILLION

- 14.12.1. Mizana Engineering and Services (Pty) Ltd (“Mizana Engineering”) with registration number 2012/177151/07, was registered on 28 September 2012.
- 14.12.2. The registered auditors of Mizana Engineering are Van Wyk Auditors.
- 14.12.3. The active directors of Mizana Engineering are Bekani Ephraim Mashaba (“**BE Mashaba**”) ID 8103145400085, appointed on 16 January 2013 and Kennedy Liphoko (“K Liphoko”) ID 7509235775080 appointed on 06 May 2015.
- 14.12.4. Anike Van den Berg was previously a director of Mizana Engineering.
- 14.12.5. It is apparent that this entity is linked to Mizana Investments as it has a common director (BE Mashaba), who was appointed as a director in both companies on the same day. Further both Mizana

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Engineering and Mizana Investments have the same registered auditors.

- 14.12.6. It is unclear if BE Mashaba is related to Auswell Mashaba. **This needs to be established.**
- 14.12.7. An entity, Mizana Trading is a supplier to PRASA, with an invoice value to PRASA for the period investigated of approximately R54 million. It is unclear if Mizana Trading is the same entity or is linked to Mizana Engineering, and this needs to be established.
- 14.12.8. Bank account summary:

Bank account summary			
Bank	Standard Bank		
Account number	121 093 12		
Signatories on account	?	?	
Directors of entity	Bekani Mashaba	Ephraim	Kennedy Liphoko

- 14.12.9. **<Table 25>** below reflects the fourteen (14) payments made by Swifambo to “Mizana (Engineering)”:

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TABLE 25 - PAYMENTS TO MIZANA ENGINEERING - sorted by oldest to latest

NO	BANK ACCOUNT	ACCOUNT DETAILS	BANK STATEMENT DATE	BANK STATEMENT DESCRIPTION	PAYMENTS (R)	RECEIPTS (R)	NET (R)	SOURCE	PAID TO/FROM	CONFIRMED TO ACCOUNT DETAILS
1	Swifambo Rail Holdings	Std Bank 202538117	2013-11-19	ELECTRONIC BANKING PAYMENT TO MIZANA ENGINEERING YWU44 14:45	R 119,700		R 119,700	Bank Statement & Schedule	Mizana Engineering	Standard Bank 12109312
2	Swifambo Rail Leasing	Std Bank 370362756	2014-02-05	ELECTRONIC BANKING PAYMENT TO MIZANA ENGINEERING RCT46 17:39	R 39,900		R 39,900	Bank Statement	Mizana Engineering	Standard Bank 12109312
3	Swifambo Rail Holdings	Std Bank 202538117	2014-05-08	ELECTRONIC BANKING PAYMENT TO MIZANA ENGINEERING WJ200 15:53	R 110,041		R 110,041	Schedule	Mizana Engineering	Standard Bank 12109312
4	Swifambo Rail Leasing	Std Bank 022682570	2014-09-17	ELECTRONIC BANKING PAYMENT TO MIZAN MIZANA NA2 5214:15	R 140,000		R 140,000		Mizana Engineering	FNB 62216801317
5	Swifambo Rail Leasing	Std Bank 370362756	2014-10-07	ELECTRONIC BANKING PAYMENT TO MIZANA RCT46 23:49	R 35,000		R 35,000		Mizana Engineering	
6	Swifambo Rail Leasing	Std Bank 370362756	2014-11-06	ELECTRONIC BANKING PAYMENT TO MIZANA RCT46 17:29	R 35,000		R 35,000		Mizana Engineering	
7	Swifambo Rail Leasing	Std Bank 022682570	2015-03-03	ELECTRONIC BANKING PAYMENT TO MIZAN MIZANA ENGINE RCT4612:09	R 339,845		R 339,845	Bank Statement & Schedule	Mizana Engineering	Standard Bank 12109312
8	Swifambo Rail Leasing	Std Bank 022682570	2015-03-03	ELECTRONIC BANKING PAYMENT TO MIZAN MIZANA ENGINE NA25212:29	R 1,428,065		R 1,428,065	Bank Statement & Schedule	Mizana Engineering	Standard Bank 12109312
9	Swifambo Rail Leasing	Std Bank 370362756	2015-03-25	ELECTRONIC BANKING PAYMENT TO MIZAN MIZANA ENGINE RCT4615:39	R 40,128		R 40,128	Bank Statement	Mizana Engineering	Standard Bank 12109312
10	Swifambo Rail Leasing	Std Bank 370362756	2015-04-16	ELECTRONIC BANKING PAYMENT TO MIZANA RCT46 13:38	R 35,000		R 35,000	Bank Statement	Mizana Engineering	Standard Bank 12109312
11	Swifambo Rail Leasing	Std Bank 370362756	2015-05-06	ELECTRONIC BANKING PAYMENT TO MIZANA RCT46 14:11	R 75,128		R 75,128	Bank Statement	Mizana Engineering	Standard Bank 12109312
12	Swifambo Rail Leasing	Std Bank 022682570	2015-05-08	ELECTRONIC BANKING PAYMENT TO MIZAN MIZANA ENGINE NA25215:01	R 173,970		R 173,970	Bank Statement	Mizana Engineering	Standard Bank 12109312
13	Swifambo Rail Leasing	Std Bank 370362756	2015-09-25	ELECTRONIC BANKING PAYMENT TO MIZAN MIZANA ENGINE RCT4611:37	R 70,000		R 70,000	Bank Statement	Mizana Engineering	Standard Bank 12109312
14	Swifambo Rail Leasing	Std Bank 370362756	2015-10-19	ELECTRONIC BANKING PAYMENT TO MIZAN MIZANA ENGINE RCT4612:22	R 75,000		R 75,000	Bank Statement	Mizana Engineering	Standard Bank 12109312
					R 2,716,777	-	R 2,716,777			

14.13. PAYMENTS LINKED TO MIZANA INVESTMENTS – TWO PAYMENTS FOR R3.8 MILLION

14.13.1. Mizana Investments (Pty) Ltd (“Mizana Investments”) with registration number 2012/177230/07, was registered on 28 September 2012.

14.13.2. The registered auditors of Mizana Investments are Van Wyk Auditors.

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- 14.13.3. The active directors of Mizana Investments are Bekani Ephraim Mashaba (“BE Mashaba”) ID 8103145400085, appointed on 16 January 2013.
- 14.13.4. It is apparent that this entity is linked to Mizana Engineering as it has a common director (BE Mashaba) appointed as a director on the same day in both companies. Further both Mizana Engineering and Mizana Investments have the same registered auditors.
- 14.13.5. It is unclear if BE Mashaba is related to Auswell Mashaba. This needs to be established.
- 14.13.6. An entity, Mizana Trading is a supplier to PRASA, with an invoice value to PRASA for the period investigated of approximately R54 million. It is unclear if Mizana Trading is the same entity or is linked to Mizana Investments, and this needs to be established.
- 14.13.7. Bank account summary:

Bank account summary		
Bank	Standard Bank	
Account number	331 945 339	
Signatories on account	?	?
Directors of entity	Bekani Mashaba	Ephraim

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14.13.8. <Table 26> below reflects the two (2) payments made by Swifambo to “Mizana Investments”:

TABLE 26 - PAYMENTS TO MIZANA INVESTMENTS - sorted by oldest to latest										
NO	BANK ACCOUNT	ACCOUNT DETAILS	BANK STATEMENT DATE	BANK STATEMENT DESCRIPTION	PAYMENTS (R)	RECEIPTS (R)	NET (R)	SOURCE	PAID TO/FROM	CONFIRMED TO ACCOUNT DETAILS
1	Swifambo Rail Leasing	Std Bank 022682570	2014-07-23	ELECTRONIC BANKING PAYMENT TO MIZANA INVESTMENTS NA252 12:07	R 3,000,000		R 3,000,000	Bank Statement & Schedule	Mizana Investments	Standard Bank 331945339
2	Swifambo Rail Leasing	Std Bank 022682570	2015-02-05	ELECTRONIC BANKING PAYMENT TO MIZAN MIZANA INVEST NA25215:47	R 777,778		R 777,778	Bank Statement & Schedule	Mizana Investments	Standard Bank 331945339
					R 3,777,778	-	R 3,777,778			

14.14. PAYMENTS LINKED TO KNOWLES HUSAIN LINDSAY – ONE PAYMENT FOR R10.4 MILLION

14.14.1. Knowles Husain Lindsay is a well-established firm of attorneys.

14.14.2. It is suspected that this payment could be linked to properties acquired by Mashaba. This needs to be established.

14.14.3. **Bank account summary:**

Bank	Nedbank	
Account number	146 901 857 8	
Signatories on account	Errol N Knowles	Mohamed J Husain
	Ian V Lindsay	
Directors of entity	Errol N Knowles	Mohamed J Husain
	Ian V Lindsay	

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14.14.4. <Table 27> below reflects the one (1) payment made by Swifambo to "Knowles Husain":

TABLE 27 - PAYMENT TO KNOWLES HUSSAIN LINDSAY										
NO	BANK ACCOUNT	ACCOUNT DETAILS	BANK STATEMENT DATE	BANK STATEMENT DESCRIPTION	PAYMENTS (R)	RECEIPTS (R)	NET (R)	SOURCE	PAID TO/FROM	CONFIRMED TO ACCOUNT DETAILS
1	Swifambo Rail Holdings	Std Bank 202538117	2013-05-22	INTERBANK TRANSFER KOWLES HUSSAIN 1305224442NP4287 41,50	R 10,400,000		R 10,400,000	Bank Statement	Knowles Hussain	Nedbank 1469018578

14.15. PAYMENTS LINKED TO SARS – THIRTY PAYMENTS FOR R237 MILLION

- 14.15.1. SARS is the South African Revenue Services.
- 14.15.2. Per the amounts paid by PRASA to Swifambo, Swifambo received R2,650,207,950.29, of which the attributable VAT amount is **R325,464,134.25** (as shown per **Table 1**).
- 14.15.3. Considering the amount of VAT paid by PRASA to Swifambo, Swifambo has only paid **R 237,021,909** to SARS. This amount is significantly lower (by R 88,442,225.21) than the VAT it received from PRASA, and **which should be on paid to SARS**. The last payment from PRASA to Swifambo was on 7 July 2015, therefore sufficient time had passed for Swifambo to disburse their VAT obligations.
- 14.15.4. Further, it is unclear as to the amounts paid by Swifambo to SARS include other statutory taxes such as PAYE or Income Tax. We are not in a position to comment on this aspect as further information is required in this regard. **Accordingly, this aspect should be investigated further as it appears as if Swifambo has not**

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fulfilled its obligations to source and has underpaid them a significant amount.

14.15.5. **<Table 28>** below reflects the thirty (30) payment made by Swifambo to “SARS”:

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TABLE 28 - PAYMENTS TO SARS - sorted by oldest to latest

NO	BANK ACCOUNT	ACCOUNT DETAILS	BANK STATEMENT DATE	BANK STATEMENT DESCRIPTION	PAYMENTS (R)	RECEIPTS (R)	NET (R)	SOURCE	PAID TO/FROM	CONFIRMED TO ACCOUNT DETAILS
1	Swifambo Rail Leasing	Std Bank 370362756	2014-01-31	ELECTRONIC BANKING PAYMENT TO SARS E-FILING NA252 17:40	R 102,268,764		R 102,268,764		SARS E-Filing	
2	Swifambo Rail Leasing	Std Bank 022682570	2014-05-30	ELECTRONIC BANKING PAYMENT TO SARS e-Filing NA252 09:56	R 39,891,554		R 39,891,554		SARS E-Filing	
3	Swifambo Rail Leasing	Std Bank 370362756	2014-05-30	ELECTRONIC BANKING PAYMENT TO SARS E-FILING RCT46 14:57	R 3,279		R 3,279		SARS E-Filing	
4	Swifambo Rail Leasing	Std Bank 370362756	2014-05-30	ELECTRONIC BANKING PAYMENT TO SARS E-FILING RCT46 14:57	R 30,288		R 30,288		SARS E-Filing	
5	Swifambo Rail Leasing	Std Bank 370362756	2014-05-30	ELECTRONIC BANKING PAYMENT TO SARS E-FILING RCT46 14:56	R 4,962		R 4,962		SARS E-Filing	
6	Swifambo Rail Leasing	Std Bank 370362756	2014-06-12	ELECTRONIC BANKING PAYMENT TO SARS E-FILING RCT46 13:55	R 4,039		R 4,039		SARS E-Filing	
7	Swifambo Rail Leasing	Std Bank 370362756	2014-06-12	ELECTRONIC BANKING PAYMENT TO SARS E-FILING RCT46 13:55	R 27,241		R 27,241		SARS E-Filing	
8	Swifambo Rail Leasing	Std Bank 022682570	2014-06-18	ELECTRONIC BANKING PAYMENT TO SARS e-Filing NA252 13:24	R 747,688		R 747,688		SARS E-Filing	
9	Swifambo Rail Leasing	Std Bank 022682570	2014-07-09	ELECTRONIC BANKING PAYMENT TO SARS e-Filing RCT46 17:27	R 27,482		R 27,482		SARS E-Filing	
10	Swifambo Rail Leasing	Std Bank 022682570	2014-07-31	ELECTRONIC BANKING PAYMENT TO SARS e-Filing NA252 13:26	R 50,077,336		R 50,077,336		SARS E-Filing	
11	Swifambo Rail Leasing	Std Bank 022682570	2014-08-07	ELECTRONIC BANKING PAYMENT TO SARS g-Filing NA252 15:14	R 24,907		R 24,907		SARS E-Filing	
12	Swifambo Rail Leasing	Std Bank 022682570	2014-09-05	ELECTRONIC BANKING PAYMENT TO SARS e-Filing NA252 15:35	R 24,921		R 24,921		SARS E-Filing	
13	Swifambo Rail Leasing	Std Bank 022682570	2014-10-07	ELECTRONIC BANKING PAYMENT TO SARS e-Filing RCT46 23:48	R 20,787		R 20,787		SARS E-Filing	
14	Swifambo Rail Leasing	Std Bank 022682570	2014-11-07	ELECTRONIC BANKING PAYMENT TO SARS e-Filing NA252 09:22	R 24,279		R 24,279		SARS E-Filing	
15	Swifambo Rail Leasing	Std Bank 022682570	2014-11-07	ELECTRONIC BANKING PAYMENT TO SARS e-Filing RCT46 13:07	R 6,606		R 6,606		SARS E-Filing	
16	Swifambo Rail Leasing	Std Bank 022682570	2014-12-05	ELECTRONIC BANKING PAYMENT TO SARS e-Filing NA252 11:13	R 24,205		R 24,205		SARS E-Filing	
17	Swifambo Rail Leasing	Std Bank 022682570	2015-01-07	ELECTRONIC BANKING PAYMENT TO SARS e-Filing RCT46 16:17	R 36,759		R 36,759		SARS E-Filing	
18	Swifambo Rail Leasing	Std Bank 022682570	2015-02-06	ELECTRONIC BANKING PAYMENT TO SARS e-Filing RCT46 13:16	R 26,442		R 26,442		SARS E-Filing	
19	Swifambo Rail Leasing	Std Bank 022682570	2015-02-27	ELECTRONIC BANKING PAYMENT TO SARS e-Filing RCT46 16:13	R 20,153,475		R 20,153,475		SARS E-Filing	
20	Swifambo Rail Leasing	Std Bank 022682570	2015-03-06	ELECTRONIC BANKING PAYMENT TO SARS e-Filing RCT46 13:00	R 44,923		R 44,923		SARS E-Filing	
21	Swifambo Rail Leasing	Std Bank 022682570	2015-04-07	ELECTRONIC BANKING PAYMENT TO SARS e-Filing NA252 10:44	R 165,672		R 165,672		SARS E-Filing	
22	Swifambo Rail Leasing	Std Bank 022682570	2015-05-07	ELECTRONIC BANKING PAYMENT TO SARS e-Filing NA252 14:23	R 153,140		R 153,140		SARS E-Filing	
23	Swifambo Rail Leasing	Std Bank 022682570	2015-06-05	ELECTRONIC BANKING PAYMENT TO SARS e-Filing NA252 12:28	R 181,241		R 181,241		SARS E-Filing	
24	Swifambo Rail Leasing	Std Bank 022682570	2015-07-03	ELECTRONIC BANKING PAYMENT TO SARS e-Filing RCT46 10:11	R 16		R 16		SARS E-Filing	
25	Swifambo Rail Leasing	Std Bank 022682570	2015-07-03	ELECTRONIC BANKING PAYMENT TO SARS e-Filing RCT46 10:11	R 254		R 254		SARS E-Filing	
26	Swifambo Rail Leasing	Std Bank 022682570	2015-07-03	ELECTRONIC BANKING PAYMENT TO SARS e-Filing RCT46 10:12	R 1,835		R 1,835		SARS E-Filing	
27	Swifambo Rail Leasing	Std Bank 022682570	2015-07-03	ELECTRONIC BANKING PAYMENT TO SARS e-Filing RCT46 10:11	R 5,542		R 5,542		SARS E-Filing	
28	Swifambo Rail Leasing	Std Bank 022682570	2015-07-06	ELECTRONIC BANKING PAYMENT TO SARS e-Filing RCT46 10:10	R 52,108		R 52,108		SARS E-Filing	
29	Swifambo Rail Leasing	Std Bank 022682570	2015-07-31	ELECTRONIC BANKING PAYMENT TO SARS e-Filing RCT46 12:03	R 22,919,897		R 22,919,897		SARS E-Filing	
30	Swifambo Rail Leasing	Std Bank 022682570	2015-09-18	ELECTRONIC BANKING PAYMENT TO SARS e-Filing RCT46 16:41	R 72,267		R 72,267		SARS E-Filing	
					R 237,021,909	-	R 237,021,909			

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15. REPORT ON INFLOWS FROM VOSSLOH TO “S GROUP / SIYAYA”

15.1. The report styled ‘*Provisional report on the Passenger Rail Agency of South Africa matter*’ prepared by the Compliance and Enforcement Division of the Financial Surveillance Department dated 15 February 2017 detailed certain transactions of interest specifically (amongst other transactions) **payments from Vossloh to S-Investments (Pty) Ltd and Siyaya Rail Infrastructure Solutions and Technology (Pty) Ltd.**

15.2. Per this report, Vossloh transmitted ten (10) payments totalling **R 88,991,291.39** into South Africa, as follows:

15.2.1. Vossloh Kiepe made six (6) payments to Siyaya Rail Infrastructure Solutions and Technology (Pty) Ltd between December 2011 and September 2013 **totalling R13,663,169.82**. The “category” for these payments is reflected as “*Legal, Accounting, Management Consulting*” and “*Proceeds for Management Consulting*”. Refer <Table 29> below for the detail of each payment

No	Payment from non-resident	Payment to resident	Rand Amount	Euro Amount	Payment Date	Category	Resident Contact
1	Vossloh Kiepe GES.M.B.H	Siyaya Rail Infrastructure Solutions and Technology P/L	R 3,725,865.90	349,955.00 €	2011-12-07	LEGAL, ACCOUNTING, MANAGEMENT CONSULTING	MAKHENSA MABUNDA
2	Vossloh Kiepe GES.M.B.H	Siyaya Rail Infrastructure Solutions and Technology P/L	R 404,084.94	37,959.00 €	2011-12-08	LEGAL, ACCOUNTING, MANAGEMENT CONSULTING	MAKHENSA MABUNDA
3	Vossloh Kiepe GES.M.B.H	Siyaya Rail Infrastructure Solutions and Technology P/L	R 367,794.47	0.00 €	2012-02-21	LEGAL, ACCOUNTING, MANAGEMENT CONSULTING	MAKHENSA MABUNDA
4	Vossloh Kiepe GES.M.B.H	Siyaya Rail Infrastructure Solutions and Technology P/L	R 761,573.80	73,955.00 €	2012-06-18	LEGAL, ACCOUNTING, MANAGEMENT CONSULTING	MAKHENSA MABUNDA
5	Vossloh Kiepe GES.M.B.H	Siyaya Rail Infrastructure Solutions and Technology P/L	R 3,209,515.14	276,811.20 €	2013-04-05	LEGAL, ACCOUNTING, MANAGEMENT CONSULTING	MAKHENSA MABUNDA
6	Vossloh Kiepe GES.M.B.H	Siyaya Rail Infrastructure Solutions and Technology P/L	R 5,194,335.57	399,955.00 €	2013-09-20	PROCEEDS FOR MANAGEMENT CONSULTING	MAKHENSA MABUNDA
			R 13,663,169.82	1,138,635.20 €			

15.2.2. Vossloh Espana made six (6) payments to S-Investments (Pty) Ltd between February 2014 and September 2015 totalling

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R75,328,121.57. The “category” for these payments is reflected as “*Proceeds for Management Consulting Services*” and “*Architectural, Engineering and other Technical Services*”. Refer <Table 30> below for the detail of each payment:

No	Payment from non-resident	Payment to resident	Rand Amount	Euro Amount	Payment Date	Category	Resident Contact
1	Vossloh España S.A.	S-Investments (Pty) Ltd	R 15,451,365.82	1,039,334.20 €	2014-02-05	PROCEEDS FOR MANAGEMENT CONSULTING SERVICES	SOLLY, MAKHENZA
2	Vossloh España S.A.	S-Investments (Pty) Ltd	R 22,309,772.01	1,559,001.00 €	2014-06-30	PROCEEDS FOR MANAGEMENT CONSULTING SERVICES	MAKHENSA, MABUNDA
3	Vossloh España S.A.	S-Investments (Pty) Ltd	R 25,229,305.38	1,960,547.49 €	2015-10-10	PROCEEDS FOR MANAGEMENT CONSULTING SERVICES	SOLLY, MIKATEKO MADUNDA
4	Vossloh España S.A.	S-Investments (Pty) Ltd	R 12,337,678.36	830,780.93 €	2015-09-03	ARCHITECTURAL, ENGINEERING AND OTHER TECHNICAL SERVICES	MAKHENSA, MABUNDA
			R 75,328,121.57	5,389,663.62 €			

- 15.3. Considering the material nature and amounts of the payments listed above, specifically as the payments were ostensibly made to Mabunda companies, this report and the content therein needs to be investigated further.

RS1

**CERTIFICATE IN TERMS OF SECTION 4 OF THE PROTECTION OF INFORMATION ACT, ACT 84
OF 1982**

Colonel S Magobane

I, Ryan Sacks, Director of Horwath Forensics SA (Pty) Limited certify that I took note of the contents of Section 4 of the Protection of Information Act, Act 84 of 1982, which *inter alia* states:

"Any person who has in his possession or under his control or at his disposal

- (b) any document, article or information;*
- (iii) which has been entrusted in confidence to him by any person holding office under the Government*

and who

- (aa) discloses such document, article or information to any person other than the person to whom he is authorized to disclose it to or to whom it may lawfully be disclosed to or to whom, in the interest of the Republic it is his duty to disclose it;*
- (bb) publish or use such document, article or information in any manner or for any purpose which is prejudicial to the security or interest of the Republic;*
- (cc) retains such document, article or information when he has no right to retain it or when it is contrary to his duty to retain it or neglects or fails to comply with any direction issued by lawful authority with regard to the return or disposal thereof; or*
- (dd) neglects or fails to take proper care of such document, article or information, or so to conduct himself as not to endanger the safety thereof*

shall be guilty of an offence and liable on conviction to a fine not exceeding R10 000-00 or imprisonment for a period not exceeding 10 years or to both such fine or imprisonment.

Therefore I am aware that I may not disclose or publish any document, article or information which was entrusted to me in confidence by members of the South African Police Services to any person who is not authorized to the disclosure of such document, article or information.

SIGNED AT SANDTON ON 16 OCTOBER 2015

 RYAN SACKS

Witness:



Witness:



06/01/2016 12:43 FAX

001/001

SUID-AFRIKAANSE POLISIEDIENS



SOUTH AFRICAN POLICE SERVICE

SAP21

Privaatsak/Private Bag X1500, SILVERTON, 0127

Verwysing Reference	4/5/9 (15)
Navrae Enquiries	Col P Govindasami
Telefoon Telephone	012 846 4103
Faksnommer Fax number	012 846 4404

HEAD: COMMERCIALCRIME
DIRECTORATE FOR PRIORITY CRIME
INVESTIGATION
SOUTH AFRICAN POLICE SERVICE
SILVERTON
0127

The Head
Cyber Crime and Digital Forensic Laboratory
Directorate for Priority Crime Investigation
HEAD OFFICE

**APPLICATION FOR THE APPOINTMENT OF FORENSIC CHARTERED
ACCOUNTANTS AT NO COST TO THE STATE: HILLBROW CAS 405/07/2015**

1. Your letter dated 14 December 2015, has bearing on this matter.
2. This office has analysed the expert service application and is in agreement that there is a need for the service to be rendered to aid the investigation with evidential material as spelt out in the application.
3. This application is supported on the understanding that the services to be rendered by Mr Ryan Sacks, Director of Horwath Forensic SA (Pty) Limited sub-contracted to Werkmans Attorneys and engaged by Passenger Rail Agency of South Africa (PRASA) will be at no cost to the South African Police Service and that the information provided is to be used exclusively in the criminal investigation relating to Hillbrow CAS 405/07/2015.
4. The service provider has taken cognisance of the contents of Section 4 of the Protection of Information Act 84 of 1982 and has acknowledged a certificate in this regard.


BRIGADIER
F/HEAD: COMMERCIAL CRIME
DIRECTORATE FOR PRIORITY CRIME INVESTIGATION
NP MHLONGO

Date: 2015/12/28

Specialised Commercial Crime Unit



Inquiries: Adv JL Wolfaardt / Adv SJ Bhengu
15 December 2015
10/3/5

The Head: Commercial Crime
Directorate for Priority Crime Investigation
SILVERTON
0127

For Attention: Colonel JR Mosito.

Dear Sir

LETTER IN SUPPORT OF APPLICATION BY THE INVESTIGATING OFFICER FOR THE APPOINTMENT OF FORENSIC ACCOUNTANTS: HILLBROW CAS 405/07/2015

1. Your email dated 14 December 2015 refers.
2. It appears from your application dated 14 December 2015 for the appointment of forensic accountants in this matter that Werksmans Attorneys was appointed by the current Board of PRASA to perform a forensic investigation in relation to various allegations of irregular, fruitless, wasteful and unauthorized expenditure incurred by PRASA, and all irregular and or unlawful activity related thereto as outlined in but not limited to the Auditor General of South Africa (AGSA) draft Report dated 31 March 2015.
3. The proposed investigation is of a complex nature and extensive, involving a number of entities and individuals (including the employees of PRASA). These entities and individuals are detailed in your formal application for the appointment of forensic accounts, and as a result, there is no need to repeat same.
4. On the basis of the above explanation and in order to afford a proper investigation of the allegations against the suspects and entities they represent, I am of the opinion that there is a need for the appointment of forensic accountants to perform a forensic investigation.

JOHANNESBURG

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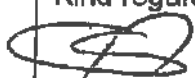
www.npa.gov.za

5. I submit that the magnitude of the case requires the services of a qualified firm of forensic accountants with a proven track record of successful investigation in matters of this nature. The forensic accountants should be required to:

5.1 Perform a forensic investigation pertaining to the allegations of irregular, fruitless, wasteful and unauthorized expenditure incurred by PRASA, and all irregular and or unlawful activity related to Swifambo Tender number HO/SCM/223/11/2011. The forensic investigation on this tender must cover all identified bank account details; all identified entities and individuals implicated in the process of awarding of this tender as well as those entities that benefitted therefrom; and

5.2 Conduct a forensic audit in relation to all bank accounts (currently identified, as well as all subsequent accounts that will emerge from further subpoenas) to trace the flow of funds in order to establish whether any of the individuals/entities and PRASA employees involved in the awarding of tenders fraudulently or irregularly benefitted from the process.

Kind regards



ADV BC CHAWILE
ACTING HEAD OF OFFICE

23/12/2015

ADV JL WOLFAARDT BC
DEPUTY DIRECTOR OF PUBLIC PROSECUTIONS
SPECIALISED COMMERCIAL CRIME UNIT
JOHANNESBURG

NASIONALE VERVOLGINGSGESAG GESPECIALISEERDE HANDELSMISDAADEENHEID
PRIVAATSAK/PRIVATE BAG X4158
2015 -12- 23
JOHANNESBURG 2000
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RS3

**Horwath Forensics SA (Pty) Ltd**

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Reg no: 2005/003963/07

REPORT FOR THE DIRECTORATE FOR PRIORITY CRIME INVESTIGATIONS

**RE: PASSENGER RAIL AGENCY OF SOUTH AFRICA
(“PRASA”)**

REGARDING CASE NUMBER HILLBROW CAS 405/07/2015

SWIFAMBO FLOW OF FUNDS ANALYSIS

(DRAFT) PRELIMINARY REPORT

20 April 2017 (Revised)

CONFIDENTIAL

****FOR DISCUSSION PURPOSES ONLY****

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1. DISCLOSURE

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2. BACKGROUND TO THE GENESIS OF THE INVESTIGATION

- 2.1. On 27 July 2012 PRASA appointed Swifambo Rail Leasing (Pty) Ltd ("**Swifambo Rail Leasing**" or "**SRL**") as the preferred bidder for the provision of 88 diesel electric (hybrid) locomotives under tender number HO/SCM/223/11/2011 (hereafter referred to as "**the locomotive tender**"). The contract was signed on 25 March 2013 by Lucky Montana¹ ("**Montana**") in his capacity as GCEO of PRASA and Auswell Mashaba ("Mashaba") on behalf of Swifambo Rail Leasing. The estimated value of the contract was R3.5 billion over a 3 year period.
- 2.2. **Hillbrow CAS 405/07/2015** – On 08 July 2015, Parker Mamabolo ("**Mamabolo**"), in his capacity as Assistant Manager (Special Operations) for PRASA, reported a number of suspected corrupt activities in which PRASA employees and senior management are implicated in the unlawful awarding of PRASA tenders. In a supplementary affidavit from Mamabolo it is alleged that the circumstances under which PRASA tender number HO/SCM/223/11/2011, to the value of R3.5-billion to Swifambo Rail Leasing, was irregular and/or unlawful and may amount to fraud and/or corruption.

¹ Montana resigned on 15 March 2015, the Board of PRASA accepted his resignation on 1 April 2015.

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- 2.3. The Auditor General of South Africa ("**AGSA**") released its report styled "*Draft Final Management Report*" for the financial year ended 31 March 2015 that identified a significant number of irregularities and wasteful expenditure. Irregularities are identified and individuals named as being responsible for such irregularities in terms of the appointment of service providers in contravention of the PRASA Supply Chain Management Policy and Procedure and Public Finance and Management legislation. The AGSA concluded that the awarding of this tender to Swifambo Rail Leasing amounted to "irregular expenditure."
- 2.4. Werksmans Attorneys were duly appointed by PRASA on 6 August 2015 to perform a forensic investigation into various instances of irregular, fruitless and wasteful expenditure incurred by PRASA, and all irregular and/or unlawful activity related thereto which has been outlined in but not limited to the final report compiled by the Auditor-General of South Africa dated 31 July 2015 as well as the Public Protector's report entitled "*Derailed*" which was published on 24 August 2015.
- 2.5. Werksmans attorneys have launched an application for the setting aside of contract with Swifambo Rail Leasing. The civil applications and supporting documentation are available to the SAPS, from which it is apparent that further documentation is available and requires introduction to the criminal cases along with the appropriate affidavits. During this process a number of PRASA staff members were interviewed. These interviews were recorded and the transcripts are available.

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3. APPOINTMENT OF HORWATH FORENSICS

3.1. On 28 December 2015, Horwath Forensic SA (Pty) Ltd ("**Horwath Forensics**"), represented by Mr. Ryan Sacks (director) were appointed by the State to perform a forensic investigation pertaining to the allegations of irregular, fruitless, wasteful and unauthorised expenditure incurred by PRASA related to Swifambo Tender number HO/SCM/223/11/2011. Per the mandate letter the scope of the investigation includes all identified bank account details and individuals implicated in the process of awarding this tender as well as those entities that benefitted therefrom, and to conduct a forensic audit in relation to all bank accounts currently identified and subsequent accounts that will emerge from further subpoenas, to trace the flow of funds and establish whether any of the individuals / entities and PRASA employees involved in the awarding of the tenders fraudulently or irregularly benefitted from the process.²

4. INTRODUCTION TO THE FORENSIC ACCOUNTING INVESTIGATION

4.1. Horwath Forensics were **mandated to trace the flow of funds** paid from PRASA to Swifambo Rail Leasing and Swifambo Rail Holdings (Pty) Ltd ("**Swifambo Rail Holdings**" or "**SRH**") in terms of PRASA tender HO/SCM/223/11/2011, in order to establish whether any individuals or entities involved in the awarding of the tender irregularly or fraudulently benefited from this process or any other individuals/entities who benefitted from this process. Accordingly, our forensic investigation considered the bank account information of Swifambo Rail Leasing, Swifambo Rail Holdings and any individuals and

² Mandate letter signed on 28 December 2015 from N.P. Mhlongo, Head: Commercial Crime, DCPI, SAPS, supported by the letter signed on 23 December 2015 from Adv BC Chauke, Acting Head of Office, Specialised Commercial Crime Unit, Johannesburg.

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entities identified during the course of our investigation who received funds from Swifambo Rail Leasing and Swifambo Rail Holdings.

- 4.2. The **objective** of the Horwath Forensics investigation was to analyse the payments made by PRASA to Swifambo to the value **R2,650,207,950** and to conclude on the subsequent utilisation of these funds by Swifambo.
- 4.3. For the purposes of this report, unless where the company name is specified, Swifambo refers to *collectively* to Swifambo Rail Leasing and Swifambo Rail Holdings, whose business operations cannot be distinguished from one another. In form, Swifambo Rail Holdings is the holding company for Swifambo Rail Leasing.
- 4.4. This report will illustrate how the above funds (paid by PRASA) were utilised by Swifambo. Specifically, suspicious payments made to entities that are evidently unrelated to the tender for the purchase of locomotives by PRASA are identified. Accordingly, this report will show significant payments made to persons and entities that **have evidently played no part in the procurement of locomotives**, but have nonetheless benefitted from the proceeds of this transaction.

5. SCOPE AND METHODOLOGY

- 5.1. The findings to date incorporated in this preliminary report were compiled after the review of information furnished to us by the South African Police Services (“**SAPS**”). Specifically, we have performed a detailed bank statement analysis of the accounts in the name of Swifambo. Specifically, the following **two (2)** bank accounts:

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- 5.1.1. **Swifambo Rail Leasing (Pty) Ltd** – Standard Bank account number 022682570 for the period 01 January 2012 to 18 September 2015.
- 5.1.2. **Swifambo Rail Holdings (Pty) Ltd** - Standard Bank account number 202538117 for the period 01 January 2011 to 03 September 2015.
- 5.1.3. There appears to be additional bank accounts held by the Swifambo companies. This point is expanded on below.
- 5.2. For the purposes of this investigation, the analysis of the Swifambo bank accounts and the utilization of the funds by Swifambo received from PRASA is considered to be the '**FIRST LEVEL**' analysis. **This report only deals with the first level findings.**
- 5.3. Based on the findings emanating from the first level analysis, the forensic audit procedures will be extended to focus on entities and the related bank accounts which benefitted from funds received from Swifambo, and the utilization of these funds by these entities. This is considered to be the '**SECOND LEVEL**' analysis. The fieldwork for the second level analysis has already commenced (for the information that is available to us).
- 5.4. **At this stage, with regard to the first level analysis, it is apparent that there are additional bank accounts held by Swifambo, which has not been provided for analysis. Specifically, the bank statements for two Swifambo bank accounts, which are indicative of being 'call' (or investment) accounts in nature. Based on the analysis to date, it is apparent that there has been significant flows of funds to other Swifambo accounts, in all likelihood these two aforementioned bank accounts. It is our understanding that**

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these two bank accounts statements have been subpoenaed by SAPS from the respective bank (detailed below). Therefore, until such time as we receive these bank statements, we cannot complete our first level analysis (i.e. of the entire Swifambo cash position), and report thereon.

- 5.5. Therefore, the first level findings in this report are considered to be '**in progress**' and are **subject to finalization** after the complete analysis of the bank accounts received and the bank accounts still to be received.
- 5.6. We compiled a list of the identified related party individuals and entities, which we utilised to allocate the bank statement transactions.
- 5.7. The transactions were allocated to the appropriate sources and beneficiaries of funds using the reference, date and amounts reflected on the bank statements and were subsequently confirmed to either the source or beneficiary bank statements, where these were available.
- 5.7.1. We were not provided with the accounting records of Swifambo (i.e. management accounts, general ledgers etc.) which could be utilised to assist in understanding the nature of the transactions in the bank accounts).
- 5.8. Note that the list of information received and/or requested to be received is not exhaustive as additional information will be required based on the findings of the analysis.

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6. INFORMATION RECEIVED

- 6.1. Refer **<ANNEXURE 1 – to be inserted>** for a listing of the bank accounts and other information furnished to Horwath Forensics by SAPS obtained per Subpoenas in terms of Section 205 of the Criminal Procedure Act 50 of 1977.
- 6.2. Again, at this stage, this report is considered to be preliminary. Accordingly we are still in the process of analysing the received bank accounts per the Second Level analysis.

7. INFORMATION OUTSTANDING / REQUESTED

- 7.1. Level One – specific information outstanding for this report (for Level One analysis) are the other Swifambo bank accounts, specifically, the Swifambo Bidvest bank account.³
- 7.2. Level Two (thereafter) – further, information to be requested for the investigation going forward is an evolving process. We intend to liaise with SAPS in this regard in order to provide the relevant detail of the bank accounts / transactions required for further analysis.

8. LIMITATION OF SCOPE

- 8.1. The scope of our investigation is limited to the mandate and by the completeness and accuracy of the information and documentation obtained from outside sources.

³ This was communicated to SAPS during the course of the investigation.

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- 8.2. Although we endeavour to be as comprehensive as possible in gathering information, we cannot guarantee the accuracy or completeness of information obtained from outside sources.
- 8.3. The scope of our work did not constitute an audit in terms of International Standards on Auditing and accordingly we do not express an opinion on any of the financial data or other information on which our financial analysis was based.
- 8.4. If new or additional documentation or information is brought to our attention subsequent to the date of this report and/or extended investigations are conducted, which would affect our findings, we reserve the right to supplement and/or amend our findings accordingly

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9. BACKGROUND TO THE APPOINTMENT OF SWIFAMBO AS THE PREFERRED BIDDER

9.1. On 27 November 2011, PRASA invited bid proposals under tender number HO/SCM/223/11/2011. On 2 December 2011, PRASA issued a Request for Proposals ("the **RFP**") in respect of the tender.

9.2. Six (6) bidders submitted responses to the RFP by the closing date, namely:

9.2.1. Mafori Financing t/a Swifambo Rail Leasing (Pty) Ltd;

9.2.2. Havdap Investment Solution (Pty) Ltd;

9.2.3. Thelo Rolling Stock Leasing (Pty) Ltd;

9.2.4. CRM Consortium;

9.2.5. RRL Grindod; and

9.2.6. GE South Africa.

9.3. On 9 March 2012 Swifambo, represented by its CEO, Mashaba, submitted its response to the RFP. Swifambo submitted its response with Vossloh Espana SAU ("**Vossloh**") as its supply partner.

9.4. Swifambo was presented as a wholly owned subsidiary of Swifambo Rail Holdings. At the time of submission of the bid, the shareholders of Swifambo Rail Holdings were represented as being:

9.4.1. Mr Auswell Mashaba;

9.4.2. Identity Capital Partners (Pty) Ltd;

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- 9.4.3. Thintamakhosi Empowerment Trust; and
- 9.4.4. Hadassah Mining House (Pty) Ltd.
- 9.5. Swifambo indicated that its locomotives would be designed and manufactured by Vossloh, which locomotives would be tailor made to meet the exact requirements set in the RFP. Swifambo also expressed the intention to enter into a joint venture with Vossloh Southern Africa, the purpose of which would be to provide locally-based maintenance to the PRASA fleet.
- 9.6. Swifambo was appointed by PRASA as the preferred bidder on 27 July 2012, and concluded the Sale and Purchase of Locomotives Agreement (hereafter referred to as **"the contract"**) with PRASA on 25 March 2013 for the supply of 70 new locomotives to PRASA for a value of **R 3.5 billion inclusive of VAT**.
- 9.7. Per the contract, the price of each locomotive was **€3,822,900 per locomotive**.
 - 9.7.1. Accordingly, the total Euro contract price, for 70 locomotives was **€267,603,000** (i.e. 70 multiplied by €3,822,900).
- 9.8. The contract defined the price for each locomotive at the **"Set Rate"** of R10.18 to the Euro as follows: *"the Seller (Swifambo) submitted to the Purchaser (PRASA) a price based on Euro, at the Rand/Euro exchange rate of R10.18 (the "Set Rate")"*.
- 9.9. The contract details that Swifambo will be responsible for the cost and risk of fluctuation of the Rand/Euro exchange rate from the Set Rate (i.e. R10.18) up to R10.40 and that PRASA will be responsible for cost and risk for currency fluctuations above R10.40.

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- 9.10. **Swifambo Rail Leasing (Pty) Ltd**, registration number 2010/007968/07, was registered at the CIPC⁴ on 22 April 2010. The business address for Swifambo is recorded on their website as Central Park Office, 16th Street, Midrand, Gauteng (Block A), however it appears that they also conduct business from Block H, River View Park, Janadel Ave, Jhb telephone number 011 205 0227.
- 9.11. Per CIPC the directors for Swifambo Rail Leasing (Pty) Ltd are recorded as being:
- 9.11.1. **Auswell Mashaba** ID 6403175730084 was appointed as a director of Swifambo Leasing on 07 March 2012. A Mashaba is reflected as being the Chairman of Swifambo Rail Leasing.⁵
- 9.11.2. **Cynthia Michelle Parrish** ("**Parrish**") ID Passport no. 442936175 is a United States citizen with date of birth 1959/10/23 was appointed as a director of Swifambo Rail Leasing on 07 February 2012. Parrish is recorded as the Chief Legal Counsel of Musa Capital, who were listed as advisors to the 'Swifambo Consortium' in a presentation given by Mashaba.
- 9.11.3. **Jacqueline Nolwandle Mboweni** ("**Mboweni**") ID 6110030746086 was appointed as a director of Swifambo Rail Leasing on 01 March 2014.⁶
- 9.11.4. **Makhosini Thaniel Mashele** ("**Mashele**") ID 7405195333087 was appointed as a director of Swifambo Rail Leasing on 01 March

⁴ CIPC = Companies and Intellectual Property Commission

⁵ An Annexure listing the companies in which Mashaba is a director or holds a members interest according to CIPC electronic records will be inserted on finalization of the Level One report.

⁶ An Annexure listing the companies in which Mboweni is a director or holds a members interest according to CIPC electronic records will be inserted on finalization of the Level One report.

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2014 and is MT Mashele is reflected as being the Chief Executive Officer of Swifambo Rail Leasing.⁷

9.12. Swifambo Rail Leasing is 100% owned by **Swifambo Rail Holdings (Pty) Ltd.** Per CIPC the directors for Swifambo Rail Holdings (Pty) Ltd are recorded as being Mashaba and Parrish.

10. PAYMENTS FROM PRASA TO SWIFAMBO

10.1. In total, Swifambo received eight (8) payments from PRASA totalling **R2,650,207,950** (including VAT). Two payments were received into Swifambo Rail Holdings bank account and six payments were received into Swifambo Rail Leasing's bank account. <Table 1> below shows the receipts by Swifambo from PRASA per Swifambo's bank accounts:

Table 1 - Receipts by Swifambo from PRASA per Swifambo bank statements				
RECEIVING BANK ACCOUNT	ACCOUNT DETAILS	DATE	BANK STATEMENT DESCRIPTION	AMOUNT
1 Swifambo Rail Holdings	Standard Bank 0202538117	2013-04-05	INTERBANK CREDIT TRANSFER /PRASA MIDRAND BRAN 547	R 460,526,315.79
2 Swifambo Rail Leasing	Standard Bank 022682570	2013-12-06	INTERBANK CREDIT TRANSFER PRASA TECH HO SANDTON 826	R 64,473,684.21
3 Swifambo Rail Leasing	Standard Bank 022682570	2013-12-24	INTERBANK CREDIT TRANSFER PRASA TECH HO SANDTON 787	R 468,672,880.80
4 Swifambo Rail Leasing	Standard Bank 022682570	2014-05-13	INTERBANK CREDIT TRANSFER SHOSHOLOZA MEY L HO	R 335,308,062.36
5 Swifambo Rail Leasing	Standard Bank 022682570	2014-07-01	INTERBANK CREDIT TRANSFER SHOSHOLOZA MEY L HO	R 430,166,416.92
6 Swifambo Rail Holdings	Standard Bank 0202538117	2015-01-12	CATS THIRD PARTY PAYMENT METRORAIL PRASA CORPORATE	R 444,565,613.96
7 Swifambo Rail Leasing	Standard Bank 022682570	2015-06-05	INTERBANK CREDIT TRANSFER SHOSHOLOZA MEY L HO	R 182,424,651.62
8 Swifambo Rail Leasing	Standard Bank 022682570	2015-07-07	INTERBANK CREDIT TRANSFER SHOSHOLOZA MEY L HO	R 264,070,324.63
TOTAL				R 2,650,207,950.29
VAT THEREON at 14%				R 325,464,134.25
TOTAL NET OF VAT				R 2,324,743,816.04

10.2. The payments listed per <Table 1> above accord with the records of PRASA.

⁷ An Annexure listing the companies in which Mashele is a director or holds a members interest according to CIPC electronic records will be inserted on finalization of the Level One report.

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- 10.3. The first payment of R460,526,316 from PRASA to Swifambo was on 5 April 2013, eleven days after the contract was signed on 25 March 2013. This payment was paid by PRASA prior to the fulfilment of the condition precedent which required a performance bond to be provided by Swifambo Rail Leasing.
- 10.4. Per the contract between Swifambo and PRASA, all payments from PRASA were to be made into Standard Bank account number 022682570 held in the name of Swifambo Rail Leasing. Two payments, however, in the amounts of R460,526,316 on 05 April 2013 and R444,565,614 and 12 January 2015, respectively, were paid into Standard Bank account number 202538117 held in the name of Swifambo Rail Holdings.

11. SUMMARY OF THE CIVIL APPLICATIONS – RELEVANT COMMENTARIES FOR THE FLOW OF FUNDS ANALYSIS

11.1. This report needs to be read in conjunction with:

- 11.1.1. The Founding and Replying Affidavits of PRASA, as the **Applicant**, deposed to by Mr. Popo Molefe ("**Molefe**"), chairperson of the Board of PRASA (hereafter collectively referred to as the "**Molefe Affidavits**").⁸
- 11.1.2. The Answering Affidavit⁹ of Swifambo, as the **Respondent**, deposed to by Felice Massaro ("Massaro"), Group Chief Executive

⁸ In the matter between Passenger Rail Agency Of South Africa (Applicant) And Swifambo Rail Leasing (Pty) Ltd (Respondent). The Founding Affidavit is dated 27 November 2015 and the Replying Affidavit is dated 25 August 2016. Molefe's affidavit drew upon the findings of the forensic audit, and includes the confirmatory affidavit of Ryan Sacks.

⁹ In the matter between Passenger Rail Agency Of South Africa (Applicant) And Swifambo Rail Leasing (Pty) Ltd (Respondent), dated 6 June 2016.

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Officer of Swifambo (hereafter referred to as the “**Massaro Affidavit**”).¹⁰

- 11.1.3. The Affidavit of Philemon Makgatlala Mamabolo, as well as Mamabolo’s supplementary Affidavit (hereafter collectively referred to as the “**Mamabolo Affidavits**”).¹¹
- 11.2. For the purposes of the flow of funds analysis, various excerpts of the affidavits which are applicable to the findings of the flow of funds analysis are included in this section.
- 11.3. It is important to take into account the arguments as set out in the Molefe affidavits as the **flow of funds analysis and findings detailed in this report support the arguments set out in the Molefe affidavits** – which argues that Swifambo was a **fronting** company set up to benefit from the **locomotive tender**, in order to **enrich** specific individuals and/or entities.
- 11.4. The **favouring** of Swifambo’s bid above the other bids and subverting the procurement process for which the RFP was established further supports this argument.

¹⁰ Massaro was appointed as a director of Swifambo on 31 May 2016, according to the records of CIPC, six days before he deposed to his Answering Affidavit, and on the same day that he was authorised by Swifambo to represent it in this application and to depose to the answering affidavit. Accordingly, in the Replying Affidavit, Molefe contends that Massaro cannot have any personal knowledge of what transpired during the bid process and the negotiation of the contract. The directors of Swifambo who have that knowledge have not provided affidavits (or provided those facts to Massaro). In particular, there is no evidence from Mashaba, who was integral to the bid and contract. Swifambo has avoided obtaining the facts from Mashaba or any other person who has personal knowledge of the bid process and the negotiation of the contract. The inference must be that any evidence given under oath would implicate Swifambo or at the very least be contrary to the case sought to be made out by Swifambo in relation to its alleged innocence. A consequence of the approach adopted by Swifambo is that the conclusion arrived at in the founding affidavit that Swifambo was preferred throughout the bid process is not addressed in any meaningful manner by Massaro and there is nothing in the answering affidavit that justifies any other conclusion. Molefe argues that the allegations and denials made by Mr Massaro should be disregarded to the extent that they are uncorroborated and unsubstantiated by some reliable source of evidence.

¹¹ Dated 8 July 2015 and 28 September 2015, respectively.

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11.5. In summary, the Molefe affidavits contend that:

- 11.5.1. Swifambo had no previous involvement in the rail industry prior to the award of the contract and was not in a position to perform the contract.
- 11.5.2. Swifambo was set up for the sole purpose of obtaining the locomotive tender and had a fronting relationship with Vossloh.
- 11.5.3. Swifambo Rail Leasing was acquired by Swifambo Rail Holdings on 7 February 2012 and applied to change its name (from Finance Vryheid (Pty) Ltd) to intimate some involvement in the rail industry on 1 March 2012, only four months prior to the award of the tender.
- 11.5.4. Swifambo had no business or commercial operations other than to be the 'middle man' **to earn a commission** in the locomotive tender i.e. There is no evidence that Swifambo performed work of any substance on the contract or that it has other business or another source of income.
- 11.5.5. Swifambo did not incur any costs of manufacture or any related costs relating to the completion of the locomotives i.e. **it did not incur any 'cost of sales' related expenses.**¹²

¹² Cost of sales is the **direct** costs attributable to the production of the goods sold by a company. This amount includes the cost of the materials used in creating the good along with the direct labour costs used to produce the good. It excludes indirect expenses such as distribution costs and administration costs. Cost of sales appears on the income statement and can be deducted from revenue to calculate a company's gross profit. Also referred to as "cost of sales." (per <http://www.investopedia.com/>).

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- 11.5.6. Swifambo added no value to the performance of the contract. Vossloh assumed all the obligations to supply the locomotives and Swifambo pocketed a significant portion of the contract price for acquiring the contract.
- 11.5.7. Massaro does not deny that Swifambo had no previous involvement or track record in the rail industry prior to the award of the tender. Swifambo was a shelf company acquired for the sole purpose of obtaining the tender. Massaro confirmed that Swifambo was not trading when it submitted the bid. Massaro alleges that the execution of the contract involved purchasing and setting up office equipment, and external technical engineering services were engaged. It appears from all of this that Swifambo had no offices or infrastructure and was not in a position to provide the services in the tender.
- 11.5.7.1. Save for Swifambo's BEE compliance, there was no reason for Swifambo to be involved in the bid when Vossloh would ultimately be supplying the locomotives.

Timeline of events leading up to Swifambo's bid

- 11.6. PRASA published a request for expressions of interest ("RFEI") on **24 and 26 July 2009**. The RFEI stated that PRASA had a shortfall of locomotives and wanted to lease locomotives.
- 11.7. During **May 2011**, Vossloh inspected PRASA's fleet and prepared a status report.

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11.8. In **June 2011**, Daniel Mtimkulu ("**Mtimkulu**"), the former PRASA Chief Engineer Rail, recommended the supply of **air conditioning systems** by Vossloh Kiepe Ges.m.bh.H (a subsidiary of Vossloh incorporated in Germany). Mtimkulu also authorised payment in terms of the air conditioning contract in the amount of €3,631,090.¹³ There are significant irregularities surrounding the supply of these air conditioning units, which is currently being investigated by PRASA.

11.9. The RFP was published on **27 and 28 November 2011**.

11.10. The RFP was collected by someone from "**S Group**", and S Group Holdings Company (Pty) Ltd paid for the tender documents using the reference "Swifambo". Molefe assumes they did so as an agent for Swifambo. Refer to the flow of funds analysis in in this report for further information pertaining to S Group.

11.11. Swifambo responded to the tender as Mafori Finance Vryheid trading as Swifambo Rail Leasing. The bid was submitted on **27 February 2012**.

11.11.1. Again, Swifambo Holdings acquired Mafori Finance Vryheid on **7 February 2012**, and Mafori Finance Vryheid changed its name to Swifambo Rail Leasing on 5 March 2012.

Non-compliance by Swifambo with requirements of the RFP

11.12. The Molefe Affidavit contends that **Swifambo's bid did not comply** with the requirements set out in the RFP in multiple material respects, including (but not limited to) the following items:

¹³ Approximately R24,6 million at the average exchange rate of R6.8 to the US Dollar for June 2011 (per www.oanda.com).

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- 11.12.1. A tax clearance certificate was not submitted for Vossloh, as required for *inter alia* all joint venture partners.
- 11.12.2. The tax clearance certificate submitted by Swifambo did not contain a VAT number.
- 11.12.3. The bid did not comply with the local content requirement as the locomotives were to be designed and manufactured in Spain.
- 11.12.4. The bid did not contain evidence to support Swifambo's claims that it and its shareholders had previous experience in the rail industry, and in terms of which the final bidder selected pursuant to the RFP **was required to:**
 - 11.12.4.1. Be technically and financially qualified to provide the solution sought by PRASA;
 - 11.12.4.2. Have sufficient experience in similar projects;
 - 11.12.4.3. Have the commitment and resources to provide the services required in the project; and
 - 11.12.4.4. Be able to carry out all the obligations of the contract.
- 11.12.5. At the time the bid was submitted, Vossloh Espana S.A. was not a (co) bidder as defined in the RFP and Swifambo had not concluded a sub-contract with Vossloh. The bid indicated that Swifambo would rely solely on the experience and technical capabilities of Vossloh Espana S.A. to fulfil its obligations. There was no legal relationship between Swifambo and Vossloh Espana S.A., and therefore no indication that Swifambo could perform.

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- 11.12.6. Furthermore, the bid indicated that Swifambo intended to enter into a joint venture with Vossloh Southern Africa. There is reference to Vossloh Southern Africa Holdings (Pty) Ltd, which was incorporated as a shelf company (Main Street 951 (Pty) Ltd) on **29 November 2011**. On **17 May 2012** the company's name changed to Vossloh Southern Africa Holdings (Pty) Ltd.
- 11.12.7. The RFP required the joint venture to be in place by the time the bid was submitted (on 27 February 2012 by Swifambo). Accordingly, there was non-compliance with the RFP. In any event, Swifambo **never** entered into a joint venture with Vossloh Southern Africa. It entered into a **subcontracting** arrangement with the Spanish Entity, Vossloh Espana.
- 11.12.8. Swifambo's financial standing was unsatisfactory, in that:
- 11.12.8.1. Swifambo's auditors (Van Wyk Auditors) confirmed that Mafori Finance trading as Swifambo Rail was a new company and had not traded before.
 - 11.12.8.2. Swifambo's bankers (Standard Bank) confirmed that Mafori's bank account had recently been opened, and indicated that Swifambo had no financial history which the bank could use to evaluate its financial viability.
- 11.12.9. Swifambo and Vossloh concluded a contract on **4 July 2013**, sixteen (16) months **after** the bid was submitted, and **after** the contract was signed between PRASA and Swifambo on 25 March 2013.

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- 11.12.10. Swifambo obtained a R3.5 billion tender for the supply of locomotives when it had no offices or infrastructure, no experience and no contracts to obtain and supply the locomotives.

Meeting between Molefe, Mamabolo and Mashaba

11.13. Molefe's Replying Affidavit deals with the meeting between Molefe, Mamabolo, Mashila Mtlala (member of board and FCIP Committee Chairperson) and Auswell Mashaba, held on 31 August 2015.

- 11.13.1. Mashaba explained how he was approached by Makhensa Mabunda ("**Mabunda**") to participate in a tender to supply PRASA with locomotives.
- 11.13.2. Mashaba also dealt with his interactions with Maria Gomes ("**Gomes**"), and how Gomes wanted money for the "movement". Gomes also told him that she knew the bid to supply locomotives to PRASA was worth billions and she could not understand why ten percent (10%) of the value of the bid could not be paid to the African National Congress. Gomes was insistent that money should go to the movement.
- 11.13.3. Mashaba explained further that Mabunda had instructed him to pay some of the money received from PRASA into specified accounts, without Mashaba knowing who was being paid or the reason for the payment. Mashaba was insistent that he did not know the identity of the beneficiaries and he was merely informed that the money would "benefit the movement".

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- 11.13.4. Mashaba provided a pack of documents to Mamabolo incorporating documentation in support of various payments made by Swifambo/Mashaba – these supporting documents are included in the Molefe Replying Affidavit but are dealt with in this report, where relevant.
- 11.13.4.1. After payments were made by PRASA to Swifambo or Swifambo Holdings, Mashaba was instructed by Gomes to make the payments set out in the payments schedule (provided in the pack).
- 11.13.4.2. Mashaba confirmed that such payments were made to entities who were not creditors of Swifambo or Swifambo Holdings.
- 11.13.4.3. The amounts received by Swifambo or Swifambo Holdings would be transferred to his company AM Consulting Engineers (“**AMCE**”). AMCE would pay a company known as **Similex**. Once the payments had been made to Similex, Gomes would then ostensibly distribute the funds.
- 11.13.4.4. Mashaba maintained that he did not know who ultimately received the money.
- 11.13.4.5. Mashaba explained that there were cash payments to Gomes (on the payment schedule provided, showing amounts of R90, 000.00 and R1,050,000.00, which were undated in the payments schedule).

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11.13.5. The information provided by Mashaba regarding the aforementioned payments made by Swifambo is **corroborated** in the detailed findings in this report. The aforementioned payments from Swifambo to AMCE and ultimately to Similex and Gomes will be dealt with in the **second level flow of funds analysis**. This analysis is **currently still being performed**.

Irregularities in the tender process

11.14. Molefe contends in the Molefe Founding Affidavit that the tender process followed by PRASA to procure the locomotives, resulting in a purchase agreement with Swifambo, was *at the very least* **irregular**. The Molefe Founding Affidavits sets out the various reasons as to why the tender was irregular, which are summarised below (including but not limited to).

11.15. The evaluation process was improper.

11.16. Key supporting documentation cannot be found.

11.17. The needs assessment was not performed.

11.18. Approval from the Minister of Transport was not obtained.

11.19. There are no indications that National Treasury received a written submission.

11.20. There was no proper budgeting for the provision for the purchase of the locomotives.

11.21. Mtimkulu, who was instrumental to the procuring from and contracting with Swifambo in his role as the Executive Manager: Engineering Services: PRASA

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Rail, forged his qualifications. In a disciplinary hearing, Mtimkulu was found guilty of gross dishonesty, fraud and bringing the name of PRASA into disrepute.¹⁴

11.22. The technical specifications of the locomotives were designed to match the exact specifications of the Vossloh locomotives to ensure Swifambo was awarded more points during the technical evaluation (Swifambo was the only bidder who met the 70% threshold for technical evaluation).

11.23. The PRASA **SCM**¹⁵ compliance check **overlooked** the fact that:

- 11.23.1. A tax clearance certificate was not submitted for Vossloh
- 11.23.2. Swifambo's bid did not contain evidence to support its claims that it and its shareholders had previous experience in the rail industry.
- 11.23.3. No documents were provided in Swifambo's bid to confirm that it had entered into a joint venture with Vossloh Southern Africa. This was essential considering the bid indicated that Swifambo would rely solely on the experience and technical capabilities of Vossloh to fulfil its obligations.

11.24. The PRASA BEC¹⁶ raised serious concerns about the compliance of Swifambo's bid. These concerns were dismissed by the erstwhile Chief Procurement Officer, Chris Mbatha ("**Mbatha**"), who advised the BEC to focus on the technical evaluation only as SCM had checked the compliance aspect.

11.25. During the course of the bid process, prior to evaluation, the tender documents were in the possession of Brenda Malongete ("**Malongete**"), an independent

¹⁴ The investigation into Mtimkulu is ongoing.

¹⁵ SCM = Supply Chain Management.

¹⁶ BEC = Bid Evaluation Committee.

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consultant, at her private home. This fact is considered to be **extremely irregular**.

11.26. In terms of the procurement policy the preparation of the (technical) scoring sheet was the task of the CFSC, not the BEC as was performed in this instance.

11.27. Some of the members of the BEC suspected that in their application of the scoring sheet to Swifambo's bid that the specification had been **tailored** to fit Vossloh's locomotives. Their suspicions in this regard, coupled with their concern over the compliance of Swifambo's bid, caused them to suspect that the tender had been rigged.

11.28. The tailoring of the specification meant that the award of the tender was weighted in favour of Swifambo's bid before the scoring process commenced. The scoring demonstrates the advantage Swifambo had over the other bidders.

11.29. Although Swifambo derived assistance from the tailoring of the specification in its favour, for Swifambo to achieve the compliance threshold of 70%, further **manipulation** of the scoring was required which was evident upon review, including:

11.29.1. Large gaps in both the manuscript scoring sheet;

11.29.2. Additional line in the electronic combined scoring sheet, but not in the individual scoring sheets. The electronic combined scoring sheet was last amended by **Ntombeziningi Shezi**, SCM Prasa Cres, chairperson of the BEC;¹⁷

¹⁷ Shezi refused to speak to PRASA's attorneys or investigators.

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- 11.29.3. Members of the BEC replaced by individuals who were not part of the BEC; and
- 11.29.4. Rounding of numbers in favour of Swifambo.
- 11.30. Apart from the specifications being tailored and calculations manipulated to suit the Swifambo bid, the methodology adopted in the scoring process is **irrational**.
- 11.31. Another glaring irregularity that undermines the technical evaluation is that Swifambo offered the '**Euro 3000**' model diesel locomotives in their bid and that was the locomotive evaluated, but PRASA acquired the '**Euro 4000**' diesel locomotives **that were not evaluated**.¹⁸
- 11.32. The BEC recommended that Swifambo be appointed as the approved bidder.
- 11.33. There were various irregularities and areas of concern identified pertaining to the functions of the CTPC, the BAC¹⁹ and the FCIP with regards to approving the bid of Swifambo.
- 11.34. The BAC recommended that the appointment of Swifambo "be based on outright purchase option". The decision to purchase, when the RFP called for a lease, is **irregular and irrational** and cannot be explained when the entire process (until that point) had been directed at a lease.
- 11.35. It appears that an analysis performed by Brian Alexander ("**Alexander**"), the general manager responsible for treasury at PRASA, was central to the decision to move towards a purchase (Alexander appears to have been approached by Mbatha). The capacity in which Alexander performed this analysis is unclear. It falls outside the structures contemplated in the procurement policy and appears

¹⁸ The Euro 4000 is referred to as the **Afro 4000** in terms of this matter.

¹⁹ BAC = Bid Adjudication Committee.

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to have directly influenced the decision to change the scope of the tender from lease to outright purchase. This is highly irregular considering that it is inconsistent with the RFP and the procurement process.

11.36. The board met on **24 July 2012**. Board members in attendance included Sfiso Norbet Buthelezi ("**Buthelezi**") (as chairperson) and Montana. After considering (incorrect) information about the Swifambo bid, the Board approved Swifambo. The decision was irrational, arbitrary and in breach of the boards obligations – as explained in Molefe's Founding Affidavit. The decision of the board to award the tender to Swifambo in the absence of detailed and accurate information, and taking into consideration the fact that the value of the tender was R3.5 billion, was "**astounding**" according to Molefe in his Founding Affidavit.

11.36.1. Buthelezi/Sebenza – the flow of funds analysis will show that an entity, Sebenza Forwarding and Shipping (Pty) Ltd ("**Sebenza**"), **received R99 million from Swifambo.**

11.36.2. Previous directors of Sebenza include, **Buthelezi**, the **former Chairman** of the Board of PRASA.

11.36.3. Mamabolo alleged in his affidavit that Buthelezi, while Chairman of PRASA Board, failed to disclose his interest in Makana Investment Corporation ("**Makana**"), which has a 15% shareholding in Cadiz, a company allegedly providing advisory services to PRASA on the Rolling Stock. It has now been confirmed that it has a has a 55% shareholding in Sebenza, the preferred forwarding and clearing service provider to PRASA).

11.36.4. In addition, per investigations at PRASA into disclosure of interests, Buthelezi did not disclose his interest in Sebenza.

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- 11.36.5. **We note that, per the contract between PRASA and Swifambo, the cost of forwarding was for the cost of PRASA and not Swifambo. This is expanded on in the detailed findings.**
- 11.37. Molefe's Founding Affidavit contends that problems with the procurement process were identified and brought to Montana's attention before the board approved the Swifambo bid. Montana attended the board meeting on 24 July 2012 and refrained from pointing out any irregularities in the procurement process. The "inference" is that Montana was determined to proceed with the process that would result in the appointment of Swifambo as the preferred bidder.
- 11.38. In addition, Bridgette Gasa ("Gasa") raised serious concerns about Swifambo in an email, on 6 November 2012, to both Buthelezi (the erstwhile chairman) and Montana, and in another email to Mbatha on 20 November 2012. Despite these concerns, Montana allowed the negotiations to proceed and the contract between PRASA and Swifambo was concluded thereafter.
- 11.39. The **irregular** tender process and appointment of Swifambo as the preferred supplier of the locomotives **must be read in conjunction with / and context of the flow of funds i.e. the tender process was the manner in which the implicated individuals were able to enter PRASA into a business relationship with Swifambo and from which they illicitly benefitted from the contract.**
- 11.40. A consequence of the approach adopted by Swifambo is that the conclusion arrived at in Molefe's Founding Affidavit that Swifambo was preferred throughout the bid process **was not addressed** in any meaningful manner in the Massaro

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Affidavit and there is nothing in the Massaro affidavit that justifies any other conclusion.

Irregularities in the contract

11.41. The contract between Swifambo and PRASA was concluded on **25 March 2013**.
The contract was signed by Montana.

11.42. The contract materially deviated from the terms of the RFP. The RFP required a lease of locomotives. The main contract provided for a purchase of locomotives.

11.43. The contract inexplicably states that the RFP invited proposals for three options, and one of them was the outright sale of locomotives to PRASA. This statement is incorrect.

11.43.1. The competing bidders were not afforded an opportunity to bid on an outright sale as one of the options. This change in procurement strategy is **fundamentally flawed and unlawful**.

11.44. The award of the tender to Swifambo and the conclusion of the contract without the contractual involvement of Vossloh constituted a material irregularity. Swifambo had no technical capacity, and Vossloh had no contractual obligation to design, manufacture and deliver the locomotives in terms of the contract. **The risk to PRASA was palpable.**

11.45. The conclusion of the contract without the submission of an **unconditional performance bond**, as required, by Swifambo within the time period prescribed in the RFP was **irregular**.

11.46. In terms of the contract, the first twenty (20) locomotives to be delivered were the Euro 4000 locomotives.

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- 11.46.1. The Euro 4000 was designed for the European rail network, not South Africa. The Euro 4000 does not comply with the specifications as set out in the RFP, chief of which the Euro 4000 has an overall vehicle gauge height of 4,140 mm. The RFP clearly shows that the maximum vehicle gauge height requirement is 3,965mm. It will not be possible for Vossloh to reduce this height. The consequence of the **material deviation** from the locomotive gauge specification is that PRASA is saddled with locomotives that are not fit for purpose and **unsafe to operate on the South African rail network**.
- 11.47. On 11 April 2014, Mtimkulu sent a memorandum to Montana in which he requested a variation to the contract to include certain systems. According to Mtimkulu, the variation was required because “the systems that came with the locomotives per the Swifambo proposal to PRASA were **rudimentary** and therefore needed to be upgraded to ensure that the locomotives were fitted and assembled with the latest technology.”
- 11.47.1.1. The additional cost to PRASA was **R335,000,000**.
- 11.47.1.2. The request was recommended by Dr Josephat Phungula (“**Phungula**”) and approved by Montana on 11 April 2014, who had no authority to do so.
- 11.48. The suggestion that the proposal was rudimentary is nonsensical as the locomotives offered to PRASA by Swifambo were state of the art, and the systems mentioned in the memorandum were standard features.
- 11.49. The contract value is R3.5 billion. There was a **draft third addendum**, which was prepared by **Malongete**, and had been negotiated by Montana. The

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proposed third addendum to the contract would have resulted in the contract price increasing from R3.5 billion to R5 billion.

11.49.1. The draft third addendum was presented to PRASA's legal department, where it came to the attention of Fani Dingiswayo ("**Dingiswayo**", the General Manager: Group Legal Services). Mtimkulu asked the legal department to consider and approve the terms of the third addendum. PRASA's legal department raised a number of concerns with the third addendum and refused to be drawn into the approval process. The concerns included the absence of ministerial and board approval for the amendment, which increased the price of a contract previously approved by the board.

11.49.2. As a result, Dingiswayo and his superior Martha Ngoye ("**Ngoye**", the Group Executive: Risk, Legal and Compliance) were unlawfully and summarily dismissed by Montana. Montana accused Dingiswayo of using his position as the General Manager of PRASA's Group Legal Services to the detriment of PRASA. Ngoye was dismissed for questioning and objecting to Montana's decision to summarily dismiss Dingiswayo.

11.50. The third addendum was **not approved** by the board, and it remains **unsigned**.

Technical deficiencies of the locomotives

11.51. Taking into account the irregularities in the tender and the contract, Massaro contends that the locomotives received by PRASA are "*perfectly usable and comply with all the technical requirements*". Molefe contends that this is **incorrect**, and the Molefe Replying Affidavit provides supporting documentation

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and evidence, including evidence from an expert engineer, William Potgieter, an electrical engineer with over 39 years of project management experience in various forms (including locomotive procurement projects, technical management, technical training systems, and commuter train upgrades)

- 11.51.1. Crucially, the locomotives received by PRASA do not comply with the specified vehicle gauge which prescribes the maximum dimensions permissible in the manufacture of rolling stock ("vehicle structure gauge"). **The maximum height for a locomotive structure is prescribed at 3,965 mm.** Swifambo cannot ignore the limit and were well aware of this fact.
- 11.51.2. However, disregarding the fact that Swifambo was well aware as to the technical requirements, Swifambo still supplied 'Afro 4000' locomotives with a height of 4,140mm. This resulted in locomotives which were too high and unusable.
- 11.51.3. At various stages after the contract was concluded between PRASA and Swifambo, qualified PRASA personnel raised their concerns directly with Mtimkulu as to the technical specifications. The personnel included Peter Stow (who was employed at PRASA's Technical Division as a Senior Engineer), Nelson Mphailane (the Senior Operations Manager (MLPS)) and Letsane Rathaba. Further, Transnet Freight Rail ("TFR") advised PRASA that the dimensions of the Afro 4000 locomotives exceeded the allowable height and PRASA had been informed of this "as far back as October 2013, i.e. approximately a year before the shipping of the locomotives."

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11.51.4. From the documentation it appears that the agreement to a specification of 4,140mm, well knowing that the vehicle structure gauge was 3,965mm was crucially dependent on Mtimkulu's **dishonest conduct**.

PRASA's arguments extend to the hybrid locomotives. The Molefe Replying Affidavit sets out that both the Afro 4000 and hybrid locomotives are not fit for purpose, cannot meet the operational needs required in the South African rail industry, and the Rail Safety Regulator ("RSR") has to date not authorised PRASA to use the Afro 4000 for commercial purposes.

Contract pricing between Swifambo and Vossloh

11.52. The Massaro Affidavit includes the contract between Swifambo and Vossloh (hereafter referred to as "**the subcontract**"). Swifambo and Vossloh concluded the subcontract on **4 July 2013** (i.e. after the award to Swifambo and after the contract between PRASA and Swifambo was concluded). The obligations in the subcontract **mirror** the terms of the contract between PRASA and Swifambo.

11.53. The purchase price per locomotive agreed to between Swifambo and Vossloh was **€3,657,052** (per Annexure B of the Swifambo / Vossloh agreement), or a total cost of **€255,993,640** for 70 locomotives.

11.53.1. Again, the purchase price per locomotive agreed to between PRASA and Swifambo was **€3,822,900**, or **€267,603,000** for 70 locomotives.

11.54. Accordingly, based on the contract pricing, **Swifambo would earn a margin of €165,848 per locomotive, or €11,609,360 in total.**

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11.55. Therefore, using the set rate of R10.18, Swifambo would contractually earn a gross margin of **R1,688,333** per locomotive ($\text{€}165,848 \times \text{R}10.18$), or **R118,183,285** in total for 70 locomotives.

11.55.1. Again, the contract between PRASA and Swifambo defined the price for each locomotive at the “**Set Rate**” of R10.18 to the Euro. The contract details that Swifambo will be responsible for the cost and risk of fluctuation of the Rand/Euro exchange rate from the Set Rate (i.e. R10.18) up to R10.40 and that PRASA will be responsible for cost and risk for currency fluctuations above R10.40.

11.56. Swifambo was contracted to pay Vossloh **€255,993,640**. Again, per the contract, Swifambo’s exposure to fluctuations in the Rand to Euro exchange rate was **capped** (as PRASA was liable for any fluctuations beyond R10.40 to the Euro.) Therefore, Swifambo was liable for the fluctuation of the Rand to the Euro from R10.18 to R10.40 (or R0.22). Accordingly, **over the duration of the contract, Swifambo would be exposed to a total foreign exchange loss of R56,318,600** (calculated as $\text{€}255,993,640 \times \text{R}0.22$).²⁰

11.56.1. Per Molefe’s Replying Affidavit, per the payments made by Swifambo to Vossloh to date, Swifambo incurred a loss of foreign exchange of **R38,222,740.73 to date**.²¹

11.57. Massaro stated that Swifambo would earn a “*relatively small margin*” for the contract. Again, as Molefe contends, there was no reason to involve Swifambo in the tender if Vossloh would be performing the contract. However, the

²⁰ This assumes that the Rand does not strengthen to below R10.40 to the Euro during the period of the contract.

²¹ Refer Molefe Replying Affidavit Para 11.3.10. This amount includes the impact of the overpayment and the variation order, which was not considered in the contract.

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aforementioned “relatively small margin” that Swifambo received for acquiring the contract amounts to **R118,183,285**.²²

Molefe’s view on the financial disclosures made in the Massaro affidavit

11.58. Swifambo made a number of financial disclosures in an attempt to demonstrate the prejudice it would allegedly suffer should the contract be set aside. The financial disclosures were purportedly made by the auditors of Swifambo, namely Van Wyk auditors.

11.59. Molefe contends that the financial disclosures are **vague, unreliable and are aimed to conceal the true financial position and the actual expenses incurred**.²³ Further, the financial disclosures do not comply with generally accepted accounting principles and auditing standards, and PRASA disputes that an auditor could be the author.

11.60. Accordingly, the financial disclosures as presented in Massaro’s affidavit are important for the flow of funds analysis as it demonstrates, per the version presented in Massaro’s affidavit, how the illicit payments were **concealed** by Swifambo.

11.61. **<Table 2>** shown below is a reproduction of the income statement from the Massaro Affidavit, and sets out the revenue earned and expenses incurred for Swifambo.²⁴

11.62. Note that we are unable to reconcile this financial disclosures (and transactions) to the Swifambo bank statements as insufficient detail has been supplied such as the underlying books of account i.e. general ledgers.

²² Not including the overpayments by PRASA to Swifambo as set out in the Molefe Replying Affidavit.

²³ Molefe’s views are based on the findings of the forensic audit.

²⁴ Refer Massaro Affidavit “AA7”.

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TABLE 2			
SWIFAMBO RAIL LEASING (PTY) LTD			
REPRODUCTION OF DOCUMENT "AA7" OF MASSARO AFFIDAVIT			
INCOME STATEMENT			
	DEBIT	CREDIT	
Sales		R 2,384,435,930.47	
Interest Received		R 7,529,981.70	
Discount Received for Cash		R 6,797.59	
Assets	R 3,622,947.64		
Motor Vehicles	R 1,933,350.19		
Computer Equipment	R 344,849.91		
Office Equipment	R 102,798.40		
Furniture & Fittings	R 284,086.90		
Leasehold Improvement	R 685,793.62		
Deposits	R 272,068.62		
Clearance Fees	R 3,988,195.66		
Consulting Fees	R 30,324,510.78		
Cost of Sales/Purchases	R 2,383,509,707.15		
Employee Costs	R 5,865,313.80		
Salaries and Wages	R 5,470,590.81		
PAYE UIF SDL	R 286,196.99		
Medical Aid Contribution	R 108,526.00		
Marketing	R 500,000.00		
Office	R 3,474,650.43		
Accounting Fees	R 9,783.00		
Advertising & Promotions	R 35,206.13		
Administration Fee	R 35,506.40		
Bank Charges	R 59,998.66		
Computer Expenses	R 297,230.13		
Courier & Postage	R 2,026.49		
Entertainment Expenses	R 70,561.21		
Finance Charges	R 3,434.75		
General Expenses	R 31,049.33		
Insurance	R 109,055.83		
Interest Paid	R 1,208.64		
Leasing Charges	R 23,809.22		
Motor Vehicle Expenses	R 36,388.21		
Printing & Stationery	R 62,073.74		
Rent Paid	R 2,278,554.30		
Repairs & Maintenance	R 129,178.38		
Security	R 6,020.94		
Staff Training	R 37,532.46		
Staff Welfare	R 89,236.86		
Subscriptions	R 8,956.82		
Telephone & Fax	R 147,838.93		
Pft/Loss on Foreign Exchange	R 68,912,878.00		
Travel & Accommodation	R 2,133,951.02		
VAT	R 325,464,134.25		
	R 2,827,796,288.73	R 2,391,972,709.76	
Nett Loss	R -435,823,578.97		

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11.63. Molefe contends that the income statement **cannot bear scrutiny** as it contains material discrepancies from which it is possible to identify items that have been inflated and items that should not be reflected as expenses, including:²⁵

11.63.1. VAT of R325 million should be excluded from the income statement altogether. **This is a rudimentary error.** The expenses (and thus the net loss) are inflated by R325 million as a result of the error.

11.63.1.1. Further, on their own version, Swifambo conveniently includes VAT in expenses but then fails to include the corresponding VAT in sales. It is our view that this was a mechanism to 'balance' the financial position so as to conceal material illicit payments. Either way VAT **should not** be disclosed in the income statement.

11.63.2. Loss of foreign exchange of R68 million is **inflated**. The contract between PRASA and Swifambo defines the exposure of both PRASA and Swifambo to currency fluctuations. Again, it has been calculated that the total maximum loss on foreign exchange that Swifambo could incur (for the duration of the contract) to date was **R38,222,740.73**. Therefore this expense is **significantly overstated** in the income statement by **R30,690,740.27**.

11.63.2.1. Again, the maximum loss on foreign exchange Swifambo would incur on its contract with Vossloh is R56,318,600, which is significantly less than the R68

²⁵ The income statement warrants further scrutiny based on the immediate deficiencies identified, however, additional supporting information is required in this regard such as general ledgers and cash books.

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million already recorded in its income statement when only **52%**²⁶ of the contract had been paid.

- 11.63.3. The income statement also includes consulting fees of R30,324,510.78. Molefe questions as to the reasons why Swifambo should incur consulting services amounting to R30 million when Massaro contends, per his Answering Affidavit, that the directors of Swifambo are sufficiently qualified in the rail industry to add value for the purposes of the tender. If these fees were legitimate and were in fact incurred by Swifambo (which is denied), it confirms that Swifambo added no value to the bid and was simply a front which needed to outsource the necessary skills.
- 11.63.4. To further illustrate that the income statement is deficient, it also includes assets of R3,622,947.64. Including capital assets, such as motor vehicles and equipment, in an income statement is another rudimentary error as capital assets should be included in a balance sheet.
- 11.64. The Massaro Affidavit provides further details as to the consulting fees and payroll expenses Swifambo allegedly incurred. The arguments provided in the Molefe Replying Affidavit, which are supported by the flow of funds analysis (detailed in this report) will show that Massaro's arguments cannot be substantiated and his arguments were provided in support of the **concealment** of the true nature of disbursements of funds by Swifambo.

²⁶ 52% is calculated as €132.9 million (amount Vossloh confirmed it had received from Swifambo per its letter to National Treasury) divided by €250 million (contract value)

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11.64.1. Massaro stated that “in 2011, Swifambo engaged Musa Capital, an independent advisory firm, for the purposes of assisting with preparing its bid. The engagement lasted over a period from 2011 to 2012.”²⁷ Molefe denies that Swifambo did any preparatory work as Mafori Finance Vrydheid (Pty) Ltd (**defined in the Founding Affidavit as “Swifambo”**) was **only acquired** by Swifambo Holdings on 7 February 2012 and the bid was submitted on 9 March 2012. For the same reason, Swifambo **could not** have engaged Musa Capital in 2011. It is accordingly inconceivable that Musa Capital, if it was involved at all, would have rendered any services relating to the preparation of Swifambo’s bid beyond 9 March 2012. Accordingly, the allegation that Swifambo’s engagement of Musa Capital lasted over a period “from 2011 to 2012” is **misleading and vague to the point of being meaningless**. Swifambo claims that it conducted “costly preparatory work” but failed to disclose, or provide any documentary proof, regarding the nature and extent of such work, precisely what services were provided by Musa Capital (and to whom), the cost of those services, and precisely when those services were rendered. Further, Molefe denies that Swifambo did any work during the execution of the contract. The work was done by Vossloh.

11.64.2. Massaro alleges that “during bid preparation” it appointed a “multi-skilled team”²⁸ to undertake various tasks but fails to disclose any particularity, or provide any documentary proof regarding the date

²⁷ Massaro Answering Affidavit Para 78.1

²⁸ Massaro Answering Affidavit Para 78.3

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when the team was appointed, the identity of the members of this team and their areas of expertise, an explanation of the roles played by this team during the preparation of Swifambo's bid and the contract negotiations, why the services of this team were necessary given that, on Swifambo's version, it had the skills and had appointed Musa Capital to assist in the preparation of its bid, whether this team comprised Swifambo employees, Musa Capital or external consultants, and the cost for the services performed by this team, if any. Molefe contends that these statements are vague and unsubstantiated. **The allegation affirms the fact that Swifambo was fronting and had nothing to add to the process.** If Swifambo was a legitimate locomotive supplier and able to perform the work required, it would have been **unnecessary** for it to rely on outside consultants for the preparation of a bid and subsequent contractual negotiations. In any event, the alleged tasks are exaggerated. For instance, there was no need for the identification of a technological partner. Mabunda, through the S-Group, had already identified Vossloh as the potential supplier. It is absurd to suggest that a multi-skilled team had to be appointed to undertake the task of "BBBEE". And the exercise of assessing the financial ability of Swifambo to perform the tender could not have been onerous - **Swifambo was not trading at the time.**

- 11.64.3. Massaro attached alleged "*payroll extracts of Swifambo's permanent employees*" to his affidavit.²⁹ Molefe contends that the allegations contained in these paragraphs **demonstrate that**

²⁹ See Massaro Affidavit Para 78.4.1 (Annexures AA19.1 and AA19.2).

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Swifambo was fronting. The reports attached by Massaro evidences that Swifambo has **only two permanent employees**. It certainly does not evidence that the *"contract execution has involved the employment of management, staff, support staff"* as alleged. The functions and responsibilities of those two employees are not stated. The remaining persons and entities mentioned are, if they were engaged, consultants or subcontractors. However, the allegations are so vague and unsubstantiated that they cannot be relied on as evidence of their engagement. Swifambo has not disclosed the identity of the subcontractors or the dates when they were engaged, and Swifambo has not attached any documents evidencing their engagement. The inference must be that the detail and documents will contradict the allegations made by Massaro. The allegations nevertheless indicate that Swifambo added nothing to the performance of the contract as, according to the allegations of Massaro, Swifambo had to appoint a management consultant, project advisor and technical engineering services. Furthermore, **it was only after the releasing of the RFP that Swifambo set up an office and purchased office equipment**, despite the bold claim, in its letter of 9 March 2012, that *"Swifambo... has unique experience in the South African operating environment, in the rail business, in rail leasing and in passenger locomotive manufacturing and maintenance."*³⁰ **The setting up of the office, leasing premises and purchasing equipment was the only work performed by Swifambo (if the list is examined) as the**

³⁰ PRASA invited bid proposals on 27 November 2011. The analysis of Swifambo's bank accounts show that Swifambo only started incurring costs for rent and office set up costs from **1 December 2011**. There was no operational activity in Swifambo's bank accounts prior to this date.

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remaining items fall within the description of the consultants and subcontractors. The only contract provided by Swifambo is its contract with Vossloh, concluded in July 2013, and in terms of which Vossloh would perform 100% of the work.

11.65. Massaro contends in his affidavit that *“it is only in the event that the project were allowed to run to completion that Swifambo would likely ‘break even’.* This is confirmed by our auditor”.³¹ Massaro, however, did not provided a calculation from Swifambo’s auditors. Even if Swifambo had not been overpaid R450 million by PRASA, its margin would be **R118,183,285**, a significant amount for a company which has limited operations and business: the Molefe Replying affidavit sets out that Swifambo was a shelf company, acquired and utilised as a front. It has no business other than the contract that it obtained unlawfully and it only has two (unidentified) employees.

11.66. **In summary, the aforementioned discrepancies evidence the manner in which the income statement was manipulated by Swifambo to conceal significant illicit payments and its true financial position.**

11.66.1. The difficulty Swifambo faces is that it needs to show that it incurred legitimate expenses in an amount over **R451,269,654.48**, if it wishes to contend that it is running at a loss, because that is the difference between the amount paid to Swifambo by PRASA (excluding VAT) and the amount paid to Vossloh by Swifambo, as shown below:³²

³¹ Massaro Answering Affidavit Para 81

³² This assumes that VAT was received from PRASA was paid to SARS by Swifambo. This aspect is dealt with in the flow of funds analysis.

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Amount paid by PRASA to Swifambo including VAT	R 2,650,207,950.29
Accordingly, amount paid by PRASA to Swifambo excluding VAT	R 2,324,743,816.04
Amount paid by Swifambo to Vossloh (no VAT)	R 1,873,474,161.62
<i>Difference between amount Swifambo received from PRASA (excluding VAT) and subsequently on paid to Vossloh</i>	<i>R 451,269,654.42</i>

11.67. The flow of funds analysis detailed in this report will demonstrate how the income statement was manipulated in this regard to conceal the significant payments Swifambo made that was not in the ordinary course of business i.e. illicit payments to suspicious individuals and entities.

11.68. Massaro states in his affidavit that Swifambo remains liable to pay Vossloh an amount of approximately **R462 million** and are not in a position to settle this amount.

11.68.1. Molefe contends, however, that is astonishing that Swifambo remains liable to Vossloh for an amount of **R462 million**,

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considering the R2.6 billion in payments made under the contract by PRASA to Swifambo, including overpayments.³³

- 11.68.2. More particularly, PRASA has paid Swifambo approximately R2.6 billion (approximately R2.3 billion net of VAT). Approximately R1.8 billion of this amount has been paid over by Swifambo to Vossloh. The “surplus” retained by Swifambo is accordingly approximately R500 million (excluding VAT). Having regard to the absence of any evidence that Swifambo performed any material work on the contract, there is **no legitimate reason** why Swifambo was not in a position to pay a significant portion of the retained R500million to Vossloh to cover the outstanding trade creditors amounts of R462million.
- 11.68.3. In the circumstances, the reasonable and inevitable inference from the fact that Swifambo does not have these retained amounts (which is what Massaro contends) is that it has expended those amounts for non-business purposes. On the face of it, however, there are no circumstances that warrant Swifambo being close to a position of insolvency, or a position where its expenses have exceeded revenue by R100 million.
- 11.68.4. **The flow of funds analysis will demonstrate that Swifambo was not in a position to settle the alleged amounts owing to Vossloh as they had (illicitly) expended the money already.**

³³ Swifambo received overpayments from PRASA including an additional payment of R335,308,062 which was irregularly authorised by Montana on receipt of Mtimkulu’s memorandum.

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- 11.68.5. Swifambo received an additional payment of R335,308,062 which was irregularly authorised by Montana on receipt of Mtimkulu's memorandum.

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DETAILED FINDINGS (TO DATE):

12. SUMMARY OF SWIFAMBO BANK ACCOUNTS

12.1. <Table 3> below summarises Swifambo's bank accounts:

TABLE 3 - SUMMARY OF SWIFAMBO BANK ACCOUNTS												N2	
NO.	NAME	BANK	ACCOUNT NUMBER	TYPE	PERIOD FROM (STATEMENTS)	PERIOD TO (STATEMENTS)	No of transactions	TOTAL INFLOWS	TOTAL INFLOWS FROM PRASA	TOTAL OUTFLOWS	TOTAL OUTFLOWS TO VOSSLOH	NET TOTAL INFLOW / (OUTFLOW)	
1	Swifambo Rail Leasing	Standard Bank	022682570	Current	2012-01-01	2015-09-18	455	R2,460,489,084	R1,745,116,021	R2,460,200,885	R1,295,724,162	R 288,199	
2	Swifambo Rail Holdings	Standard Bank	202538117	Current	2011-01-01	2015-09-03	411	R950,471,374	R905,091,930	R947,861,593	R288,750,000	R 2,609,781	
3	Swifambo Rail Leasing	Standard Bank	370362756	Current	2014-01-01	2015-11-30	553	R395,691,981	-	R395,699,114	R289,000,000	-R 7,133	
4	Swifambo Rail Leasing	Standard Bank	678504253-001	Call	2014-01-09	2015-11-12	111	R1,172,414,861	-	R1,063,928,764	-	R 108,486,097	
5	N1	Bidvest Bank	90002430974										
TOTAL								R4,979,067,300	R2,650,207,951	R4,867,690,356	R1,873,474,162	R111,376,944	
Total inflows from PRASA								R2,650,207,951					
Total outflows to Vossloh										R1,873,474,162			
Inter account transfers (net to NIL)								R2,268,408,104		R2,268,408,104			
Other								R60,451,245		R725,808,090			
								R4,979,067,300		R4,867,690,356		R111,376,944	
NOTES:													
N1 Subject to confirmation, awaiting subpoena information													
N2 Payment information sourced from Swifambo letter to Treasury, will confirm upon receipt of bank statement (paid from Bidvest Bank account)													

12.2. Swifambo Rail Leasing (Pty) Ltd – Standard Bank Current account number **22682570**:

12.2.1. This account is the main operating account for Swifambo, detailed in the contract as the bank account into which PRASA must pay into. PRASA made six (6) payments into this account.

12.2.2. We received the bank statements for the period 1 January 2012 to 18 September 2015.

12.2.3. Per the bank statements the first transaction in this account was on **1 January 2012** i.e. this account was operational before the first payment from PRASA to Swifambo.

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- 12.2.3.1. The first receipt from PRASA was received into this account on 6 December 2013 (this was PRASA's second payment on the contract).
- 12.2.4. We received the opening documents for this bank account per the subpoena, however, the opening documents do not correlate with the transactional activity. This aspect will need be analysed further.
- 12.2.5. This account has been included in our flow of funds analysis.
- 12.3. Swifambo Rail Holdings (Pty) Ltd – Standard Bank Current account number **202538117**:
- 12.3.1. This account was utilised interchangeably with the Swifambo Rail Leasing main operating account. PRASA made two (2) payments into this account.
- 12.3.2. We received the bank statements for the period 1 January 2011 to 3 September 2015.
- 12.3.3. The first transaction in this account was on **1 January 2011**.
- 12.3.4. The first receipt from PRASA was received into this account on 5 April 2013 (this was PRASA's first payment on the contract).
- 12.3.5. The period of opening of the bank account correlates to the period when Swifambo Rail Holdings acquired Swifambo Rail Leasing.
- 12.3.6. We received the opening documents for this bank account per the subpoena.
- 12.3.7. This account has been included in our flow of funds analysis.

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12.4. Swifambo Rail Leasing (Pty) Ltd – Standard Bank Current account number **370362756:**

12.4.1. We received the bank statements for the period 1 January 2014 to 30 November 2015.

12.4.2. The first transaction in this account was on **9 January 2014.**

12.4.3. We received the opening documents for this bank account per the subpoena.

12.4.4. This account has been included in our flow of funds analysis.

12.5. Swifambo Rail Leasing (Pty) Ltd – Standard Bank Money Market Call account number **678504253:**

12.5.1. We received the bank statements for the period 9 January 2014 to 12 November 2015.

12.5.2. The first transaction in this account was on **9 January 2014.**

12.5.3. We have not received the opening documents for this bank account.

12.5.4. This account has been included in our flow of funds analysis.

12.6. It is evident that Swifambo has additional bank accounts from which Swifambo made internal transfers to, and ostensibly payments to Vossloh. **We have not received these bank account(s) for analysis.** Specifically, it appears that Swifambo holds a bank account with Bidvest Bank (with an account number 90002430974).

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12.6.1. We have confirmed this bank account through subpoenaed information from Standard Bank, in that three (3) payments were made into a Bidvest account, detailed as follows:

Payment	Paying bank account	bank	Date	Bank Description	Statement	Amount
1	Swifambo Leasing 022682570	Rail	15 May 2014	ELECTRONIC PAYMENT TO SWIFAMBO VUK6613:41	BANKING SRL_0 RAIL	R260,000,000
2	Swifambo Leasing 022682570	Rail	3 July 2014	ELECTRONIC PAYMENT TO SWIFAMBO VUK6617:43	BANKING SRL_0 RAIL	R350,000,000
3	Swifambo Leasing 022682570	Rail	4 July 2014	ELECTRONIC PAYMENT TO SWIFAMBO VUK6612:18	BANKING SRL_0 RAIL	R27,000,000

12.6.2. Further, the bank statements for Swifambo Rail Holdings shows another possible payment to the Bidvest account, based on the bank statement description, detailed as follows:

Paying bank account	Date	Bank Statement Description	Amount
Swifambo Rail Holdings 0202538117	30 July 2013	INTERBANK TRANSFER BIDVEST BANK R 1307304442NP6774 41,50	R290,000,000

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- 12.6.3. Lastly, the bank statements for Swifambo Rail Holdings shows another possible payment to the Bidvest bank account or another Swifambo bank account (as this amount was not internally transferred to a known Swifambo account), detailed as follows:

Paying account	bank	Date	Bank Statement Description	Amount
Swifambo Leasing Std 022682570	Rail Bank	13 December 2013	INTERBANK TRANSFER SWIFAMBO RAIL 1312134442NP232 5 41,50	R52,000,000

- 12.7. A possibility remains that there could be additional unknown bank accounts which Swifambo owns, and which could be confirmed after the analysis of the requested additional accounts.

- 12.8. The cash balance for Swifambo at **30 November 2015** is **R111,376,943.89**. We are not in a position to comment on the current cash position of Swifambo as we **do not** have the bank accounts up to current date.

- 12.8.1. At this stage, it is unclear if balances have been retained in other Swifambo accounts, and we require the bank statements to confirm this position.

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13. (PRE) ACTIVITY IN SWIFAMBO BANK ACCOUNTS PRIOR TO FIRST RECEIPT FROM PRASA

13.1. Swifambo Rail Leasing Standard Bank current account number 022682570

- 13.1.1. Per the bank statements for the Swifambo Rail Leasing Standard Bank account number 022682570 the account was operational from **1 January 2012**.
- 13.1.2. There is evidently no transactional or operational activity in this account, except for bank charges and insignificant receipts with a description "Musa". Musa could refer to Musa Capital, linked to Parrish.
- 13.1.3. The first significant transactional activity occurred with the (second) receipt from PRASA for an amount of R 64,473,684 on 06 December 2013.
- 13.1.4. Accordingly, it is evident that Swifambo Rail Leasing had an operating bank account from 1 January 2012, and the bank charges in this account were ostensibly financed by Musa.

13.2. Swifambo Rail Holdings Standard Bank call account number 202538117

- 13.2.1. Per the bank statements for the Swifambo Rail Holdings Standard Bank account number 202538117 the account was operational from 1 January 2011.
- 13.2.2. The first significant transactional activity occurred with the (first) receipt from PRASA for an amount of R460,526,315.79 on 5 April 2013.

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- 13.2.3. Between 1 January 2011 and 5 April 2013, this bank account evidently was used to pay for various operating costs of Swifambo.
- 13.2.4. Receipts between 1 January 2011 and 5 April 2013 (i.e. before the receipts from PRASA) totaled **R1,043,865.40**. The majority of these receipts had a description **“Siyaya Rail Solutions”** and **“Vossloh”**, listed below, the significance of which is expanded on in more detail in this report:
- 13.2.4.1. **“Siyaya Rail Solutions”** – three (3) receipts totaling R690,000. This appears to be an entity styled Siyaya Rail Infrastructure and Solutions with registration number 2009/012646/07. The directors of this entity are recorded at CIPC as Makhensa Solly Risimati Mabunda and Hangalakani Gerson Hlomane. Again, **Mabunda is heavily linked to Montana per investigation intelligence.**
- 13.2.4.2. **“Vossloh SA”** and **“Vossloh Track”** – three (3) receipts totaling R257,265.40. Vossloh is the entity that later became the subcontractor to Swifambo Leasing to manufacture the locomotives. Investigation intelligence shows that Vossloh had direct dealings with Mtimkulu before the Swifambo contract with PRASA.³⁴

³⁴ It is apparent from the allegations made that PRASA, through Mtimkulu and other PRASA representatives had a pre-existing relationship with Vossloh by virtue of an order placed by PRASA for air-conditioning units.

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- 13.2.4.3. Other (unknown at this stage) – three (3) receipts totaling R96,600.
- 13.2.5. Payments between 1 January 2011 and 5 April 2013 totaled **R1,008,516.23**. Based on the bank statement descriptions these payments appear to be for rental and furnishings of Swifambo's offices (i.e. set up costs), summarised as follows:
- 13.2.5.1. **“Growth Point Properties”** – monthly payments (seventeen, 17) ostensibly for rent totaling R368,136.32;
- 13.2.5.2. **“Delacovia Interior”** – three (3) payments ostensibly for office furnishings totaling R276,700.17; and
- 13.2.5.3. **“MSR Mabunda”** – two (2) payments totaling R250,000. Mabunda is a director of Siyaya and linked to Montana.
- 13.3. In summary, the activity in the Swifambo bank accounts prior to the first receipt from PRASA on 5 April 2013, shows:
- 13.3.1. Swifambo had no trading activity prior to the receipts from PRASA i.e. it was not an operating or trading company. The only expenses it incurred prior to the first receipt from PRASA was ostensibly startup costs in nature such as office ‘set-up’ costs and bank charges (for maintaining the banking facilities).
- 13.3.2. Therefore, the bank accounts confirm that Swifambo was a company set up for the locomotive tender with PRASA.

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- 13.3.3. Further, the startup costs of Swifambo were evidently funded by entities of interest, namely Siyaya (Mabunda), Vossloh and Musa Capital. The source of these funds needs to be confirmed and will in all likelihood provide an indication as to which person(s) held an interest in Swifambo from the outset.

14. FLOW OF FUNDS ANALYSIS OF THE SWIFAMBO BANK ACCOUNTS – ‘LEVEL 1’

14.1. PREAMBLE:

- 14.1.1. The preliminary findings to date are considered to be ‘**Level 1**’ i.e. they pertain only to the flow of funds to and from the Swifambo bank accounts (we are in the process of analysing the flow of funds for entities that received funds from Swifambo i.e. Level 2).

- 14.1.2. For the purposes of ascertaining the utilization of funds by Swifambo we analysed the **combined** bank accounts for Swifambo Rail Leasing and Swifambo Rail Holdings.

- 14.1.2.1. Again, the business operations cannot be distinguished between Swifambo Rail Leasing and Swifambo Rail Holdings. It is evident from the cash flow activity that both bank accounts were used interchangeably for the transactional activity of Swifambo. Further, PRASA paid into both the Swifambo Rail Leasing and Swifambo Rail Holdings bank accounts.

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14.1.2.2. In addition, there were regular inter-bank account transfers, which further necessitated the requirement to combine the bank accounts in order to eliminate the inter-account activity.

14.1.3. Again, it must be noted that at this stage we have **NOT** received all the Swifambo bank accounts for analysis. It is evident that there are significant transfers to and from other Swifambo bank accounts which appear to be 'call' account in nature (i.e. the Bidvest account/s).

14.1.4. Therefore, it is of utmost importance to note that the analysis of the utilization of the R2.6 billion received from PRASA **cannot be completed** until such time as these additional accounts are received for analysis and the utilization of the funds contained within is assessed.

14.2. FINDINGS TO DATE – SUMMARY OF THE FLOW OF FUNDS IN THE SWIFAMBO BANK ACCOUNTS

14.2.1. <Table 4> below shows a summary of the flow of funds in the Swifambo bank accounts for the period 1 November 2011 to 30 November 2015 showing the receipt of the funds from PRASA of R2.6 billion and the utilization thereof by Swifambo:

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TABLE 4 - SUMMARY OF SWIFAMBO FLOW OF FUNDS

Source: Swifambo Standard Bank accounts combined (Swifambo Rail Holdings 0202538117; Swifambo Rail Leasing 022682570; Swifambo Rail Leasing 370362756 & Swifambo Rail Leasing 678504253-001)

Description column is either per 1) the bank statements 2) the Standard Bank schedule of payments or 3) other sources of information

REPORT TABLE NUMBER	DESCRIPTION SUMMARY	TRANSACTION LINKED TO	TRANSACTION COUNT	PAYMENT AMOUNT	RECEIPT AMOUNT	NET AMOUNT
1	PRASA	PRASA	8	-	R 2,650,207,950	R 2,650,207,950
31	VOSSLOH	VOSSLOH - RECEIPTS	5	-	R 811,509	R 811,509
7	VOSSLOH	VOSSLOH - LOCOMOTIVES	6	R 1,873,474,162	-	-R 1,873,474,162
8	AM CONSULTING ENGINEERS	A MASHABA	17	R 15,328,246	R 179,500	-R 15,148,746
9	MAMOROKO TRUST	A MASHABA	4	R 85,200,000	-	-R 85,200,000
10	A MASHABA	A MASHABA	10	R 2,293,256	-	-R 2,293,256
11	VUYANATHI PROPERTIES	A MASHABA	1	R 286,000	-	-R 286,000
12	BAHN WHEEL SOLUTIONS P/L	MT MASHELE	5	R 43,320,000	R 7,500,000	-R 35,820,000
13	RISHI RISHILE INVESTMENTS	MT MASHELE	25	R 3,234,840	-	-R 3,234,840
14	ENERWASTE	MSR MABUNDA	4	R 31,880,000	-	-R 31,880,000
15	MSR MABUNDA	MSR MABUNDA	11	R 12,594,000	-	-R 12,594,000
16	SIYAYA CONSULTING ENGINEERS	MSR MABUNDA	9	R 4,789,445	R 1,450,000	-R 3,339,445
17	SIYAYA RAIL INFRASTRUCTURE	MSR MABUNDA	5	R 1,390,000	R 440,000	-R 950,000
18	SIYAYA ENERGY	MSR MABUNDA	1	R 2,000,000	-	-R 2,000,000
19	NSOVO HOLDINGS	MSR MABUNDA	18	R 2,188,587	-	-R 2,188,587
20	S GROUP	MSR MABUNDA	2	R 1,699,949	-	-R 1,699,949
21	WKH LANDGREBE	WKH LANDGREBE	19	R 27,947,935	-	-R 27,947,935
22	MUSA CAPITAL	CYNTHIA PARRISH	11	R 20,219,955	R 56,000	-R 20,163,955
23	SEBENZA FORWARDING	SIPHISO BUTHELEZI	10	R 99,284,090	-	-R 99,284,090
24	NKOSI SABELO	NKOSI SABELO	2	R 28,500,000	-	-R 28,500,000
25	MIZANA ENGINEERING	KHENSANI MASHABA	14	R 2,716,777	-	-R 2,716,777
26	MIZANA INVESTMENTS	KHENSANI MASHABA	2	R 3,777,778	-	-R 3,777,778
27	KNOWLES HUSSAIN LINDSAY	KNOWLES HUSSAIN LINDSAY	1	R 10,400,000	-	-R 10,400,000
28	SARS	SARS	30	R 237,021,909	-	-R 237,021,909
	"678504253"	UNKNOWN	4	R 33,050,000	R 0	-R 33,050,000
	SARS - VAT	SARS - VAT	11	-	R 38,602,204	R 38,602,204
	"REFUND"	UNKNOWN	1	R 5,000,000	-	-R 5,000,000
	JACOB ZUMA FOUNDATION	JACOB ZUMA	1	R 150,000	-	-R 150,000
	CLIFTON RENOVATIONS	CLIFTON MICHAEL SPIES	2	R 471,647	-	-R 471,647
	FOSCHINI RETAIL GROUP	FOSCHINI RETAIL GROUP	1	-	R 480,000	R 480,000
	GEORGE ATTORNEYS	GEORGE ATTORNEYS	2	R 2,500,000	-	-R 2,500,000
	GLOBAL AVIATION	GLOBAL AVIATION	1	R 198,600	-	-R 198,600
	HOME LIVING SPACE	HOME LIVING SPACE	3	R 511,368	-	-R 511,368
	LEO HAESE CENTURION	LEO HAESE CENTURION	1	R 893,019	-	-R 893,019
	MCARTHY TOYOTA	MCARTHY TOYOTA	1	R 241,446	-	-R 241,446
	NJ MBOWENI	NJ MBOWENI	1	R 1,000,000	-	-R 1,000,000
	VELA INTERNATIONAL	NJ MBOWENI	1	R 570,000	-	-R 570,000
	NTSHOVELO LOGISTICS	NTSHOVELO LOGISTICS	1	R 1,710,000	-	-R 1,710,000
	ON BOARD TRAVEL	ON BOARD TRAVEL	34	R 2,486,981	-	-R 2,486,981
	OPERATIONAL ACCOUNT	OPERATIONAL ACCOUNT	7	R 1,000,500	R 5,100,000	R 4,099,500
	OUTSERVE	OUTSERVE	1	R 1,000,000	-	-R 1,000,000
	SALESIAN SCHOOL	SALESIAN SCHOOL	1	R 75,000	-	-R 75,000
	SANCO	SANCO	1	R 500,000	-	-R 500,000
	STERLINGS LIVING	STERLINGS LIVING	1	R 5,000,000	-	-R 5,000,000
	INTER-ACCOUNT	SWIFAMBO HOLDINGS & LEASING	174	R 2,268,408,104	R 2,268,408,104	-
	BANK CHARGES PAID (FEES)		418	R 58,788	R 2,000	-R 56,788
	INTEREST RECEIVED / PAID		42	R 204	R 5,088,891	R 5,088,687
	TOTAL - OTHER	VARIOUS DESCRIPTIONS	600	R 13,041,933	R 741,142	-R 12,300,791
			1530	R 4,847,414,518	R 4,979,067,301	R 131,652,782
	TOTALS EXCLUDING INTER ACCOUNT TRANSFERS		1356	R 2,579,006,414	R 2,710,659,196	R 131,652,782

Reconciliation to the bank statements:

SRL Current Std Bank 022682570

R 288,199

SRH Current Std Bank 202538117

R 2,609,781

SRL Call 1 Std Bank 370362756

-R 7,133

SRL Call 2 Std Bank 678504253

R 108,486,097

Accumulated bank balance total for Swifambo at 30 November 2015

R 111,376,944

Reconciling difference - transfer to Bidvest Bank account (To be confirmed)

R 20,275,838

Difference

R 0

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14.2.2. The movements in the (combined) Swifambo bank accounts can be summarised as follows:

14.2.2.1. Swifambo received **R 2,710,659,196** into the four bank accounts analysed.

14.2.2.2. Swifambo paid **R 2,579,006,414** from the four bank accounts analysed.

14.2.2.3. The **ONLY** source of receipts (i.e. income) for Swifambo was the R2.6 billion received from PRASA. The only other material receipt was ostensibly a VAT refund from SARS for R38 million.

14.2.2.4. The difference between the amounts received from PRASA by Swifambo and subsequently on paid to Vossloh is **R 776,733,789**.

14.2.2.5. Of the R2.6 billion received from PRASA, all amounts have essentially been disbursed by Swifambo (subject to confirmation as to the balances in the Call accounts). The bank balance of Swifambo at 30 November 2015 was **R111,376,943.89**. Accordingly, Swifambo expended **R665,356,844.78** (excluding the payments to Vossloh) for the period analysed.

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14.2.3. In summary, the amounts received by Swifambo have been expended as shown per <Table 5> below.³⁵

TABLE 5 - SUMMARY OF UTILISATION BY SWIFAMBO OF RECEIPTS FROM PRASA

Payment date	APPROXIMATE AMOUNT
Amounts received from PRASA	2,650,207,950.29
<i>Utilised as follows (approximately):</i>	
Vossloh	1,873,474,161.62
SARS	237,021,909.04
Disbursements linked to "Mashaba"	102,928,001.75
Disbursements linked to "Mabunda"	54,651,981.51
Disbursements linked to "MT Mashele"	39,054,840.00
Net other disbursements (including outflows to call accounts)	231,700,112.48
Balance at 30 November 2015	111,376,943.89

14.2.4. The payments have been allocated based on the bank statement descriptions and confirmed them to the beneficiary bank statements (where noted) – **this is applicable to the entire flow of funds analysis.**³⁶

14.2.5. The amounts that have been expended, and the beneficiaries of these funds, **must be considered** in context of the gross margin it would earn, and its **limited** business activity and operations of Swifambo (as described in the civil applications, and summarised above).

14.2.5.1. The outflows need to be considered in terms of the margin earned by Swifambo on the contract with

³⁵ The amounts shown per Table 6 for "Mashaba", "Mabunda" and "Mashele" are the net payments to these individuals or the entities linked to these individuals.

³⁶ The analysis is based on bank statement descriptions – by their very nature bank statement descriptions are limited as bank users can input any description – the ultimate destination of funds would need to be confirmed.

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PRASA. Swifambo would earn a gross margin of approximately **R118 million** over the entire contract. However, it is evident that Swifambo had already expended significantly more than it would earn from the contract (and at this stage, Swifambo had only delivered on 13 locomotives out of 70 per the contract).

14.2.5.2. It is evident that there are many individuals and/or entities that benefited significantly from the funds received from Swifambo, and it is suspected and / or alleged that these entities were not actual service providers to Swifambo.

14.2.6. The report sections to follow will provide additional detail relating to the transactional activity described above.

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14.3. TIMING BETWEEN PRASA RECEIPTS AND VOSSLOH PAYMENTS

14.3.1. <Table 6> below shows the period of time between receipts by Swifambo from PRASA, and the subsequent on payments to Vossloh:

PRASA PAYMENT NO	AMOUNT RECEIVED BY SWIFAMBO (R')	DATE RECEIVED BY SWIFAMBO	AMOUNT PAID TO VOSSLOH (R') *	DATE PAID TO VOSSLOH*	SWIFAMBO ACCOUNT WHICH PAID VOSSLOH	DAYS BETWEEN PAYMENTS	DIFFERENCE (including VAT)
1	R460,526,316	2013-04-05	R288,750,000	2013-08-01	Bidvest Bank 90002430974 ?**	116	R 171,776,316
2	R64,473,684	2013-12-06	R52,118,805	2014-01-02	Unknown?*	26	R 12,354,879
3	R468,672,881	2013-12-24	R320,000,000	2014-01-17	Unknown?*	23	R 148,672,881
4	R335,308,062	2014-05-13	R241,565,356	2014-05-19	Bidvest Bank 90002430974 ?**	6	R 93,742,706
5	R430,166,417	2014-07-01	R375,040,000	2014-07-08	Bidvest Bank 90002430974 ?**	7	R 55,126,417
6	R444,565,614	2015-01-12	R307,000,000	2015-01-20	Std Bank 022682570	8	R 137,565,614
7	R182,424,652	2015-06-05	R114,000,000	2015-06-15	Std Bank 370362756	10	R 68,424,652
8	R264,070,325	2015-07-07	R175,000,000	2015-07-10	Std Bank 370362756	3	R 89,070,325
TOTAL	R 2,650,207,950		R 1,873,474,162				R 776,733,789

* Details obtained from the Swifambo letter to National Treasury - will confirm all payments upon receipt of remaining Swifambo bank statement
** these bank statements have not been provided for analysis

14.3.2. As explained, PRASA made eight (8) payments to Swifambo totalling R 2,650,207,950 (including VAT of R 325,464,134.25).

14.3.3. Swifambo subsequently made eight (8) payments to Vossloh totalling R 1,873,474,162 (excluding VAT), as the payments to Vossloh were zero rated..

14.3.4. <Table 6> above shows the date and amount of the payments from Swifambo to Vossloh per the letter addressed to National Treasury from Swifambo. Of the eight payments from Swifambo to Vossloh, **five (5) payments were made from bank accounts which have not been provided to Horwath Forensics for analysis.** Accordingly, we can only confirm these payments directly from Swifambo's bank accounts upon receipt of this information.

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- 14.3.5. We highlight that Swifambo received its first payment from PRASA on 5 April 2013 for R460,526,316. However, Swifambo only made the (correlating) first payment to Vossloh on 1 August 2013 (**or 116 days later**) for only R288,750,000. This is a difference of R171,776,316, which is expanded on in more detail below.

14.4. **PAYMENTS TO VOSSLOH FOR LOCOMOTIVES – EIGHT PAYMENTS FOR R1.873 BILLION**

- 14.4.1. Swifambo submitted a letter, dated 7 October 2015, to National Treasury (based on a request from National Treasury to Swifambo) to confirm the payments that Swifambo made to Vossloh.
- 14.4.2. **<Table 7A>** below shows the payments from Swifambo to Vossloh per their letter to National Treasury.
- 14.4.3. The Swifambo bank statements that we have analysed, however, only show three (3) payments made directly from a known Swifambo bank account to Vossloh.
- 14.4.4. The balance of the payments to Vossloh was ostensibly made from other Swifambo bank (call) accounts.

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Table 7A - Payments made by Swifambo to Vossloh per the Treasury Letter 7 October 2015

Per Letter to Treasury			Note	Swifambo bank account which made this payment
No.	Payment date	Amount Excl. VAT		
1	1-Aug-13	R 288,750,000.00	Note 2	Bidvest Bank 90002430974 (Note 1)
2	2-Jan-14	R 52,118,805.20	Note 3	Unknown ?
3	17-Jan-14	R 319,999,999.98	Note 4	Unknown ?
4	19-May-14	R 241,565,356.44	Note 4	Bidvest Bank 90002430974 (Note 1)
5	8-Jul-14	R 375,040,000.00	Note 5	Bidvest Bank 90002430974 (Note 1)
6	20-Jan-15	R 307,000,000.00		Std Bank 022682570
7	15-Jun-15	R 114,000,000.00	Note 6	Std Bank 370362756
8	10-Jul-15	R 175,000,000.00	Note 6	Std Bank 370362756
Total		<u>R 1,873,474,161.62</u>		

Note 1 - this payment suspected to be paid from a Swifambo Bidvest Bank account 90002430974 (to be confirmed). The Bidvest account was funded by inflows from the Standard Bank accounts.

Note 2 - the Bidvest bank payment was funded by a payment of R290 million (on 30/7/2013) from the Standard Bank account 202538117

Note 3 - the Bidvest bank payment was funded by a payment of R52 million (on 13/12/2013) from the Standard Bank account 022682570

Note 4 - the Bidvest bank payment was funded by a payment of R260 million (on 15/5/2014) from the Standard Bank account 022682570

Note 5 - the Bidvest bank payment was funded by two payments of R350 million (on 3/7/2014) & R27 million (on 4/7/2014) from the Standard Bank account 022682570

Note 6 - these two payments were funded first by a transfer from Standard Bank account 022682570 to Standard Bank account 678504253, and funds were subsequently transferred from Standard Bank account 678504253 to Standard Bank account 370262756.

14.4.5. It is therefore conclusive from the bank account activity that the five payments denoted in Table 7 above, which could not be traced to the known Swifambo accounts were made from other Swifambo bank accounts.

14.4.5.1. In this regard, it is our understanding that SAPS have subpoenaed two additional bank accounts for

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Swifambo from Standard Bank, namely Standard Bank account number 678504253 and Standard Bank account number 370362756.

14.4.5.2. In addition, it is apparent that Swifambo also has at least one other bank account, held with Bidvest Bank. It is our understanding that this bank account has not been subpoenaed as of yet.

14.4.6. The flow of funds between the various Swifambo accounts are convoluted (as explained per the notes in Table 7A) as funds are transferred between the various Swifambo accounts before ultimately being paid to Vossloh.

14.4.7. Only until such time as we receive the afore-mentioned bank accounts, will we be in a position to confirm the exact payments from Swifambo to Vossloh (and which accords with the Swifambo letter to Treasury, and confirms thereof).

14.4.8. **Payments from Vossloh to Swifambo** – we identified 5 payments from “Vossloh” (or derivations thereof), totaling **R 811,508.59** that were paid into Swifambo’s bank accounts, as shown per **<Table 7B>** below.

14.4.8.1. It is unclear as to the reason for these payments, and this will have to be investigated further.

14.4.8.2. However, as explained above in Para. 13 (pre-activity in the Swifambo bank accounts), three receipts totaling R257,265 was received by Swifambo from

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“Vossloh SA”/“Vossloh Track” prior to the contract between PRASA and Swifambo. And these funds were ostensibly used to fund the set-up costs of the Swifambo office.

TABLE 7B - RECEIPTS FROM VOSSLOH										
NO	BANK ACCOUNT	ACCOUNT DETAILS	BANK STATEMENT DATE	BANK STATEMENT DESCRIPTION	PAYMENTS (R)	RECEIPTS (R)	NET (R)	SOURCE	PAID TO/FROM	CONFIRMED TO ACCOUNT DETAILS
1	Swifambo Rail Holdings	Std Bank 202538117	2012-02-20	TELETRANSMISSION INWARD VOSSLOH TRACK 1202163421TT2 522		R 145,065.40	-R 145,065.40		Vossloh Track	
2	Swifambo Rail Holdings	Std Bank 202538117	2012-04-11	TELETRANSMISSION INWARD VOSSLOH TRACK 1204043421TT1181		R 56,100.00	-R 56,100.00		Vossloh Track	
3	Swifambo Rail Holdings	Std Bank 202538117	2012-09-14	ELECTRONIC BANKING PAYMENT FR VOSSLOH SA MIDRAND BRAN 648		R 56,100.00	-R 56,100.00		Vossloh	
4	Swifambo Rail Holdings	Std Bank 202538117	2013-04-11	TRANSFER FROM VOSSHLOH RENTAL JAN-MAR 2013		R 65,738.51	-R 65,738.51		Vossloh	
5	Swifambo Rail Leasing	Std Bank 370362756	2014-04-17	ELECTRONIC BANKING PAYMENT FR VOSSLOH - RENT AND OTHER PMTS		R 488,504.68	-R 488,504.68		Vossloh	
						R 0.00	R 811,508.59	-R 811,508.59		

14.5. PAYMENTS LINKED TO MASHABA

- 14.5.1. **Auswell Mashaba** was appointed as a director of Swifambo Leasing on 07 March 2012.
- 14.5.2. Mashaba is reflected as being the Chairman of Swifambo Rail Leasing. Further, he signed the contract with PRASA in his capacity as “CEO” of Swifambo.
- 14.5.3. During August 2015, Mashaba confirmed that Mabunda had requested that Mashaba establish several companies for the purpose of securing the tender. Again, Mabunda is known to be an

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associate of Montana. Mashaba confirmed that he had received instruction to make payments to entities and/or individuals that had no involvement in the work envisaged by the tender and provided a schedule of some of the amounts he claimed to have paid (amounting to over R86 million) from the proceeds of the Swifambo tender to third parties that were “political affiliates” and not creditors of Swifambo.

14.5.4. The supporting documentation provided by Mashaba, included in Mamabolo’s affidavit, indicates that the payments were made to the following accounts:

14.5.4.1. Nedbank account number 1469018578, held in the name of **Nkosi Sabelo Incorporated**, a firm of attorneys; and

14.5.4.2. FNB account number 62415888538, held in the name of **Similex (Pty) Ltd.**

14.5.5. Mashaba did not indicate from which bank accounts these payments were made from. However, per the flow of funds analysis, we identified **significant** payments, totaling **R 103,107,502** made from Swifambo to Mashaba or entities directly linked to Mashaba, as follows:

14.5.5.1. “AM Consulting Engineers” – fifteen (15) payments totaling R 15,328,246;

14.5.5.2. “Mamoroko Makolele Trust” – four (4) payments totaling R85,200,000;

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- 14.5.5.3. “A Mashaba” – nine (9) payments totaling R 2,293,256; and
- 14.5.5.4. “Vuyanathi Properties” – one (1) payment totaling R286,000.
- 14.5.6. There is a **high probability** that the payments made to Nkosi Sabelo Incorporated and Similex were made from the aforementioned entities linked to Mashaba, from the funds received from Swifambo. We are currently performing the second level flow of funds analysis of the bank accounts of the entities linked to Mashaba to confirm and / or refute these allegations.
- 14.5.7. **AM CONSULTING ENGINEERS (PTY) LTD (“AMCE”) – FIFTEEN PAYMENTS FOR R15.3 MILLION**
 - 14.5.7.1. Registration number 2007/027846/07 was registered on 28 September 2007.
 - 14.5.7.2. The auditors of AMCE are W K H Landgrebe (CA) SA and Co.
 - 14.5.7.3. The active directors of AMCE are Mashaba, who was appointed on 28 September 2007, Moloko Floyd Sebone (MF Sebone”) ID 7405125344089 who was appointed on 19 June 2015 and Landgrebe Secretarial Services in the capacity of Company Secretary.

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14.5.7.4. The previous directors of AMCE include Wolf Rodenacker ID 4102075060186 and Njombo Mashaba (“N Mashaba”).

14.5.7.5. Bank account summary:

Bank account 1	Standard Bank	
Account number	202 447 618	
Signatories on account	Auswell Mashaba	
Directors of entity	Auswell Mashaba	Floyd M Sebone
Bank account 2	Standard Bank	
Account number	144 133 679	
Signatories on account	Auswell Mashaba	
Directors of entity	Auswell Mashaba	Floyd M Sebone

14.5.7.6. **<Table> 8** below reflects the fifteen (15) payments made by Swifambo to “AMCE” (or derivations thereof) totaling R 15,328,246, and two (2) corresponding receipts totaling R179,500.00. The net payments to AMCE total R 15,148,746.

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TABLE 8 - PAYMENTS TO / FROM AM CONSULTING ENGINEERS (AMCE) - sorted by oldest to latest										
NO	BANK ACCOUNT	ACCOUNT DETAILS	BANK STATEMENT DATE	BANK STATEMENT DESCRIPTION	PAYMENTS (R)	RECEIPTS (R)	NET (R)	SOURCE	PAID TO/FROM	CONFIRMED TO ACCOUNT DETAILS
1	Swifambo Rail Holdings	Std Bank 202538117	2012-07-25	ELECTRONIC BANKING PAYMENT TO A-M CONSULTING ENG WJ200 16:39	R 500		R 500	Bank Statement	AM Consulting Engineers	Standard Bank 202447618
2	Swifambo Rail Holdings	Std Bank 202538117	2013-04-08	IB TRANSFER TO Loan to AMCE 11H25 4,70	R 5,000,000		R 5,000,000	Bank Statement	AM Consulting Engineers	Standard Bank 202447618
3	Swifambo Rail Holdings	Std Bank 202538117	2013-04-09	IB TRANSFER TO loan to AMCE 10H55 4,70	R 3,000,000		R 3,000,000	Bank Statement	AM Consulting Engineers	Standard Bank 202447618
4	Swifambo Rail Holdings	Std Bank 202538117	2013-10-01	IB TRANSFER TO Refund 12H08 4,70	R 550,000		R 550,000	Bank Statement	AM Consulting Engineers	Standard Bank 202447618
5	Swifambo Rail Holdings	Std Bank 202538117	2014-02-14	ELECTRONIC BANKING PAYMENT TO A-M CONSULTING ENG YWU44 13:54	R 91,660		R 91,660	Bank Statement	AM Consulting Engineers	Standard Bank 202447618
6	Swifambo Rail Holdings	Std Bank 202538117	2014-03-04	IB TRANSFER TO Refund 18H18	R 699,360		R 699,360	Bank Statement	AM Consulting Engineers	Standard Bank 144133679
7	Swifambo Rail Holdings	Std Bank 202538117	2014-06-09	IB TRANSFER TO Refund 16H50	R 114,000		R 114,000	Bank Statement	AM Consulting Engineers	Standard Bank 144133679
8	Swifambo Rail Holdings	Std Bank 202538117	2014-06-09	IB TRANSFER TO refund 16HB2	R 1,692,000		R 1,692,000	Bank Statement	AM Consulting Engineers	Standard Bank 144133679
9	Swifambo Rail Holdings	Std Bank 202538117	2014-06-24	ELECTRONIC BANKING PAYMENT FR LOAN FROM AMCE MIDRAND BRAN 607		R 90,000	-R 90,000	Bank Statement	AM Consulting Engineers	Standard Bank 202447618
10	Swifambo Rail Leasing	Std Bank 022682570	2014-08-08	ELECTRONIC BANKING PAYMENT TO AM CONSULTING ENG NA252 09:52	R 90,000		R 90,000	Bank Statement	AM Consulting Engineers	Standard Bank 202447618
11	Swifambo Rail Holdings	Std Bank 202538117	2014-09-23	ELECTRONIC BANKING PAYMENT FR A-M CONSULTING ENGINEERS		R 89,500	-R 89,500	Bank Statement	AM Consulting Engineers	Standard Bank 202447618
12	Swifambo Rail Leasing	Std Bank 022682570	2014-10-23	ELECTRONIC BANKING PAYMENT TO A-M C A-M CONSULTIN NA25214:25	R 570,000		R 570,000	Bank Statement	AM Consulting Engineers	Standard Bank 202447618
13	Swifambo Rail Leasing	Std Bank 022682570	2014-10-24	ELECTRONIC BANKING PAYMENT TO A-M C A-M CONSULTIN NA25209:57	R 159,500		R 159,500	Bank Statement	AM Consulting Engineers	Standard Bank 202447618
14	Swifambo Rail Holdings	Std Bank 202538117	2015-01-28	ELECTRONIC BANKING PAYMENT TO A-M CONSULTING ENG RZJ32 14:59	R 89,500		R 89,500	Bank Statement	AM Consulting Engineers	Standard Bank 202447618
15	Swifambo Rail Holdings	Std Bank 202538117	2015-04-09	IB TRANSFER TO Loan to AMCE 11H01 5,00	R 3,000,000		R 3,000,000	Bank Statement	AM Consulting Engineers	Standard Bank 202447618
16	Swifambo Rail Holdings	Std Bank 202538117	2015-08-20	IB TRANSFER TO Refund Loan 11H52	R 242,000		R 242,000	Bank Statement	AM Consulting Engineers	Standard Bank 144133679
17	Swifambo Rail Holdings	Std Bank 202538117	2015-08-25	ELECTRONIC BANKING PAYMENT TO A M CONSULTING ENG RZJ32 16:26	R 29,725		R 29,725	Bank Statement	AM Consulting Engineers	Standard Bank 202447618
					R 15,328,246	R 179,500	R 15,148,746			

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14.5.8. MAMOROKO MAKOLELE TRUST ("MM TRUST") – FOUR PAYMENTS FOR R85.2 MILLION

14.5.8.1. Bank account summary:

Bank account	ABSA		
Account number	928 295 908 8		
Signatories on account	Auswell Mashaba	Joyce Mashaba	Tsakani
Individuals (Trustees?) linked to entity	Auswell Mashaba	Joyce Mashaba	Tsakani

14.5.8.2. Joyce Tsakani Mashaba could be the wife of Mashaba

14.5.8.3. <Table> 9 below reflects the four (4) payments made by Swifambo to "MM Trust" (or derivations thereof):

TABLE 9 - PAYMENTS TO / FROM MAMOROKO MAKOLELE TRUST ("MM TRUST") - sorted by oldest to latest										
NO	BANK ACCOUNT	ACCOUNT DETAILS	BANK STATEMENT DATE	BANK STATEMENT DESCRIPTION	PAYMENTS (R)	RECEIPTS (R)	NET (R)	SOURCE	PAID TO/FROM	CONFIRMED TO ACCOUNT DETAILS
1	SWIFAMBO RAIL HOLDINGS	STANDARD BANK - 202538117	2013-04-09	INTERBANK TRANSFER MAMOROKO MAKOL 1304094442NP2927 41,50	R 22,500,000	-	-R 22,500,000	BANK STATEMENT	MM TRUST	ABSA 4050955966
2	SWIFAMBO RAIL LEASING	STANDARD BANK - 22682570	2014-03-20	ELECTRONIC BANKING PAYMENT TO MMTRUST VUK66 16:38	R 50,000,000	-	-R 50,000,000	BANK STATEMENT	MM TRUST	ABSA 4050955966
3	SWIFAMBO RAIL LEASING	STANDARD BANK - 22682570	2015-03-02	ELECTRONIC BANKING PAYMENT TO MAMOR MAMOROKO MAKO RCT4612:22	R 9,000,000	-	-R 9,000,000	BANK STATEMENT	MM TRUST	ABSA 4050955966
4	SWIFAMBO RAIL HOLDINGS	STANDARD BANK - 202538117	2015-07-02	INTERBANK TRANSFER MAMOROKO MAKOL 1507024442NP9105 , 00	R 3,700,000	-	-R 3,700,000	BANK STATEMENT	MM TRUST	ABSA 4050955966
					R 85,200,000	-	-R 85,200,000			

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14.5.9. A MASHABA – TEN PAYMENTS FOR R2.29 MILLION

14.5.9.1. We are not in possession of these bank statements.

14.5.9.2. We identified account number **10010403591** from the Standard Bank transaction schedule.

14.5.9.3. **<Table> 10** below reflects the ten (10) payments made by Swifambo to “A Mashaba”:

TABLE 10 - PAYMENTS TO / FROM A MASHABA - sorted by oldest to latest										
NO	BANK ACCOUNT	ACCOUNT DETAILS	BANK STATEMENT DATE	BANK STATEMENT DESCRIPTION	PAYMENTS (R)	RECEIPTS (R)	NET (R)	SOURCE	PAID TO/FROM	CONFIRMED TO ACCOUNT DETAILS
1	Swifambo Rail Holdings	Std Bank 202538117	2013-10-25	IB PAYMENT TO A MASHABA 967036429 18,30	R 480,000		R 480,000		A Mashaba	
2	Swifambo Rail Holdings	Std Bank 202538117	2013-12-05	IB PAYMENT TO A MASHABA 967036429 18,30	R 60,000		R 60,000		A Mashaba	
3	Swifambo Rail Holdings	Std Bank 202538117	2014-01-09	IB PAYMENT TO A MASHABA 967036429 18,30	R 60,000		R 60,000		A Mashaba	
4	Swifambo Rail Holdings	Std Bank 202538117	2014-02-04	IB PAYMENT TO A MASHABA 967036429 18,30	R 60,000		R 60,000		A Mashaba	
5	Swifambo Rail Holdings	Std Bank 202538117	2014-03-14	IB PAYMENT TO A MASHABA 967036429 18,30	R 120,000		R 120,000	Schedule	A Mashaba	Investec 10403591
6	Swifambo Rail Holdings	Std Bank 202538117	2014-05-30	IB PAYMENT TO A MASHABA 967036429 18,30 ▲	R 120,000		R 120,000	Schedule	A Mashaba	Investec 10403591
7	Swifambo Rail Holdings	Std Bank 202538117	2015-02-11	IB PAYMENT TO MRS MABUNDA 967036429 18,30 IB PAYMENT TO A MASHABA 967036429 18,30	R 600,000		R 600,000		A Mashaba	
8	Swifambo Rail Holdings	Std Bank 202538117	2015-02-11	IB PAYMENT TO A MASHABA 967036429	R 300,000		R 300,000	Schedule	A Mashaba	Investec 10403591
9	Swifambo Rail Holdings	Std Bank 202538117	2015-08-08	IB PAYMENT TO A MASHABA 967036429 18,30	R 480,000		R 480,000	Schedule	A Mashaba	Investec 10403591
10	Swifambo Rail Leasing	Std Bank 022682570	2015-08-24	ELECTRONIC BANKING PAYMENT TO MASHA MASHABA AKANI RCT4610:59	R 13,256		R 13,256	Schedule	A Mashaba	First Rand Bank 62063696804
					R 2,293,256	-	-R 2,293,256			

14.5.10. VUYANATHI PROPERTIES – ONE PAYMENT FOR R286,000

14.5.10.1. Vuyaninathi Properties (Pty) Ltd (“Vuyaninathi Properties”) registration number 2008/171247/23 was registered on 12 August 2008.

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14.5.10.2. The auditors of Vuyaninathi Properties are WKH Landgrebe and Co.

14.5.10.3. The only active director of Vuyaninathi Properties is A Mashaba.

14.5.10.4. Bank account summary:

Bank account	Standard Bank	
Account number	818 621 13	
Signatories on account	?	
Directors of entity	? <Mashaba?>	

14.5.10.5. **<Table> 11** below reflects the one (1) payment made by Swifambo to “Vuyanathi Properties”:

TABLE 11 - PAYMENT TO VUYANATHI PROPERTIES										
NO	BANK ACCOUNT	ACCOUNT DETAILS	BANK STATEMENT DATE	BANK STATEMENT DESCRIPTION	PAYMENTS (R)	RECEIPTS (R)	NET (R)	SOURCE	PAID TO/FROM	CONFIRMED TO ACCOUNT DETAILS
1	SWIFAMBO RAIL HOLDINGS	STANDARD BANK - 202538117	2014-06-09	IB TRANSFER TO refund 16H24 5,00	R 286,000	-	-R 286,000	Bank statement	VUYANATHI PROPERTIES	Std Bank 81862113
					R 286,000	-	-R 286,000			

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14.6. PAYMENTS LINKED TO MAKHOSINI THANIEL MASHELE (MT MASHELE)

- 14.6.1. **MT Mashele** was appointed as a director of Swifambo Leasing on 1 March 2014.
- 14.6.2. Per the flow of funds analysis, we identified **significant** payments, totaling **R 46,554,840** made from Swifambo to entities directly linked to MT Mashele, as follows:
- 14.6.2.1. “Bahn Wheel Solutions” – four (4) payments totaling **R 43,320,000**; and
- 14.6.2.2. “Rishi Rishile Investments” – twenty four (24) payments totaling **R 3,234,840**.
- 14.6.3. We are currently performing the second level flow of funds analysis of the bank accounts of the above listed entities linked to MT Mashele.
- 14.6.4. **BAHN WHEELS SOLUTIONS – FOUR PAYMENTS FOR R43.3 MILLION**
- 14.6.4.1. Bahn Wheels Solutions (Pty) Ltd (Pty) Ltd (“Bahn Wheels”) registration number 2008/022042/07 was registered on 15 September 2008.
- 14.6.4.2. The registered auditors of Bahn Wheels are Van Wyk Auditors.
- 14.6.4.3. The sole active director of Bahn Wheels is MT Mashele who was appointed on 03 July 2013.

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14.6.4.4. Previous directors of Bahn Wheels include, MSR Mabunda, Phaweni, Elvis Sigodo Mazibuko (“ES Mazibuko”) and Khensane Marks Mangwane (“KM Mangwane”);

14.6.4.5. **We further note that Mabunda was a former director of Bahn Wheels and resigned on 24 January 2012.** Accordingly, this company is also linked to Mabunda.

14.6.4.6. Bank account summary:

Bank	Standard Bank
Account number	611 126 58
Signatories on account	No opening documents received
Directors of entity	Makhosini Thaniel Mashele

14.6.4.7. **<Table> 12** below reflects the four (4) payments totaling **R 43,320,000** made by Swifambo to “Bahn Wheels”, and one (1) corresponding receipt totaling R7,500,000. The net payments from Swifambo to Bahn Wheels are R 35,820,000.³⁷

³⁷ We are of the opinion that this is in fact a call account transactions. We are currently awaiting the call account bank statements in order to confirm and re-allocate this transaction.

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TABLE 12 - PAYMENTS TO / FROM BAHN WHEELS - sorted by oldest to latest										
NO	COMPANY	ACCOUNT DETAILS	BANK STATEMENT DATE	BANK STATEMENT DESCRIPTION	PAYMENTS (R)	RECEIPTS (R)	NET (R)	SOURCE	PAID TO/FROM	CONFIRMED TO ACCOUNT DETAILS
1	Swifambo Rail Holdings	Std Bank 202538117	2013-04-09	TRANSFER TO BAHN WHEELS SOLUTIONS PTY LTD 41,50	R 18,810,000		R 18,810,000	Bank Statement	Bahn Wheels Solutions P/L	Standard Bank 61112658
2	Swifambo Rail Holdings	Std Bank 202538117	2013-04-22	TRANSFER TO BAHN WHEELS SOLUTIONS 41,50	R 9,510,000		R 9,510,000	Bank Statement	Bahn Wheels Solutions P/L	Standard Bank 61112658
3	Swifambo Rail Leasing	Std Bank 022682570	2014-06-24	ELECTRONIC BANKING TRANSFER FR BAHN SHARES SANDTON 034		R 7,500,000	-R 7,500,000		Bahn Wheels Solutions P/L	
4	Swifambo Rail Leasing	Std Bank 022682570	2014-06-24	ELECTRONIC BANKING PAYMENT TO BAHN WHEELS SOLUTI RCT46 16:49	R 7,500,000		R 7,500,000	Bank Statement	Bahn Wheels Solutions P/L	Standard Bank 61112658
5	Swifambo Rail Leasing	Std Bank 678504253-001	2014-06-24	ELECTRONIC BANKING TRANSFER TO BAHN SHARES *	R 7,500,000		R 7,500,000		Bahn Wheels Solutions P/L	
					R 43,320,000	R 7,500,000	R 35,820,000			

* possible call account transaction - to be confirmed upon receipt of further bank statements.

14.6.5. RISHI RISHILE INVESTMENTS – TWENTY FOUR PAYMENTS FOR R3.2 MILLION

14.6.5.1. “Rishile Investments” registration number 2011/007249/07 was registered on 05 April 2011.

14.6.5.2. The auditors of Rishile Investments are LSG Integrated who appear to be a division of Van Wyk Auditors.

14.6.5.3. The active directors of Rishile Investments are MT Mashele and Masesani Vongani Mashele (“MV Mashele”) ID 780626037088 both of whom were appointed on 05 April 2011.

14.6.5.4. **<Table> 13** below reflects the twenty five (25) payments made by Swifambo to “Rishi Rishile”. We have allocated these payments based on the bank statement descriptions as we are **not in possession** of the bank statements for this company.

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TABLE 13 - PAYMENTS TO / FROM RISHI RISHILE INVESTMENTS - sorted by oldest to latest

NO	BANK ACCOUNT	ACCOUNT DETAILS	BANK STATEMENT DATE	BANK STATEMENT DESCRIPTION	PAYMENTS (R)	RECEIPTS (R)	NET (R)	SOURCE	PAID TO/FROM	CONFIRMED TO ACCOUNT DETAILS
1	Swifambo	Std Bank	2013-08-12	IB PAYMENT TO RISHILE INVESTMENTS	R 60,000		R 60,000	Requested	Rishile	Requested
2	Swifambo	Std Bank	2013-08-28	IB PAYMENT TO RISHILE INVESTMENTS	R 91,660		R 91,660	Requested	Rishile	Requested
	Rail Holdings	202538117		967036429 18,30					Investments	
3	Swifambo	Std Bank	2013-09-04	ELECTRONIC BANKING PAYMENT TO RISHILE	R 91,660		R 91,660	Requested	Rishile	Requested
	Rail Holdings	202538117		INVESTMENT YWU44 16:55					Investments	
4	Swifambo	Std Bank	2013-10-28	IB PAYMENT TO RISHILE INVESTMENTS	R 91,660		R 91,660	Requested	Rishile	Requested
	Rail Holdings	202538117		967036429 18,30					Investments	
5	Swifambo	Std Bank	2014-01-13	ELECTRONIC BANKING PAYMENT TO RISHI	R 91,660		R 91,660	Requested	Rishile	Requested
	Rail Holdings	202538117		RISHILE INVES YWU4412:31					Investments	
6	Swifambo	Std Bank	2014-01-13	ELECTRONIC BANKING PAYMENT TO RISHI	R 91,660		R 91,660	Requested	Rishile	Requested
	Rail Holdings	202538117		RISHILE INVES YWU4412:30					Investments	
7	Swifambo	Std Bank	2014-03-07	ELECTRONIC BANKING PAYMENT TO RISHI	R 91,660		R 91,660	Requested	Rishile	Requested
	Rail Holdings	202538117		RISHILE INVES YWU4411:25					Investments	
8	Swifambo	Std Bank	2014-04-09	ELECTRONIC BANKING PAYMENT TO RISHI	R 91,660		R 91,660	Requested	Rishile	Requested
	Rail Holdings	202538117		RISHILE INVES WJ20011:20					Investments	
9	Swifambo	Std Bank	2014-05-08	ELECTRONIC BANKING PAYMENT TO RISHI	R 91,660		R 91,660	Requested	Rishile	Requested
	Rail Holdings	202538117		RISHILE INVES WJ20015:54					Investments	
10	Swifambo	Std Bank	2014-06-07	ELECTRONIC BANKING PAYMENT TO RISHI	R 91,660		R 91,660	Requested	Rishile	Requested
	Rail Holdings	202538117		RISHILE INVES YWU4416:18					Investments	
11	Swifambo	Std Bank	2014-07-15	ELECTRONIC BANKING PAYMENT TO RISHILE	R 91,660		R 91,660	Requested	Rishile	Requested
	Rail Leasing	370362756		INVESTMENT NA252 16:45					Investments	
12	Swifambo	Std Bank	2014-08-08	ELECTRONIC BANKING PAYMENT TO RISHI	R 91,660		R 91,660	Requested	Rishile	Requested
	Rail Leasing	022682570		RISHILE INVES NA25209:52					Investments	
13	Swifambo	Std Bank	2014-09-01	ELECTRONIC BANKING PAYMENT TO RISHI	R 166,660		R 166,660	Requested	Rishile	Requested
	Rail Leasing	022682570		RISHILE INVES RCT4613:39					Investments	
14	Swifambo	Std Bank	2014-10-09	ELECTRONIC BANKING PAYMENT TO RISHI	R 166,660		R 166,660	Requested	Rishile	Requested
	Rail Leasing	022682570		RISHILE INVES NA25216:22					Investments	
15	Swifambo	Std Bank	2014-10-31	ELECTRONIC BANKING PAYMENT TO RISHI	R 166,660		R 166,660	Requested	Rishile	Requested
	Rail Leasing	022682570		RISHILE INVES RCT4613:50					Investments	
16	Swifambo	Std Bank	2014-12-03	ELECTRONIC BANKING PAYMENT TO RISHI	R 166,660		R 166,660	Requested	Rishile	Requested
	Rail Leasing	022682570		RISHILE INVES RCT4610:06					Investments	
17	Swifambo	Std Bank	2015-01-09	ELECTRONIC BANKING PAYMENT TO RISHI	R 166,660		R 166,660	Requested	Rishile	Requested
	Rail Leasing	022682570		RISHILE INVES NA25215:51					Investments	
18	Swifambo	Std Bank	2015-02-03	ELECTRONIC BANKING PAYMENT TO RISHI	R 166,660		R 166,660	Requested	Rishile	Requested
	Rail Leasing	022682570		RISHILE INVES NA25211:35					Investments	
19	Swifambo	Std Bank	2015-03-02	ELECTRONIC BANKING PAYMENT TO RISHI	R 166,660		R 166,660	Requested	Rishile	Requested
	Rail Leasing	022682570		RISHILE INVES NA25213:02					Investments	
20	Swifambo	Std Bank	2015-03-31	ELECTRONIC BANKING PAYMENT TO RISHI	R 166,660		R 166,660	Requested	Rishile	Requested
	Rail Leasing	022682570		RISHILE INVES NA25217:12					Investments	
21	Swifambo	Std Bank	2015-05-05	ELECTRONIC BANKING PAYMENT TO RISHI	R 166,660		R 166,660	Requested	Rishile	Requested
	Rail Leasing	022682570		RISHILE INVES RCT4614:16					Investments	
22	Swifambo	Std Bank	2015-05-29	ELECTRONIC BANKING PAYMENT TO RISHI	R 166,660		R 166,660	Requested	Rishile	Requested
	Rail Leasing	022682570		RISHILE INVES RCT4614:58					Investments	
23	Swifambo	Std Bank	2015-06-29	ELECTRONIC BANKING PAYMENT TO RISHI	R 166,660		R 166,660	Requested	Rishile	Requested
	Rail Leasing	022682570		RISHILE INVES NA25214:06					Investments	
24	Swifambo	Std Bank	2015-07-29	ELECTRONIC BANKING PAYMENT TO RISHI	R 166,660		R 166,660	Requested	Rishile	Requested
	Rail Leasing	022682570		RISHILE INVES RCT4611:35					Investments	
25	Swifambo	Std Bank	2015-08-28	ELECTRONIC BANKING PAYMENT TO RISHI	R 166,660		R 166,660	Requested	Rishile	Requested
	Rail Leasing	022682570		RISHILE INVES NA25216:29					Investments	
					R 3,234,840	-	R 3,234,840			

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14.7. PAYMENTS LINKED TO MAKHENSA SOLLY RISIMATI (MSR) MABUNDA

- 14.7.1. **Mabunda** is a known associate of Montana and has been a supplier to PRASA over an extended period of time through a number of business interests he holds.
- 14.7.2. The “**Siyaya**” companies appear to be part of a group of companies falling under the “**S-Group**”. The S-Group is allegedly controlled by Mabunda and appears to have extensive involvement in the operations of PRASA.
- 14.7.3. The following entities in which Mabunda holds an interest have been confirmed as suppliers to PRASA and have been paid significant amounts (within the period 2011 to 2015):
- 14.7.4. Siyaya Rail Infrastructure Solution (Pty) Ltd (to which PRASA paid approximately R 26,6 million);
- 14.7.5. Siyaya Energy (Pty) Ltd (to which PRASA paid approximately R23,6); and
- 14.7.6. Siyaya DB Engineers (Pty) Ltd (the amount paid is to be determined).
- 14.7.7. Continuing investigations are being conducted to identify other linked Mabunda entities in the books and records of PRASA.
- 14.7.8. Again, during August 2015, Mashaba confirmed that Mabunda had requested that Mashaba establish several companies for the purpose of securing the tender.

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14.7.9. Per the flow of funds analysis, we identified **significant** payments totaling **R 56,541,982** being made from Swifambo to **multiple** entities directly linked to Mabunda, as follows:

14.7.9.1. “Enerwaste Solutions” – four (4) payments totaling **R31,880,000**;

14.7.9.2. “MSR Mabunda” – thirteen (13) payments totaling **R 12,594,000**;

14.7.9.3. “Siyaya Consulting Engineers” – seven (7) payments totaling **R 4,789,445**;

14.7.9.4. “Siyaya Rail Infrastructure” – three (3) payments totaling **R 1,390,000**;

14.7.9.5. “Siyaya Energy” – one (1) payments totaling **R2,000,000**;

14.7.9.6. “Nsovo Holdings” – eighteen (18) payments totaling **R 2,188,587**; and

14.7.9.7. “S Group” – two (2) payments totaling **R 1,699,949**.

14.7.10. **ENERWASTE SOLUTIONS – FOUR PAYMENTS FOR R31.8 MILLION**

14.7.10.1. Mabunda is linked to multiple variations of the company “Enerwaste”, however, the bank statements for Swifambo refer to “Enerwaste Solutions” in the

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descriptions. We confirmed that the payments were paid into the Enerwaste Solutions bank accounts.

14.7.10.2. Enerwaste Solutions (Pty) Ltd (“Enerwaste Solutions”) registration number is 2008/027578/07, and was registered on 24 November 2008.

14.7.10.3. The registered auditors of Enerwaste Solutions are Van Wyk Auditors.

14.7.10.4. The active directors of Enerwaste Solutions are MSR Mabunda, appointed on 22 October 2009 and **NC Mabunda** (it is likely that this is the same person as Nhlamulo Cindy Maluleke, being the maiden name for NC Mabunda), appointed on 06 August 2010.

14.7.10.5. Previous directors of Enerwaste Solutions include Phaweni.

14.7.10.6. Bank account summary:

Bank	Standard Bank	
Account number	611 126 66	
Signatories on account	Makhensa SR Mabunda	Cindy N Maluleke
Directors of entity	Makhensa SR Mabunda	Cindy N Maluleke

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14.7.10.7. <Table 14> below reflects the four (4) payments made by Swifambo to “Enerwaste Solutions” as follows:

TABLE 14 - PAYMENTS TO ENERWASTE - sorted by oldest to latest										
NO	BANK ACCOUNT	ACCOUNT DETAILS	BANK STATEMENT DATE	BANK STATEMENT DESCRIPTION	PAYMENTS (R)	RECEIPTS (R)	NET (R)	SOURCE	PAID TO/FROM	CONFIRMED TO ACCOUNT DETAILS
1	Swifambo Rail Holdings	Std Bank 202538117	2013-04-09	TRANSFER TO ENERWASTE SOLUTIONS PTY 41,50	R 13,680,000		R 13,680,000	Bank Statement	Enerwaste Solutions	Standard Bank 61112666
2	Swifambo Rail Holdings	Std Bank 202538117	2013-04-11	TRANSFER TO ENERWASTE SOLUTIONS PL 41,50	R 10,000,000		R 10,000,000	Bank Statement	Enerwaste Solutions	Standard Bank 61112666
3	Swifambo Rail Holdings	Std Bank 202538117	2013-08-07	IB TRANSFER TO Refund 16H09 IB PAYMENT TO ENERWASTW SOLUTIONS 967036429 18,30	R 4,000,000		R 4,000,000		Enerwaste Solutions	
4	Swifambo Rail Holdings	Std Bank 202538117	2013-08-07	IB PAYMENT TO ENERWASTW SOLUTIONS 967036429	R 4,200,000		R 4,200,000	Bank Statement & Schedule	Enerwaste Solutions	Standard Bank 61112666
					R 31,880,000	-	R 31,880,000			

14.7.11. MSR MABUNDA – ELEVEN PAYMENTS FOR R12.5 MILLION

14.7.11.1. Per our analysis it appears that payments were made by Swifambo into more than one bank account linked to Mabunda.

14.7.11.2. To date, we have identified two (2) bank accounts linked to Mabunda which received funds from Swifambo, namely:

14.7.11.2.1. Standard Bank account number 12554774.

14.7.11.2.2. Bank account number 1057142697, bank unknown.

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14.7.11.2.3. Another bank account received funds, but we do not have the details of this bank account yet.

14.7.11.3. Currently we only have one bank account for analysis, the details are as follows:

Bank	Standard Bank
Account number	125 547 74
Signatories on account	Makhensa SR Mabunda
Directors of entity	Individual account

14.7.11.4. **<Table 15>** below reflects the eleven (11) payments made by Swifambo to “MSR Mabunda”:

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TABLE 15 - PAYMENTS TO / FROM MSR MABUNDA - sorted by oldest to latest

NO	BANK ACCOUNT	ACCOUNT DETAILS	BANK STATEMENT DATE	BANK STATEMENT DESCRIPTION	PAYMENTS (R)	RECEIPTS (R)	NET (R)	SOURCE	PAID TO/FROM	CONFIRMED TO ACCOUNT DETAILS
1	Swifambo Rail Holdings	Std Bank 202538117	2013-12-05	IB PAYMENT TO MRS MABUNDA 967036429 18,30	R 100,000		R 100,000	Schedule	MSR Mabunda	Nedbank 1057142697
2	Swifambo Rail Holdings	Std Bank 202538117	2014-01-09	IB PAYMENT TO MRS MABUNDA 967036429 18,30	R 1,100,000		R 1,100,000	Schedule	MSR Mabunda	Nedbank 1057142697
3	Swifambo Rail Holdings	Std Bank 202538117	2014-02-04	IB PAYMENT TO MRS MABUNDA 967036429 18,30	R 250,000		R 250,000	Schedule	MSR Mabunda	Nedbank 1057142697
4	Swifambo Rail Holdings	Std Bank 202538117	2014-03-14	IB PAYMENT TO MRS MABUNDA 967036429 18,30	R 200,000		R 200,000	Schedule	MSR Mabunda	Nedbank 1057142697
5	Swifambo Rail Holdings	Std Bank 202538117	2014-05-30	IB PAYMENT TO MRS MABUNDA 967036429 18,30	R 2,400,000		R 2,400,000	Schedule	MSR Mabunda	Nedbank 1057142697
6	Swifambo Rail Holdings	Std Bank 202538117	2014-05-30	IB PAYMENT TO MRS MABUNDA 967036429 18,30	R 200,000		R 200,000	Schedule	MSR Mabunda	Nedbank 1057142697
7	Swifambo Rail Holdings	Std Bank 202538117	2014-06-09	IB PAYMENT TO MRS MABUNDA 967036429 18,30	R 2,314,000		R 2,314,000	Schedule	MSR Mabunda	Nedbank 1057142697
8	Swifambo Rail Holdings	Std Bank 202538117	2014-06-09	IB PAYMENT TO MRS MABUNDA 967036429 18,30	R 4,000,000		R 4,000,000		MSR Mabunda	
9	Swifambo Rail Leasing	Std Bank 022682570	2014-09-17	ELECTRONIC BANKING PAYMENT TO MAKHE MAKHENZA MABU NA25214:15	R 750,000		R 750,000	Bank Statement & Schedule	Makhensa Mabunda	Standard Bank 12554774
10	Swifambo Rail Leasing	Std Bank 022682570	2014-09-17	ELECTRONIC BANKING PAYMENT TO MAKHE MAKHENZA MABU NA25214:15	R 480,000		R 480,000	Bank Statement & Schedule	Makhensa Mabunda	Standard Bank 12554774
11	Swifambo Rail Holdings	Std Bank 202538117	2015-06-19	IB PAYMENT TO MRS MABUNDA 967036429 18,30	R 800,000		R 800,000	Schedule	MSR Mabunda	Nedbank 1057142697
					R 12,594,000	-	R 12,594,000			

14.7.12. SIYAYA CONSULTING ENGINEERS – SEVEN PAYMENTS FOR R4.7 MILLION

14.7.12.1. Siyaya Consulting Engineers (Pty) Ltd (“Siyaya Consulting Engineers”) registration number is 2006/004006/07, and was registered on 10 February 2006.

14.7.12.2. Siyaya Consulting Engineers was previously named **Siyaya DB Engineers (Pty) Ltd.**

14.7.12.3. The registered auditors are Van Wyk Auditors.

14.7.12.4. The active directors of Siyaya Consulting Engineers are MSR Mabunda, and Mikateko Rosemary

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Mabunda (“**MR Mabunda**”) ID 7905180366083, in the capacity of ‘Company Secretary’.

14.7.12.5. Previous directors of Siyaya Consulting Engineers include **MT Mashele**, who resigned on or about 14 May 2014, Prince Henry Phaweni (“**Phaweni**”) 5901315712087 who resigned on or about 01 June 2010 and Vhelaphi Hudson Mabunda.

14.7.12.5.1. **MT Mashele is a director of Swifambo.**

14.7.12.6. Siyaya Consulting Engineers principal place of business was recorded as being 71 Courtday Crescent, Ranjiesfontein, Midrand, South Africa.

14.7.12.7. Siyaya Consulting Engineers is a supplier to PRASA and have an existing business relationship with DB International, however DB International have applied for the liquidation of Siyaya Consulting Engineers for non-payment.

14.7.12.8. Bank account summary:

Bank	Standard Bank	
Account number	201 345 897	
Signatories on account	?	?
Directors of entity	Makhensa SR Mabunda	Mikateko R Mabunda

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14.7.12.9. **<Table 16>** below reflects the seven (7) payments made by Swifambo to Siyaya Consulting Engineers, and two (2) corresponding receipts totaling R1,450,000 (Net payments to Siyaya Consulting Engineers equals R3,339,445):

TABLE 16 - PAYMENTS TO / FROM SIYAYA (DB) CONSULTING ENGINEERS - sorted by oldest to latest										
NO	BANK ACCOUNT	ACCOUNT DETAILS	BANK STATEMENT DATE	BANK STATEMENT DESCRIPTION	PAYMENTS (R)	RECEIPTS (R)	NET (R)	SOURCE	PAID TO/FROM	CONFIRMED TO ACCOUNT DETAILS
1	Swifambo Rail Holdings	Std Bank 202538117	2012-02-01	ELECTRONIC BANKING PAYMENT FR SIYAYA RAIL SOLUTIONS		R 250,000	-R 250,000	Bank Statement	Siyaya DB Engineers	Standard Bank 201345897
2	Swifambo Rail Leasing	Std Bank 022682570	2014-09-17	ELECTRONIC BANKING PAYMENT TO SIYAY SIYAYA DB CON NA2 5214:15	R 809,400		R 809,400	Bank Statement	Siyaya DB Engineers	Standard Bank 201345897
3	Swifambo Rail Leasing	Std Bank 022682570	2014-10-24	ELECTRONIC BANKING PAYMENT TO SIYAY SIYAYA DB CON NA25211:15	R 1,200,000		R 1,200,000	Bank Statement	Siyaya DB Engineers	Standard Bank 201345897
4	Swifambo Rail Leasing	Std Bank 022682570	2014-11-03	ELECTRONIC BANKING PAYMENT FR SIYAYA CONSULTING ENGINEERS		R 1,200,000	-R 1,200,000	Bank Statement	Siyaya DB Engineers	Standard Bank 201345897
5	Swifambo Rail Leasing	Std Bank 022682570	2014-12-04	ELECTRONIC BANKING PAYMENT TO SIYAY SIYAYA CONSUL RCT4612:44	R 735,300		R 735,300	Schedule	Siyaya Consulting Engineers	Nedbank 1057142697
6	Swifambo Rail Leasing	Std Bank 022682570	2015-02-12	ELECTRONIC BANKING PAYMENT TO SIYAY SIYAYA RAIL S NA25211:24	R 934,800		R 934,800	Bank Statement & Schedule	Siyaya Consulting Engineers	Standard Bank 61103233
7	Swifambo Rail Leasing	Std Bank 022682570	2015-06-29	ELECTRONIC BANKING PAYMENT TO SIYAY SIYAYA DB CON RCT4613:50	R 346,401		R 346,401	Bank Statement	Siyaya Consulting Engineers	Standard Bank 201345897
8	Swifambo Rail Leasing	Std Bank 022682570	2015-06-30	ELECTRONIC BANKING PAYMENT TO SIYAY SIYAYA DB CON RCT4615:01	R 601,317		R 601,317	Bank Statement	Siyaya Consulting Engineers	Standard Bank 201345897
9	Swifambo Rail Leasing	Std Bank 022682570	2015-08-04	ELECTRONIC BANKING PAYMENT TO SIYAY SIYAYA DB CON NA25216:00	R 162,226		R 162,226	Bank Statement & Schedule	Siyaya Consulting Engineers	Standard Bank 201345897
					R 4,789,445	R 1,450,000	R 3,339,445			

14.7.13. SIYAYA RAIL INFRASTRUCTURE – THREE PAYMENTS FOR R1.3 MILLION

14.7.13.1. Siyaya Rail Infrastructure Solutions and Technology (Pty) Ltd, (“Siyaya Rail Solutions”) registration number 2009/012646/07 was registered on 30 June 2009.

14.7.13.2. The registered auditors are Van Wyk Auditors.

14.7.13.3. The directors of Siyaya Rail Solutions are MSR Mabunda, appointed on 30 June 2009 and

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Hangalakani Gerson Hlomane (“HG Hlomane”) ID 6905215379086, appointed on 17 November 2014.

- 14.7.13.4. Siyaya Rail Solutions is noted as a supplier to PRASA.
- 14.7.13.5. It is also noted that Siyaya Rail Solutions made three payments to Swifambo Rail Holdings prior to the first receipt from PRASA, ostensibly to fund ‘setup costs’ as explained in Para <insert> above.
- 14.7.13.6. Bank account summary:

Bank	Standard Bank		
Account number	611 037 99		
Signatories on account	?		
Directors of entity	Makhensa SR Mabunda	Hangalakani Hlomane	G

- 14.7.13.7. **<Table 17>** below reflects the three (3) payments made by Swifambo to “Siyaya Rail Solutions”, and two (2) corresponding receipts totaling R 440,000 (Net payments to Siyaya Rail Solutions equals R 950,000):

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TABLE 17 - PAYMENTS TO / FROM SIYAYA RAIL INFRASTRUCTURE - sorted by oldest to latest

NO	BANK ACCOUNT	ACCOUNT DETAILS	BANK STATEMENT DATE	BANK STATEMENT DESCRIPTION	PAYMENTS (R)	RECEIPTS (R)	NET (R)	SOURCE	PAID TO/FROM	CONFIRMED TO ACCOUNT DETAILS
1	Swifambo Rail Holdings	Std Bank 202538117	2011-12-08	ELECTRONIC BANKING PAYMENT FR SIYAYA RAIL SOLUTIONS		R 120,000	-R 120,000	Bank Statement & Schedule	Siyaya Rail Infrastructure	Standard Bank 61103799
2	Swifambo Rail Holdings	Std Bank 202538117	2012-03-29	ELECTRONIC BANKING PAYMENT TO SIYAYA RAIL WJ200 12:00	R 125,000		R 125,000	Bank Statement & Schedule	Siyaya Rail Infrastructure	Standard Bank 61103799
3	Swifambo Rail Holdings	Std Bank 202538117	2012-03-29	ELECTRONIC BANKING PAYMENT TO SIYAYA RAIL WJ200 11:56	R 125,000		R 125,000	Bank Statement & Schedule	Siyaya Rail Infrastructure	Standard Bank 61103799
4	Swifambo Rail Holdings	Std Bank 202538117	2012-05-24	ELECTRONIC BANKING PAYMENT FR SIYAYA RAIL SOLUTIONS		R 320,000	-R 320,000	Bank Statement & Schedule	Siyaya Rail Infrastructure	Standard Bank 61103799
5	Swifambo Rail Holdings	Std Bank 202538117	2015-03-17	IB PAYMENT TO SIYAYA RAIL INFRA 967036429 18,30	R 1,140,000		R 1,140,000	Bank Statement & Schedule	Siyaya Rail Infrastructure	Standard Bank 61103233
					R 1,390,000	R 440,000	R 950,000			

14.7.14. SIYAYA ENERGY – ONE PAYMENT FOR R2 MILLION

14.7.14.1. Siyaya Energy (Pty) Ltd, (“Siyaya Energy”) with registration number 2009/015177/07, was registered on 04 August 2009.

14.7.14.2. The registered auditors of Siyaya Energy are Van Wyk Auditors.

14.7.14.3. The active directors of Siyaya Energy are MSR Mabunda, appointed on 04 August 2009 and Nhlamulo Cindy Mabunda (“**NC Mabunda**”) ID 7807290289082, appointed on 19 February 2015.

14.7.14.4. During 2010 Siyaya Energy was awarded a contract number HO/AUT/200/05/2010 to supply and deliver bulk fuel services to the entire PRASA. The contract with Siyaya further provides for the investigation and prevention of fuel fraud at Autopax. To date PRASA have paid Siyaya Energy approximately R

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23,698,096.35 (number to be verified) during the period investigated.

14.7.14.5. Bank account summary:

Bank	Standard Bank	
Account number	611 032 33	
Signatories on account	?	
Directors of entity	Makhensa SR Mabunda	Nhlamulo C Mabunda

14.7.14.6. <Table 18> below reflects the one (1) payment made by Swifambo to Siyaya Energy:

TABLE 18 - PAYMENT TO SIYAYA ENERGY										
NO	BANK ACCOUNT	ACCOUNT DETAILS	BANK STATEMENT DATE	BANK STATEMENT DESCRIPTION	PAYMENTS (R)	RECEIPTS (R)	NET (R)	SOURCE	PAID TO/FROM	CONFIRMED TO ACCOUNT DETAILS
1	SWIFAMBO RAIL HOLDINGS	STANDARD BANK - 202538117	2013-12-05	IB PAYMENT TO SIYAYA ENERGY PTY L 967036429 18,30	R 2,000,000	-	-R 2,000,000	BANK STATEMENT	SIYAYA ENERGY	STD BANK 61103233

14.7.15. **NSOVO HOLDINGS – EIGHTEEN PAYMENTS FOR R2.1 MILLION**

14.7.15.1. Nsovo Holdings (Pty) Ltd (“Nsovu”) with registration number 2005/027941/07, was registered on 10 August 2005.

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14.7.15.2. There does not appear to be an active registered auditor but the most recent auditors would appear to be Van Wyk Auditors.

14.7.15.3. The active directors of Nsovu Holdings are MSR Mabunda, appointed on 10 August 2005 and Nhlamulo Cindy Maluleke ID 7807290289082 (it is likely that this is the maiden name for Nhlamulo Cindy Mabunda).

14.7.15.4. Bank account summary:

Bank	Standard Bank	
Account number	127 099 80	
Signatories on account	?	?
Directors of entity	Makhensa SR Mabunda	Nhlamulo C Mabunda

14.7.15.5. <Table 19> below reflects the eighteen (18) payments made by Swifambo to “Nsovo” (or derivations thereof):

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TABLE 19 - PAYMENTS TO / FROM NSOVO HOLDINGS - sorted by oldest to latest

NO	BANK ACCOUNT	ACCOUNT DETAILS	BANK STATEMENT DATE	BANK STATEMENT DESCRIPTION	PAYMENTS (R)	RECEIPTS (R)	NET (R)	SOURCE	PAID TO/FROM	CONFIRMED TO ACCOUNT DETAILS
1	Swifambo Rail	Std Bank	2014-06-10	ELECTRONIC BANKING PAYMENT TO NSOVO	R 8,550.00		R 8,550.00	Bank	Nsovo	Standard Bank
2	Swifambo Rail	Std Bank	2014-10-28	ELECTRONIC BANKING PAYMENT TO NSOVO	R 283,002.00		R 283,002.00	Bank	Nsovo	Standard Bank
	Leasing	022682570		HOLDINGS NA252 11:49				Statement & Schedule	Holdings	12709980
3	Swifambo Rail	Std Bank	2015-02-03	ELECTRONIC BANKING PAYMENT TO NSOVO	R 283,002.72		R 283,002.72	Bank	Nsovo	Standard Bank
	Leasing	022682570		NSOVO HOLDING NA25211:32				Statement	Holdings	12709980
4	Swifambo Rail	Std Bank	2015-02-12	ELECTRONIC BANKING PAYMENT TO NSOVO	R 141,501		R 141,501	Bank	Nsovo	Standard Bank
	Leasing	022682570		NSOVO HOLDING NA25211:24				Statement	Holdings	12709980
5	Swifambo Rail	Std Bank	2015-02-28	STOP ORDER 1 NSOVO HOLDINGS	R 141,501		R 141,501	Bank	Nsovo	Standard Bank
	Leasing	022682570						Statement	Holdings	12709980
6	Swifambo Rail	Std Bank	2015-03-31	STOP ORDER 1 NSOVO HOLDINGS	R 141,501		R 141,501	Bank	Nsovo	Standard Bank
	Leasing	022682570						Statement	Holdings	12709980
7	Swifambo Rail	Std Bank	2015-04-14	ELECTRONIC BANKING PAYMENT TO NSOVO	R 17,340		R 17,340		Nsovo	
	Leasing	370362756		SOLUTIONS RCT46 16:20					Holdings	
8	Swifambo Rail	Std Bank	2015-04-30	STOP ORDER 1 NSOVO HOLDINGS	R 141,501		R 141,501	Bank	Nsovo	Standard Bank
	Leasing	022682570						Statement	Holdings	12709980
9	Swifambo Rail	Std Bank	2015-06-01	STOP ORDER 1 NSOVO HOLDINGS	R 141,501		R 141,501	Bank	Nsovo	Standard Bank
	Leasing	022682570						Statement	Holdings	12709980
10	Swifambo Rail	Std Bank	2015-06-30	STOP ORDER 1 NSOVO HOLDINGS	R 141,501		R 141,501	Bank	Nsovo	Standard Bank
	Leasing	022682570						Statement	Holdings	12709980
11	Swifambo Rail	Std Bank	2015-07-31	STOP ORDER 1 NSOVO HOLDINGS	R 141,501		R 141,501	Bank	Nsovo	Standard Bank
	Leasing	022682570						Statement	Holdings	12709980
12	Swifambo Rail	Std Bank	2015-08-12	ELECTRONIC BANKING PAYMENT TO NSOVO	R 50,994		R 50,994		Nsovo	
	Leasing	370362756		SOLUTIONS RCT46 10:40					Holdings	
13	Swifambo Rail	Std Bank	2015-08-21	ELECTRONIC BANKING PAYMENT TO NSOVO	R 287,421		R 287,421	Bank	Nsovo	Standard Bank
	Leasing	022682570		NSOVO HOLDING RCT4613:11				Statement	Holdings	12709980
14	Swifambo Rail	Std Bank	2015-08-31	STOP ORDER 1 NSOVO HOLDINGS	R 141,501		R 141,501	Bank	Nsovo	Standard Bank
	Leasing	022682570						Statement	Holdings	12709980
15	Swifambo Rail	Std Bank	2015-10-14	ELECTRONIC BANKING PAYMENT TO NSOVO	R 16,827		R 16,827		Nsovo	
	Leasing	370362756		SOLUTIONS RCT46 12:36					Holdings	
16	Swifambo Rail	Std Bank	2015-10-14	ELECTRONIC BANKING PAYMENT TO NSOVO	R 36,480		R 36,480	Bank	Nsovo	Standard Bank
	Leasing	370362756		HOLDINGS RCT46 12:36				Statement	Holdings	12709980
17	Swifambo Rail	Std Bank	2015-11-12	ELECTRONIC BANKING PAYMENT TO NSOVO	R 36,480		R 36,480	Bank	Nsovo	Standard Bank
	Leasing	370362756		HOLDINGS RCT46 09:14				Statement	Holdings	12709980
18	Swifambo Rail	Std Bank	2015-11-26	ELECTRONIC BANKING PAYMENT TO NSOVO	R 36,480		R 36,480	Bank	Nsovo	Standard Bank
	Leasing	370362756		HOLDINGS RCT46 12:42				Statement	Holdings	12709980
					R 2,188,587	R -	R 2,188,587			

14.7.16. S GROUP – TWO PAYMENTS FOR R1.7 MILLION

14.7.16.1. S-Group Holding Company (Pty) Ltd (“S-Group Holding”) with registration number 2009/014696/07, was registered on 30 July 2009.

14.7.16.2. The auditors of S-Group Holding are LSG Integrated who could to be a division of Van Wyk Auditors.

14.7.16.3. The **only** active director of S-Group Holding is MSR Mabunda who was appointed on 30 July 2009.

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14.7.16.4. Bank account summary:

Bank account summary		
Bank	Standard Bank	
Account number	611 032 41	
Signatories on account	?	?
Directors of entity	Makhensa SR Mabunda	

14.7.16.5. <Table 20> below reflects the <two (2)> payments made by Swifambo to "S Group":

TABLE 20 - PAYMENTS TO / FROM S GROUP - sorted by oldest to latest										
NO	BANK ACCOUNT	ACCOUNT DETAILS	BANK STATEMENT DATE	BANK STATEMENT DESCRIPTION	PAYMENTS (R)	RECEIPTS (R)	NET (R)	SOURCE	PAID TO/FROM	CONFIRMED TO ACCOUNT DETAILS
1	Swifambo Rail Leasing	Std Bank 022682570	2014-05-06	ELECTRONIC BANKING PAYMENT TO SGROUP RCT46 17:38	R 1,147,049		R 1,147,049	Bank Statement & Schedule	S Group	Standard Bank 61103241
2	Swifambo Rail Leasing	Std Bank 022682570	2014-07-09	ELECTRONIC BANKING PAYMENT TO EXPOO SGROUP NA2 5215:49	R 552,900		R 552,900	Schedule	S Group	Standard Bank 201345897
					R 1,699,949	R -	R 1,699,949			

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14.8. PAYMENTS LINKED TO WKH LANDGREBE – NINETEEN PAYMENTS FOR R27.9 MILLION

- 14.8.1. WKH Landgrebe are the registered auditors of:
- 14.8.1.1. Swifambo Rail Leasing;
 - 14.8.1.2. AMCE; and
 - 14.8.1.3. Vuyanimathi Properties.
- 14.8.2. Landgrebe Secretarial Services CC (“Landgrebe”) registration number 1988/029081/23 was registered on 21 October 1988.
- 14.8.3. The auditors of Landgrebe are W K H Landgrebe (CA(SA)).
- 14.8.4. Wolf Rodenacker, (“Rodenacker”) ID 4102075060186 is the sole active member and was appointed on 5 August 2011.
- 14.8.5. We note that Swifambo Rail Holdings and Swifambo Rail Leasing have different registered auditors. Whereas, WKH Landgrebe are the registered auditors of Swifambo Rail Leasing, the **majority** of the payments are effected from the Swifambo Rail Holdings bank account. However, the registered auditors for Swifambo Rail Holdings are Van Wyk Auditors.
- 14.8.6. Further, the payments to WKH Landgrebe appear to be very excessive should the cost be *exclusively* for audit fees. The nature of the payments is unknown at this stage.
- 14.8.7. We have also identified large payments made to WKH Landgrebe in the Enerwaste Solutions and Bahn Wheel Solutions bank

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accounts analysed during the second level analysis (to be finalized).

14.8.8. We do not have the bank accounts for WKH Landgrebe, and based on the nature and value of payments to this entity, being an audit firm (as well as across multiple other linked entity bank accounts) these bank accounts are regarded as very relevant for further analysis.

14.8.9. <Table 21> below reflects the nineteen (19) payments made by Swifambo to "WKH Landgrebe":

TABLE 21 - PAYMENTS TO WKH LANDGREBE - sorted by oldest to latest										
NO	BANK ACCOUNT	ACCOUNT DETAILS	BANK STATEMENT DATE	BANK STATEMENT DESCRIPTION	PAYMENTS (R)	RECEIPTS (R)	NET (R)	SOURCE	PAID TO/FROM	CONFIRMED TO ACCOUNT DETAILS
1	Swifambo Rail	Std Bank	2012-09-04	ELECTRONIC BANKING PAYMENT TO WKH L	R 114		R 114		WKH Landgrebe	
2	Swifambo Rail	Std Bank	2012-09-04	ELECTRONIC BANKING PAYMENT TO WKH L	R 969		R 969		WKH Landgrebe	
	Holdings	202538117		WKH LANDGREBE WJ20011:12						
3	Swifambo Rail	Std Bank	2012-09-04	ELECTRONIC BANKING PAYMENT TO WKH L	R 2,907		R 2,907		WKH Landgrebe	
	Holdings	202538117		WKH LANDGREBE WJ20011:12						
4	Swifambo Rail	Std Bank	2013-04-09	INTERBANK TRANSFER WKH LANDGREBE	R 8,800,000		R 8,800,000		WKH Landgrebe	
	Holdings	202538117		1304094442NP2926 41,50						
5	Swifambo Rail	Std Bank	2013-04-11	INTERBANK TRANSFER WKH LANDGREBE	R 1,200,000		R 1,200,000		WKH Landgrebe	
	Holdings	202538117		1304114442NP2980 41,50						
6	Swifambo Rail	Std Bank	2013-04-22	INTERBANK TRANSFER WKH LANDGREBE	R 4,300,000		R 4,300,000		WKH Landgrebe	
	Holdings	202538117		1304224442NP3163 41,50						
7	Swifambo Rail	Std Bank	2013-05-10	IB PAYMENT TO WKH LANDGREBE	R 2,200,000		R 2,200,000	Schedule	WKH Landgrebe	Nedbank
	Holdings	202538117		967036429 13^j						1963259165
8	Swifambo Rail	Std Bank	2013-11-26	IB PAYMENT TO WKH LANDGREBE	R 329,600		R 329,600		WKH Landgrebe	
	Holdings	202538117		967036429 18,30						
9	Swifambo Rail	Std Bank	2013-12-04	ELECTRONIC BANKING PAYMENT TO W.K.H	R 2,850		R 2,850		WKH Landgrebe	
	Holdings	202538117		LANDGREBE & YWU44 12:52						
10	Swifambo Rail	Std Bank	2013-12-07	IB PAYMENT TO WKH LANDGREBE	R 1,091,800		R 1,091,800		WKH Landgrebe	
	Holdings	202538117		967036429 18,30						
11	Swifambo Rail	Std Bank	2013-12-13	ELECTRONIC BANKING PAYMENT TO WKH01	R 52,180		R 52,180		WKH Landgrebe	
	Holdings	202538117		WKH LANDGREBE YWU4414:55						
12	Swifambo Rail	Std Bank	2014-05-30	IB PAYMENT TO WKH LANDGREBE	R 4,500,000		R 4,500,000	Schedule	WKH Landgrebe	Nedbank
	Holdings	202538117		967036429 18,30						1963259165
13	Swifambo Rail	Std Bank	2014-08-07	ELECTRONIC BANKING PAYMENT TO W.K.H	R 1,100,000		R 1,100,000	Schedule	WKH Landgrebe	Nedbank
	Leasing	022682570		LANDGREBE NA252 12:50						1963259165
14	Swifambo Rail	Std Bank	2014-09-17	ELECTRONIC BANKING PAYMENT TO WKH L	R 494,072		R 494,072		WKH Landgrebe	
	Leasing	022682570		WKH LANDGREBE NA25214:15						
15	Swifambo Rail	Std Bank	2015-06-26	IB PAYMENT TO WKH LANDGREBE	R 2,200,000		R 2,200,000		WKH Landgrebe	
	Holdings	202538117		967036429 18,30						
16	Swifambo Rail	Std Bank	2015-07-21	IB PAYMENT TO WKH LANDGREBE	R 880,000		R 880,000		WKH Landgrebe	
	Holdings	202538117		967036429 18,30						
17	Swifambo Rail	Std Bank	2015-09-02	ELECTRONIC BANKING PAYMENT TO WKH L	R 506,802		R 506,802	Schedule	WKH Landgrebe	Nedbank
	Leasing	022682570		WKH LANDGREBE NA25210:49						1963259165
18	Swifambo Rail	Std Bank	2015-09-03	ELECTRONIC BANKING PAYMENT TO WKH01	R 278,947		R 278,947		WKH Landgrebe	
	Holdings	202538117		WKH LANDGREBE YWU4415:54						
19	Swifambo Rail	Std Bank	2015-11-26	ELECTRONIC BANKING PAYMENT TO WKH	R 7,695		R 7,695		WKH Landgrebe	
	Leasing	370362756		LANDGREBE RCT46 12:41						
					R 27,947,935	-	R 27,947,935			

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14.9. PAYMENTS LINKED TO MUSA CAPITAL – SIX PAYMENTS FOR R20.2 MILLION

- 14.9.1. Musa Capital Advisors (Pty) Ltd (“Musa Capital”) registration number 2009/003976/07 was registered on 26 February 2009.
- 14.9.2. The registered auditors of Musa Capital are Horwath Leveton Boner.
- 14.9.3. The only active director of Musa Capital is William Demoyne Jimerson (“Jimerson”) ID 7008140000000 who was appointed on 07 April 2009.
- 14.9.4. Musa Capital is situated on the 3rd Floor of Commerce Square, 39 Rivonia Road, Sandhurst, Johannesburg, 2196, South Africa.
- 14.9.5. **Cynthia Michelle Parrish** (ID Passport no. 442936175 is a United States citizen) was appointed as a director of Swifambo Rail Leasing on 07 February 2012. Parrish is recorded as the Chief Legal Counsel of Musa Capital, who were listed as advisors to the ‘Swifambo Consortium’ in a presentation given by Mashaba.
- 14.9.6. Bank account summary:

Bank	Standard Bank
Account number	420 976 310
Signatories on account	No opening documents received

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Directors of entity	William D Jimerson

14.9.7. <Table 22> below reflects the six (6) payments made by Swifambo to “Musa Capital” (or derivations thereof), and five (5) corresponding receipts totaling R 56,000 (Net payments to Musa Capital equals R 20,163,955):

TABLE 22 - PAYMENTS TO / FROM MUSA CAPITAL - sorted by oldest to latest										
NO	BANK ACCOUNT	ACCOUNT DETAILS	BANK STATEMENT DATE	BANK STATEMENT DESCRIPTION	PAYMENTS (R)	RECEIPTS (R)	NET (R)	SOURCE	PAID TO/FROM	CONFIRMED TO ACCOUNT DETAILS
1	Swifambo Rail Leasing	Std Bank 022682570	2012-04-11	ELECTRONIC BANKING TRANSFER FR MUSA TO MAFORI FINANCE		R 200	-R 200	Bank Statement	Musa Capital	Standard Bank 420976310
2	Swifambo Rail Leasing	Std Bank 022682570	2012-06-15	ELECTRONIC BANKING TRANSFER FR MUSA TO MAFORI SANDTON 270		R 500	-R 500	Bank Statement	Musa Capital	Standard Bank 420976310
3	Swifambo Rail Holdings	Std Bank 202538117	2013-04-11	TRANSFER TO MUSA CAPITAL ADVISOR 41,50	R 5,000,000		R 5,000,000	Bank Statement	Musa Capital	Standard Bank 420976310
4	Swifambo Rail Leasing	Std Bank 022682570	2013-04-12	ELECTRONIC BANKING TRANSFER FR MUSA TO MAFORI VRY		R 300	-R 300	Bank Statement	Musa Capital	Standard Bank 420976310
5	Swifambo Rail Leasing	Std Bank 022682570	2013-04-12	ELECTRONIC BANKING PAYMENT TO MUSA CAP A M EMENGINEERING	R 2,000		R 2,000		Musa Capital	
6	Swifambo Rail Holdings	Std Bank 202538117	2013-04-22	TRANSFER TO MUSA CAPITAL CSC- JOHANNES 668 41,50	R 8,500,000		R 8,500,000	Bank Statement	Musa Capital	Standard Bank 420976310
7	Swifambo Rail Leasing	Std Bank 022682570	2013-06-07	ELECTRONIC BANKING TRANSFER FR MUSA TO SWIFAMBO		R 50,000	-R 50,000	Bank Statement	Musa Capital	Standard Bank 420976310
8	Swifambo Rail Leasing	Std Bank 022682570	2013-07-04	ELECTRONIC BANKING TRANSFER FR MUSA TO SWIFAMBO		R 5,000	-R 5,000	Bank Statement	Musa Capital	Standard Bank 420976310
9	Swifambo Rail Leasing	Std Bank 022682570	2013-07-04	ELECTRONIC BANKING OAYMENT TO MUSA CAP SWIFAMBO	R 20,000		R 20,000		Musa Capital	
10	Swifambo Rail Leasing	Std Bank 022682570	2014-03-19	ELECTRONIC BANKING PAYMENT TO MUSA CAPITAL NA2 52 15:36	R 1,697,955		R 1,697,955	Bank Statement	Musa Capital	Standard Bank 420976310
11	Swifambo Rail Leasing	Std Bank 022682570	2015-03-02	ELECTRONIC BANKING PAYMENT TO MUSA CAPITAL RCT46 21:21	R 5,000,000		R 5,000,000	Bank Statement & Schedule	Musa Capital	Standard Bank 420976310
					R 20,219,955	R 56,000	R 20,163,955			

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14.10. PAYMENTS LINKED TO SEBENZA FORWARDING – TEN PAYMENTS FOR R99.2 MILLION

- 14.10.1. Sebenza Forwarding and Shipping (Pty) Ltd (“Sebenza”) with registration number 1995/012564/07, was registered on 22 November 1995.
- 14.10.2. The registered auditors of Sebenza are Deloitte and Touche.
- 14.10.3. The active directors of Sebenza are:
 - 14.10.3.1. Sibusiso Peter-Paul Ngwenya (“SP Ngwenya”) ID 5309035726082 appointed on 22 November 1995;
 - 14.10.3.2. Govindsamy Veeran (“G Veeran”) ID 5502055041081 appointed on 09 July 1998;
 - 14.10.3.3. Anthony William Dawe (“AW Dawe”) ID 6510115139083 appointed on 01 August 2009;
 - 14.10.3.4. Nosiphesihle Jacqueline Mbongwa (“NJ Mbongwa”) ID 7703290400086 appointed on 09 May 2013;
 - 14.10.3.5. Gcwalisile Gloria Twala (“GG Twala”) ID 6609290351081 appointed on 27 February 2013; and
 - 14.10.3.6. Xolani Jeffrey Sithole (“XJ Sithole”) ID 8402075373084, appointed on 16 September 2013.
- 14.10.4. Previous directors of Sebenza include, amongst many others, **Sifiso Norbet Buthelezi** ID 6108145750085, the **former Chairman** of the Board of PRASA.

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- 14.10.5. Per **Mamabolo's affidavit**, the following allegations were made in the initial complaint – Sfiso Buthelezi, while Chairman of PRASA Board, failed to disclose his interest in Makana Investment Corporation (Makana), which has a 15% shareholding in Cadiz, a company allegedly providing advisory services to PRASA on the Rolling Stock. It has now been confirmed that it has a has a 55% shareholding in Sebenza Forwarding & Shipping Consultancy, (Sebenza) the preferred forwarding and clearing service provider to PRASA).
- 14.10.6. In addition, per investigations at PRASA, into disclosure of interests SN Buthelezi **did not disclose his interest** in Sebenza Forwarding.
- 14.10.7. Per the flow of funds analysis, Sebenza Forwarding was paid R99.2 million by Swifambo.
- 14.10.7.1. Per the contract between PRASA and Swifambo, **the cost of shipping/forwarding was for the cost of PRASA and not Swifambo.**³⁸ Further, the contract does not elaborate further with regards to the shipping costs.

³⁸ See Annexure B "**Pricing Schedule**" of the contract which states :

1. *"The Purchase Amount for each Locomotive shall be as follows: The Purchase Price shall equal 3.822.900 EUROS which amount shall exclude:*
 - 1.1. *The applicable amount for VAT, or for any other indirect tax that might be applicable;*
 - 1.2. *The import custom duties, which will not be payable by the Seller (Swifambo) or will be fully reimbursed to the Seller by the Purchaser (PRASA) if disbursed by the Seller.*
 - 1.3. *Any of those elements which according to this Agreement must be provided free of charge to the Seller by the Purchaser."*

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14.10.7.2. Per the contract between Swifambo and Vossloh, the cost of shipping/forwarding **was for the cost of Swifambo and not Vossloh.**³⁹ Further, the contract does not elaborate further with regards to the shipping costs.

14.10.7.3. Therefore, per the contract between Swifambo and Vossloh the cost of shipping was for Swifambo's cost, which could explain the payments to Sebenza. However, per the contract between PRASA and Swifambo, the cost of shipping was for PRASA's cost. A review of the invoices from Swifambo to PRASA does not appear to detail any billing by Swifambo for shipping or forwarding type costs. Therefore, using the available information, it is unclear how this financial arrangement was accounted for.

14.10.7.4. Further, the income statement presented in the Massaro affidavit (see <Table 2>) does not detail shipping or forwarding fees, it only details "clearance fees" of R 3,988,195, which is significantly lower than the amounts paid to Sebenza. Accordingly, it is

³⁹ See Annexure B "**Pricing Schedule**" of the contract which states:

2. "The Purchase Amount for each Locomotive shall be as follows: The Purchase Price for each of the 70 Locomotives shall be 3.657.052 EURO which amount shall exclude:
 - 2.1. The applicable amount for VAT, or for any other indirect tax that might be applicable;
 - 2.2. The clearing and transport costs (as defined in 17.3 of the Agreement), which shall not be payable by the Seller (Swifambo) or will be fully reimbursed to the Seller and.
 - 2.3. Any of those elements which according to this Agreement must be provided free of charge to the Seller by the Purchaser."

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unclear how Swifambo accounted for these payments and the related business reason.

14.10.8. **Accordingly, considering the above, and also taking into account the critical relationship between the former chairperson of PRASA (namely Buthelezi), his (undisclosed) relationship to Sebenza and the context of the R3.5 billion tender between PRASA and Swifambo this aspect should be investigated further.**

14.10.9. Bank account summary:

Bank	Standard Bank	
Account number	706 4024 6	
Signatories on account	No opening documents received	
	-	-
Directors of entity	?	?
	-	-

14.10.10. **<Table 23>** below reflects the ten (10) payments made by Swifambo to “Sebenza (Forwarding)”:

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TABLE 23 - PAYMENTS TO SEBENZA FORWARDING - sorted by oldest to latest										
NO	BANK ACCOUNT	ACCOUNT DETAILS	BANK STATEMENT DATE	BANK STATEMENT DESCRIPTION	PAYMENTS (R)	RECEIPTS (R)	NET (R)	PAID TO/FROM	SOURCE	CONFIRMED TO ACCOUNT DETAILS
1	Swifambo Rail Leasing	Std Bank 022682570	2014-12-03	ELECTRONIC BANKING PAYMENT TO SEBENZA RCT46 16:52	R 359,858.44		R 359,858.44	Sebenza Forwarding	Bank Statement & Schedule	Standard Bank 70640246
2	Swifambo Rail Leasing	Std Bank 370362756	2014-12-18	ELECTRONIC BANKING PAYMENT TO SEBENZA RCT46 15:51	R 6,939.66		R 6,939.66	Sebenza Forwarding	Bank Statement	Standard Bank 70640246
3	Swifambo Rail Leasing	Std Bank 022682570	2015-01-14	ELECTRONIC BANKING PAYMENT TO SEBENZA FORWA NA25216:33	R 34,511,450.17		R 34,511,450.17	Sebenza Forwarding	Bank Statement & Schedule	Standard Bank 70640246
4	Swifambo Rail Leasing	Std Bank 022682570	2015-03-02	ELECTRONIC BANKING PAYMENT TO SEBENZA FORWA NA25213:01	R 32,510,819.23		R 32,510,819.23	Sebenza Forwarding	Bank Statement & Schedule	Standard Bank 70640246
5	Swifambo Rail Leasing	Std Bank 022682570	2015-04-10	ELECTRONIC BANKING PAYMENT TO SEBENZA FORWA RCT4611:58	R 14,000,000.00		R 14,000,000.00	Sebenza Forwarding	Bank Statement & Schedule	Standard Bank 70640246
6	Swifambo Rail Leasing	Std Bank 022682570	2015-04-16	ELECTRONIC BANKING PAYMENT TO SEBENZA FORWA NA25215:11	R 8,000,000.00		R 8,000,000.00	Sebenza Forwarding	Bank Statement & Schedule	Standard Bank 70640246
7	Swifambo Rail Leasing	Std Bank 370362756	2015-05-25	ELECTRONIC BANKING PAYMENT TO SEBENZA RCT46 21:11	R 5,743		R 5,743	Sebenza Forwarding	Bank Statement	Standard Bank 70640246
8	Swifambo Rail Leasing	Std Bank 022682570	2015-06-08	ELECTRONIC BANKING PAYMENT TO SEBENZA FORWA NA25212:54	R 9,705,951		R 9,705,951	Sebenza Forwarding	Bank Statement & Schedule	Standard Bank 70640246
9	Swifambo Rail Leasing	Std Bank 022682570	2015-07-20	ELECTRONIC BANKING PAYMENT TO SEBENZA FORWA RCT4614:55	R 165,377		R 165,377	Sebenza Forwarding	Bank Statement & Schedule	Standard Bank 70640246
10	Swifambo Rail Leasing	Std Bank 370362756	2015-11-05	ELECTRONIC BANKING PAYMENT TO SEBENZA RCT46 23:21	R 17,951		R 17,951	Sebenza Forwarding	Bank Statement & Schedule	Standard Bank 70640246
					R 99,284,090	-	R 99,284,090			

14.11. PAYMENTS LINKED TO NKOSI SABELO – TWO PAYMENTS FOR R28.5 MILLION

14.11.1. Nkosi Sabelo Incorporated is a firm of attorneys.

14.11.2. Nkosi Sabelo was implicated by Mashaba in that Mashaba confirmed that he had received instruction to make payments to entities and/or individuals that had no involvement in the work envisaged by the tender and provided a schedule of some of the amounts he claimed to have paid (amounting to over R86 million) from the proceeds of the Swifambo tender to third parties that were “political affiliates” and not creditors of Swifambo.

14.11.3. The supporting documentation provided by Mashaba indicates that the payments were made to accounts including Nedbank account

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number 1469018578, held in the name of Nkosi Sabelo Incorporated, a firm of attorneys.

- 14.11.4. In addition, Nkosi Sabelo was implicated in bribery and corruption allegations related to **Petro SA** in 2013.⁴⁰
- 14.11.5. Swifambo made payments totaling R28.5 million to “Nkosi Sabelo”, however, the second level analysis will assess if additional payments were made by other linked entities to Nkosi Sabelo.
- 14.11.6. We received a bank account, however, the bank account received was not the Nedbank account detailed by Mashaba. The account received was a FNB account, details as follows:

Bank	First National Bank	
Account number	623 310 498 42	
Signatories on account	Hugh B Nkosi	George M Sabelo
Directors of entity	Hugh B Nkosi	George M Sabelo

- 14.11.7. **We do not have the bank accounts for Nkosi Sabelo, however based on the allegations and value of payments to this entity these bank accounts are regarded as very relevant for further analysis.**

⁴⁰ “Oilgate 2: New evidence of kickbacks” dated 3 May 2013 source: <http://mg.co.za/article/2013-05-03-00-oilgate-2-new-evidence-of-kickbacks>

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14.11.8. <Table 24> below reflects the two (2) payments made by Swifambo to “Nkosi Sabelo Inc:

TABLE 24 - PAYMENTS TO NKOSI SABELO - sorted by oldest to latest										
NO	BANK ACCOUNT	ACCOUNT DETAILS	BANK STATEMENT DATE	BANK STATEMENT DESCRIPTION	PAYMENTS (R)	RECEIPTS (R)	NET (R)	SOURCE	PAID TO/FROM	CONFIRMED TO ACCOUNT DETAILS
1	Swifambo Rail	Std Bank	2013-04-11	TRANSFER TO NKOSI SABELO INC	R 14,300,000		R 14,300,000	Requested	Nkosi	Requested
2	Swifambo Rail Holdings	Std Bank 202538117	2013-04-22	TRANSFER TO NKOSI SABELO INC.	R 14,200,000		R 14,200,000	Requested	Nkosi Sabelo Inc	Requested
					R 28,500,000	-	R 28,500,000			

14.12. PAYMENTS LINKED TO MIZANA ENGINEERING – FOURTEEN PAYMENTS FOR R2.7 MILLION

- 14.12.1. Mizana Engineering and Services (Pty) Ltd (“Mizana Engineering”) with registration number 2012/177151/07, was registered on 28 September 2012.
- 14.12.2. The registered auditors of Mizana Engineering are Van Wyk Auditors.
- 14.12.3. The active directors of Mizana Engineering are Bekani Ephraim Mashaba (“**BE Mashaba**”) ID 8103145400085, appointed on 16 January 2013 and Kennedy Liphoko (“K Liphoko”) ID 7509235775080 appointed on 06 May 2015.
- 14.12.4. Anike Van den Berg was previously a director of Mizana Engineering.
- 14.12.5. It is apparent that this entity is linked to Mizana Investments as it has a common director (BE Mashaba), who was appointed as a director in both companies on the same day. Further both Mizana

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Engineering and Mizana Investments have the same registered auditors.

- 14.12.6. It is unclear if BE Mashaba is related to Auswell Mashaba. **This needs to be established.**
- 14.12.7. An entity, Mizana Trading is a supplier to PRASA, with an invoice value to PRASA for the period investigated of approximately R54 million. It is unclear if Mizana Trading is the same entity or is linked to Mizana Engineering, and this needs to be established.
- 14.12.8. Bank account summary:

Bank account summary			
Bank	Standard Bank		
Account number	121 093 12		
Signatories on account	?	?	
Directors of entity	Bekani Mashaba	Ephraim	Kennedy Liphoko

- 14.12.9. **<Table 25>** below reflects the fourteen (14) payments made by Swifambo to “Mizana (Engineering)”:

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TABLE 25 - PAYMENTS TO MIZANA ENGINEERING - sorted by oldest to latest

NO	BANK ACCOUNT	ACCOUNT DETAILS	BANK STATEMENT DATE	BANK STATEMENT DESCRIPTION	PAYMENTS (R)	RECEIPTS (R)	NET (R)	SOURCE	PAID TO/FROM	CONFIRMED TO ACCOUNT DETAILS
1	Swifambo Rail Holdings	Std Bank 202538117	2013-11-19	ELECTRONIC BANKING PAYMENT TO MIZANA ENGINEERING YWU44 14:45	R 119,700		R 119,700	Bank Statement & Schedule	Mizana Engineering	Standard Bank 12109312
2	Swifambo Rail Leasing	Std Bank 370362756	2014-02-05	ELECTRONIC BANKING PAYMENT TO MIZANA ENGINEERING RCT46 17:39	R 39,900		R 39,900	Bank Statement	Mizana Engineering	Standard Bank 12109312
3	Swifambo Rail Holdings	Std Bank 202538117	2014-05-08	ELECTRONIC BANKING PAYMENT TO MIZANA ENGINEERING WJ200 15:53	R 110,041		R 110,041	Schedule	Mizana Engineering	Standard Bank 12109312
4	Swifambo Rail Leasing	Std Bank 022682570	2014-09-17	ELECTRONIC BANKING PAYMENT TO MIZAN MIZANA NA2 5214:15	R 140,000		R 140,000		Mizana Engineering	FNB 62216801317
5	Swifambo Rail Leasing	Std Bank 370362756	2014-10-07	ELECTRONIC BANKING PAYMENT TO MIZANA RCT46 23:49	R 35,000		R 35,000		Mizana Engineering	
6	Swifambo Rail Leasing	Std Bank 370362756	2014-11-06	ELECTRONIC BANKING PAYMENT TO MIZANA RCT46 17:29	R 35,000		R 35,000		Mizana Engineering	
7	Swifambo Rail Leasing	Std Bank 022682570	2015-03-03	ELECTRONIC BANKING PAYMENT TO MIZAN MIZANA ENGINE RCT4612:09	R 339,845		R 339,845	Bank Statement & Schedule	Mizana Engineering	Standard Bank 12109312
8	Swifambo Rail Leasing	Std Bank 022682570	2015-03-03	ELECTRONIC BANKING PAYMENT TO MIZAN MIZANA ENGINE NA25212:29	R 1,428,065		R 1,428,065	Bank Statement & Schedule	Mizana Engineering	Standard Bank 12109312
9	Swifambo Rail Leasing	Std Bank 370362756	2015-03-25	ELECTRONIC BANKING PAYMENT TO MIZAN MIZANA ENGINE RCT4615:39	R 40,128		R 40,128	Bank Statement	Mizana Engineering	Standard Bank 12109312
10	Swifambo Rail Leasing	Std Bank 370362756	2015-04-16	ELECTRONIC BANKING PAYMENT TO MIZANA RCT46 13:38	R 35,000		R 35,000	Bank Statement	Mizana Engineering	Standard Bank 12109312
11	Swifambo Rail Leasing	Std Bank 370362756	2015-05-06	ELECTRONIC BANKING PAYMENT TO MIZANA RCT46 14:11	R 75,128		R 75,128	Bank Statement	Mizana Engineering	Standard Bank 12109312
12	Swifambo Rail Leasing	Std Bank 022682570	2015-05-08	ELECTRONIC BANKING PAYMENT TO MIZAN MIZANA ENGINE NA25215:01	R 173,970		R 173,970	Bank Statement	Mizana Engineering	Standard Bank 12109312
13	Swifambo Rail Leasing	Std Bank 370362756	2015-09-25	ELECTRONIC BANKING PAYMENT TO MIZAN MIZANA ENGINE RCT4611:37	R 70,000		R 70,000	Bank Statement	Mizana Engineering	Standard Bank 12109312
14	Swifambo Rail Leasing	Std Bank 370362756	2015-10-19	ELECTRONIC BANKING PAYMENT TO MIZAN MIZANA ENGINE RCT4612:22	R 75,000		R 75,000	Bank Statement	Mizana Engineering	Standard Bank 12109312
					R 2,716,777	-	R 2,716,777			

14.13. PAYMENTS LINKED TO MIZANA INVESTMENTS – TWO PAYMENTS FOR R3.8 MILLION

14.13.1. Mizana Investments (Pty) Ltd (“Mizana Investments”) with registration number 2012/177230/07, was registered on 28 September 2012.

14.13.2. The registered auditors of Mizana Investments are Van Wyk Auditors.

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- 14.13.3. The active directors of Mizana Investments are Bekani Ephraim Mashaba (“BE Mashaba”) ID 8103145400085, appointed on 16 January 2013.
- 14.13.4. It is apparent that this entity is linked to Mizana Engineering as it has a common director (BE Mashaba) appointed as a director on the same day in both companies. Further both Mizana Engineering and Mizana Investments have the same registered auditors.
- 14.13.5. It is unclear if BE Mashaba is related to Auswell Mashaba. This needs to be established.
- 14.13.6. An entity, Mizana Trading is a supplier to PRASA, with an invoice value to PRASA for the period investigated of approximately R54 million. It is unclear if Mizana Trading is the same entity or is linked to Mizana Investments, and this needs to be established.
- 14.13.7. Bank account summary:

Bank account summary		
Bank	Standard Bank	
Account number	331 945 339	
Signatories on account	?	?
Directors of entity	Bekani Ephraim Mashaba	

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14.13.8. <Table 26> below reflects the two (2) payments made by Swifambo to “Mizana Investments”:

TABLE 26 - PAYMENTS TO MIZANA INVESTMENTS - sorted by oldest to latest										
NO	BANK ACCOUNT	ACCOUNT DETAILS	BANK STATEMENT DATE	BANK STATEMENT DESCRIPTION	PAYMENTS (R)	RECEIPTS (R)	NET (R)	SOURCE	PAID TO/FROM	CONFIRMED TO ACCOUNT DETAILS
1	Swifambo Rail Leasing	Std Bank 022682570	2014-07-23	ELECTRONIC BANKING PAYMENT TO MIZANA INVESTMENTS NA252 12:07	R 3,000,000		R 3,000,000	Bank Statement & Schedule	Mizana Investments	Standard Bank 331945339
2	Swifambo Rail Leasing	Std Bank 022682570	2015-02-05	ELECTRONIC BANKING PAYMENT TO MIZAN MIZANA INVEST NA25215:47	R 777,778		R 777,778	Bank Statement & Schedule	Mizana Investments	Standard Bank 331945339
					R 3,777,778	-	R 3,777,778			

14.14. PAYMENTS LINKED TO KNOWLES HUSAIN LINDSAY – ONE PAYMENT FOR R10.4 MILLION

- 14.14.1. Knowles Husain Lindsay is a well-established firm of attorneys.
- 14.14.2. It is suspected that this payment could be linked to properties acquired by Mashaba. This needs to be established.
- 14.14.3. **Bank account summary:**

Bank	Nedbank	
Account number	146 901 857 8	
Signatories on account	Errol N Knowles	Mohamed J Husain
	Ian V Lindsay	
Directors of entity	Errol N Knowles	Mohamed J Husain
	Ian V Lindsay	

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14.14.4. <Table 27> below reflects the one (1) payment made by Swifambo to "Knowles Husain":

TABLE 27 - PAYMENT TO KNOWLES HUSSAIN LINDSAY										
NO	BANK ACCOUNT	ACCOUNT DETAILS	BANK STATEMENT DATE	BANK STATEMENT DESCRIPTION	PAYMENTS (R)	RECEIPTS (R)	NET (R)	SOURCE	PAID TO/FROM	CONFIRMED TO ACCOUNT DETAILS
1	Swifambo Rail Holdings	Std Bank 202538117	2013-05-22	INTERBANK TRANSFER KOWLES HUSSAIN 1305224442NP4287 41,50	R 10,400,000		R 10,400,000	Bank Statement	Knowles Hussain	Nedbank 1469018578

14.15. PAYMENTS LINKED TO SARS – THIRTY PAYMENTS FOR R237 MILLION

- 14.15.1. SARS is the South African Revenue Services.
- 14.15.2. Per the amounts paid by PRASA to Swifambo, Swifambo received R2,650,207,950.29, of which the attributable VAT amount is **R325,464,134.25** (as shown per **Table 1**).
- 14.15.3. Considering the amount of VAT paid by PRASA to Swifambo, Swifambo has only paid **R 237,021,909** to SARS. This amount is significantly lower (by R 88,442,225.21) than the VAT it received from PRASA, and **which should be on paid to SARS**. The last payment from PRASA to Swifambo was on 7 July 2015, therefore sufficient time had passed for Swifambo to disburse their VAT obligations.
- 14.15.4. Further, it is unclear as to the amounts paid by Swifambo to SARS include other statutory taxes such as PAYE or Income Tax. We are not in a position to comment on this aspect as further information is required in this regard. **Accordingly, this aspect should be investigated further as it appears as if Swifambo has not**

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fulfilled its obligations to source and has underpaid them a significant amount.

14.15.5. **<Table 28>** below reflects the thirty (30) payment made by Swifambo to “SARS”:

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TABLE 28 - PAYMENTS TO SARS - sorted by oldest to latest

NO	BANK ACCOUNT	ACCOUNT DETAILS	BANK STATEMENT DATE	BANK STATEMENT DESCRIPTION	PAYMENTS (R)	RECEIPTS (R)	NET (R)	SOURCE	PAID TO/FROM	CONFIRMED TO ACCOUNT DETAILS
1	Swifambo Rail Leasing	Std Bank 370362756	2014-01-31	ELECTRONIC BANKING PAYMENT TO SARS E-FILING NA252 17:40	R 102,268,764		R 102,268,764		SARS E-Filing	
2	Swifambo Rail Leasing	Std Bank 022682570	2014-05-30	ELECTRONIC BANKING PAYMENT TO SARS e-Filing NA252 09:56	R 39,891,554		R 39,891,554		SARS E-Filing	
3	Swifambo Rail Leasing	Std Bank 370362756	2014-05-30	ELECTRONIC BANKING PAYMENT TO SARS E-FILING RCT46 14:57	R 3,279		R 3,279		SARS E-Filing	
4	Swifambo Rail Leasing	Std Bank 370362756	2014-05-30	ELECTRONIC BANKING PAYMENT TO SARS E-FILING RCT46 14:57	R 30,288		R 30,288		SARS E-Filing	
5	Swifambo Rail Leasing	Std Bank 370362756	2014-05-30	ELECTRONIC BANKING PAYMENT TO SARS E-FILING RCT46 14:56	R 4,962		R 4,962		SARS E-Filing	
6	Swifambo Rail Leasing	Std Bank 370362756	2014-06-12	ELECTRONIC BANKING PAYMENT TO SARS E-FILING RCT46 13:55	R 4,039		R 4,039		SARS E-Filing	
7	Swifambo Rail Leasing	Std Bank 370362756	2014-06-12	ELECTRONIC BANKING PAYMENT TO SARS E-FILING RCT46 13:55	R 27,241		R 27,241		SARS E-Filing	
8	Swifambo Rail Leasing	Std Bank 022682570	2014-06-18	ELECTRONIC BANKING PAYMENT TO SARS e-Filing NA252 13:24	R 747,688		R 747,688		SARS E-Filing	
9	Swifambo Rail Leasing	Std Bank 022682570	2014-07-09	ELECTRONIC BANKING PAYMENT TO SARS e-Filing RCT46 17:27	R 27,482		R 27,482		SARS E-Filing	
10	Swifambo Rail Leasing	Std Bank 022682570	2014-07-31	ELECTRONIC BANKING PAYMENT TO SARS e-Filing NA252 13:26	R 50,077,336		R 50,077,336		SARS E-Filing	
11	Swifambo Rail Leasing	Std Bank 022682570	2014-08-07	ELECTRONIC BANKING PAYMENT TO SARS g-Filing NA252 15:14	R 24,907		R 24,907		SARS E-Filing	
12	Swifambo Rail Leasing	Std Bank 022682570	2014-09-05	ELECTRONIC BANKING PAYMENT TO SARS e-Filing NA252 15:35	R 24,921		R 24,921		SARS E-Filing	
13	Swifambo Rail Leasing	Std Bank 022682570	2014-10-07	ELECTRONIC BANKING PAYMENT TO SARS e-Filing RCT46 23:48	R 20,787		R 20,787		SARS E-Filing	
14	Swifambo Rail Leasing	Std Bank 022682570	2014-11-07	ELECTRONIC BANKING PAYMENT TO SARS e-Filing NA252 09:22	R 24,279		R 24,279		SARS E-Filing	
15	Swifambo Rail Leasing	Std Bank 022682570	2014-11-07	ELECTRONIC BANKING PAYMENT TO SARS e-Filing RCT46 13:07	R 6,606		R 6,606		SARS E-Filing	
16	Swifambo Rail Leasing	Std Bank 022682570	2014-12-05	ELECTRONIC BANKING PAYMENT TO SARS e-Filing NA252 11:13	R 24,205		R 24,205		SARS E-Filing	
17	Swifambo Rail Leasing	Std Bank 022682570	2015-01-07	ELECTRONIC BANKING PAYMENT TO SARS e-Filing RCT46 16:17	R 36,759		R 36,759		SARS E-Filing	
18	Swifambo Rail Leasing	Std Bank 022682570	2015-02-06	ELECTRONIC BANKING PAYMENT TO SARS e-Filing RCT46 13:16	R 26,442		R 26,442		SARS E-Filing	
19	Swifambo Rail Leasing	Std Bank 022682570	2015-02-27	ELECTRONIC BANKING PAYMENT TO SARS e-Filing RCT46 16:13	R 20,153,475		R 20,153,475		SARS E-Filing	
20	Swifambo Rail Leasing	Std Bank 022682570	2015-03-06	ELECTRONIC BANKING PAYMENT TO SARS e-Filing RCT46 13:00	R 44,923		R 44,923		SARS E-Filing	
21	Swifambo Rail Leasing	Std Bank 022682570	2015-04-07	ELECTRONIC BANKING PAYMENT TO SARS e-Filing NA252 10:44	R 165,672		R 165,672		SARS E-Filing	
22	Swifambo Rail Leasing	Std Bank 022682570	2015-05-07	ELECTRONIC BANKING PAYMENT TO SARS e-Filing NA252 14:23	R 153,140		R 153,140		SARS E-Filing	
23	Swifambo Rail Leasing	Std Bank 022682570	2015-06-05	ELECTRONIC BANKING PAYMENT TO SARS e-Filing NA252 12:28	R 181,241		R 181,241		SARS E-Filing	
24	Swifambo Rail Leasing	Std Bank 022682570	2015-07-03	ELECTRONIC BANKING PAYMENT TO SARS e-Filing RCT46 10:11	R 16		R 16		SARS E-Filing	
25	Swifambo Rail Leasing	Std Bank 022682570	2015-07-03	ELECTRONIC BANKING PAYMENT TO SARS e-Filing RCT46 10:11	R 254		R 254		SARS E-Filing	
26	Swifambo Rail Leasing	Std Bank 022682570	2015-07-03	ELECTRONIC BANKING PAYMENT TO SARS e-Filing RCT46 10:12	R 1,835		R 1,835		SARS E-Filing	
27	Swifambo Rail Leasing	Std Bank 022682570	2015-07-03	ELECTRONIC BANKING PAYMENT TO SARS e-Filing RCT46 10:11	R 5,542		R 5,542		SARS E-Filing	
28	Swifambo Rail Leasing	Std Bank 022682570	2015-07-06	ELECTRONIC BANKING PAYMENT TO SARS e-Filing RCT46 10:10	R 52,108		R 52,108		SARS E-Filing	
29	Swifambo Rail Leasing	Std Bank 022682570	2015-07-31	ELECTRONIC BANKING PAYMENT TO SARS e-Filing RCT46 12:03	R 22,919,897		R 22,919,897		SARS E-Filing	
30	Swifambo Rail Leasing	Std Bank 022682570	2015-09-18	ELECTRONIC BANKING PAYMENT TO SARS e-Filing RCT46 16:41	R 72,267		R 72,267		SARS E-Filing	
					R 237,021,909	-	R 237,021,909			

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15. REPORT ON INFLOWS FROM VOSSLOH TO “S GROUP / SIYAYA”

15.1. The report styled ‘*Provisional report on the Passenger Rail Agency of South Africa matter*’ prepared by the Compliance and Enforcement Division of the Financial Surveillance Department dated 15 February 2017 detailed certain transactions of interest specifically (amongst other transactions) **payments from Vossloh to S-Investments (Pty) Ltd and Siyaya Rail Infrastructure Solutions and Technology (Pty) Ltd.**

15.2. Per this report, Vossloh transmitted ten (10) payments totalling **R 88,991,291.39** into South Africa, as follows:

15.2.1. Vossloh Kiepe made six (6) payments to Siyaya Rail Infrastructure Solutions and Technology (Pty) Ltd between December 2011 and September 2013 **totalling R13,663,169.82**. The “category” for these payments is reflected as “*Legal, Accounting, Management Consulting*” and “*Proceeds for Management Consulting*”. Refer <Table 29> below for the detail of each payment

No	Payment from non-resident	Payment to resident	Rand Amount	Euro Amount	Payment Date	Category	Resident Contact
1	Vossloh Kiepe GES.M.B.H	Siyaya Rail Infrastructure Solutions and Technology P/L	R 3,725,865.90	349,955.00 €	2011-12-07	LEGAL, ACCOUNTING, MANAGEMENT CONSULTING	MAKHENSA MABUNDA
2	Vossloh Kiepe GES.M.B.H	Siyaya Rail Infrastructure Solutions and Technology P/L	R 404,084.94	37,959.00 €	2011-12-08	LEGAL, ACCOUNTING, MANAGEMENT CONSULTING	MAKHENSA MABUNDA
3	Vossloh Kiepe GES.M.B.H	Siyaya Rail Infrastructure Solutions and Technology P/L	R 367,794.47	0.00 €	2012-02-21	LEGAL, ACCOUNTING, MANAGEMENT CONSULTING	MAKHENSA MABUNDA
4	Vossloh Kiepe GES.M.B.H	Siyaya Rail Infrastructure Solutions and Technology P/L	R 761,573.80	73,955.00 €	2012-06-18	LEGAL, ACCOUNTING, MANAGEMENT CONSULTING	MAKHENSA MABUNDA
5	Vossloh Kiepe GES.M.B.H	Siyaya Rail Infrastructure Solutions and Technology P/L	R 3,209,515.14	276,811.20 €	2013-04-05	LEGAL, ACCOUNTING, MANAGEMENT CONSULTING	MAKHENSA MABUNDA
6	Vossloh Kiepe GES.M.B.H	Siyaya Rail Infrastructure Solutions and Technology P/L	R 5,194,335.57	399,955.00 €	2013-09-20	PROCEEDS FOR MANAGEMENT CONSULTING	MAKHENSA MABUNDA
			R 13,663,169.82	1,138,635.20 €			

15.2.2. Vossloh Espana made six (6) payments to S-Investments (Pty) Ltd between February 2014 and September 2015 totalling

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R75,328,121.57. The “category” for these payments is reflected as “*Proceeds for Management Consulting Services*” and “*Architectural, Engineering and other Technical Services*”. Refer <Table 30> below for the detail of each payment:

Table 30 - Inward payments to S-Investments (Pty) Ltd from Vossloh España S.A.							
No	Payment from non-resident	Payment to resident	Rand Amount	Euro Amount	Payment Date	Category	Resident Contact
1	Vossloh España S.A.	S-Investments (Pty) Ltd	R 15,451,365.82	1,039,334.20 €	2014-02-05	PROCEEDS FOR MANAGEMENT CONSULTING SERVICES	SOLLY, MAKHENZA
2	Vossloh España S.A.	S-Investments (Pty) Ltd	R 22,309,772.01	1,559,001.00 €	2014-06-30	PROCEEDS FOR MANAGEMENT CONSULTING SERVICES	MAKHENSA, MABUNDA
3	Vossloh España S.A.	S-Investments (Pty) Ltd	R 25,229,305.38	1,960,547.49 €	2015-10-10	PROCEEDS FOR MANAGEMENT CONSULTING SERVICES	SOLLY, MIKATEKO MADUNDA
4	Vossloh España S.A.	S-Investments (Pty) Ltd	R 12,337,678.36	830,780.93 €	2015-09-03	ARCHITECTURAL, ENGINEERING AND OTHER TECHNICAL SERVICES	MAKHENSA, MABUNDA
			R 75,328,121.57	5,389,663.62 €			

- 15.3. Considering the material nature and amounts of the payments listed above, specifically as the payments were ostensibly made to Mabunda companies, this report and the content therein needs to be investigated further.

RS 4.1

SWIFAMBO RAIL LEASING (PTY) LTD					
ACCOUNT NUMBER - 022682570					
DATE	DESCRIPTION	DEBIT	CREDIT	BALANCE	
2012-01-01	OPENING BALANCE			R	-
2012-03-01	FEE - CHEQUE BOOK ACC 02-268-257-0 ##	R 80.00		-R	80.00
2012-03-26	INTEREST ON OVERDRAFT UP TO 03 25 022682570 @15,000%	R 0.82		-R	80.82
2012-03-31	MONTHLY MANAGEMENT FEE ACC 022682570 ##	R 35.00		-R	115.82
2012-03-31	SERVICE FEE MIN SF 022682570 ##	R 45.00		-R	160.82
2012-04-11	ELECTRONIC BANKING TRANSFER FR MUSA TO MAFORI FINANCE		R 200.00	R	39.82
2012-04-25	INTEREST ON OVERDRAFT UP TO 04 24 022682570 @15,000%	R 0.89		R	38.29
2012-04-30	MONTHLY MANAGEMENT FEE ACC 022682570 ##	R 35.00		R	3.29
2012-04-30	SERVICE FEE MIN SF 022682570 ##	R 45.00		-R	41.71
2012-05-25	INTEREST ON OVERDRAFT UP TO 05 24 022682570 @15,000%	R 0.42		-R	42.13
2012-05-31	MONTHLY MANAGEMENT FEE ACC 022682570 ##	R 35.00		R	77.13
2012-05-31	SERVICE FEE MIN SF 022682570 ##	R 45.00		R	122.13
2012-06-15	ELECTRONIC BANKING TRANSFER FR MUSA TO MAFORI SANDTON 270		R 500.00	R	377.87
2012-06-25	INTEREST ON OVERDRAFT UP TO 06 24 022682570 @15,000%	R 0.86		R	377.01
2012-06-30	MONTHLY MANAGEMENT FEE ACC 022682570 ##	R 35.00		R	342.01
2012-06-30	SERVICE FEE MIN SF 022682570 ##	R 45.00		R	297.01
2012-07-31	SERVICE FEE MIN SF 022682570 ##	R 45.00		R	252.01
2012-08-07	MONTHLY MANAGEMENT FEE 3107 ACC 022682570 ##	R 35.00		R	217.01
2012-08-31	SERVICE FEE MIN SF 022682570	R 45.00		R	172.01
2012-08-31	MONTHLY MANAGEMENT FEE ACC 022682570	R 35.00		R	137.01
2012-09-29	SERVICE FEE MIN SF 022682570 ##	R 45.00		R	92.01
2012-09-29	MONTHLY MANAGEMENT FEE ACC 022682570 ##	R 35.00		R	57.01
2012-10-31	MONTHLY MANAGEMENT FEE ACC 022682570 ##	R 35.00		R	22.01
2012-10-31	SERVICE FEE MIN SF 022682570 ##	R 45.00		-R	22.99
2012-11-26	INTEREST ON OVERDRAFT UP TO 11 25 022682570 @14,500%	R 0.23		-R	23.22
2012-11-30	SERVICE FEE MIN SF 022682570 ##	R 45.00		-R	68.22
2012-11-30	MONTHLY MANAGEMENT FEE ACC 022682570 ##	R 35.00		-R	103.22
2012-12-06	ELECTRONIC BANKING TRANSFER FR IMALI321 TO MAFORI		R 300.00	R	196.78
2012-12-24	INTEREST ON OVERDRAFT UP TO 12 23 022682570 @14,500%	R 0.28		R	196.50
2012-12-31	MONTHLY MANAGEMENT FEE ACC 022682570 ##	R 35.00		R	161.50
2012-12-31	SERVICE FEE MIN SF 022682570 ##	R 45.00		R	116.50
2013-01-31	SERVICE FEE MIN SF 022682570 ##	R 45.00		R	71.50
2013-01-31	MONTHLY MANAGEMENT FEE ACC 022682570 ##	R 37.00		R	34.50
2013-02-28	SERVICE FEE MIN SF 022682570 ##	R 45.00		-R	10.50
2013-02-28	MONTHLY MANAGEMENT FEE ACC 022682570 ##	R 37.00		-R	47.50
2013-03-25	INTEREST ON OVERDRAFT UP TO 03 24 022682570 @14,500%	R 0.47		-R	47.97
2013-03-30	MONTHLY MANAGEMENT FEE ACC 022682570 ##	R 37.00		-R	84.97
2013-03-30	SERVICE FEE MIN SF 022682570 ##	R 45.00		-R	129.97
2013-04-08	ELECTRONIC BANKING PAYMENT FR BANK CHARGES SANDTON 888		R 2,000.00	R	1,870.03
2013-04-12	ELECTRONIC BANKING TRANSFER FR MUSA TO MAFORI VRY		R 300.00	R	2,170.03
2013-04-12	ELECTRONIC BANKING PAYMENT TO MUSA CAP A M EMNGINEERING	R 2,000.00		R	170.03
2013-04-25	INTEREST ON OVERDRAFT UP TO 04 24 022682570 @14,500%	R 0.55		R	169.48
2013-04-30	SERVICE FEE MIN SF 022682570 ##	R 45.00		R	124.48
2013-04-30	MONTHLY MANAGEMENT FEE ACC 022682570 ##	R 37.00		R	87.48
2013-05-04	BUSINESS ELECT BANK CHARGES STNDRDBANK BOL QQM36 APR 13 ##	R 6.40		R	81.08
2013-05-31	SERVICE FEE MIN SF 022682570 ##	R 45.00		R	36.08
2013-05-31	MONTHLY MANAGEMENT FEE ACC 022682570 ##	R 37.00		-R	0.92
2013-06-07	ELECTRONIC BANKING TRANSFER FR MUSA TO SWIFAMBO		R 50,000.00	R	49,999.08
2013-06-19	ELECTRONIC BANKING TRANSFER FR USA TO SWIFAMBOSANDTON 233		R 12,500.00	R	62,499.08
2013-06-21	DEBIT TRANSFER 9842 EF 0025024733 15,00	R 265.72		R	62,233.36
2013-06-21	DEBIT TRANSFER 9452 EF 0025023610 15,00	R 45,872.41		R	16,360.95
2013-06-29	SERVICE FEE ACC 022682570 ##	R 45.00		R	16,315.95
2013-06-29	MONTHLY MANAGEMENT FEE ACC 022682570 ##	R 37.00		R	16,278.95
2013-07-04	ELECTRONIC BANKING TRANSFER FR MUSA TO SWIFAMBO		R 5,000.00	R	21,278.95
2013-07-04	ELECTRONIC BANKING OAYMENT TO MUSA CAP SWIFAMBO	R 20,000.00			
2013-07-31	MONTHLY MANAGEMENT FEE ACC 022682570 ##	R 37.00		R	1,241.95
2013-07-31	SERVICE FEE MIN SF 022682570 ##	R 45.00		R	1,196.95
2013-08-06	BUSINESS ELECT BANK CHARGES STNDRDBANK BOL QQM36 JUL 13 ##	R 81.00		R	1,115.95
2013-08-31	SERVICE FEE MIN SF 022682570 ##	R 45.00		R	1,070.95
2013-08-31	MONTHLY MANAGEMENT FEE ACC 022682570 ##	R 37.00		R	1,033.95
2013-09-30	MONTHLY MANAGEMENT FEE ACC 022682570 ##	R 37.00		R	996.95
2013-09-30	SERVICE FEE MIN SF 022682570 ##	R 45.00		R	951.95
2013-10-31	MONTHLY MANAGEMENT FEE ACC 022682570 ##	R 37.00		R	914.95
2013-10-31	SERVICE FEE MIN SF 022682570 ##	R 45.00		R	869.95
2013-11-30	MONTHLY MANAGEMENT FEE ACC 022682570 ##	R 37.00		R	832.95
2013-11-30	SERVICE FEE MIN SF 022682570 ##	R 45.00		R	787.95
2013-12-06	INTERBANK CREDIT TRANSFER PRASA TECH HO SANDTON 826		R 64,473,684.21	R	64,474,472.16
2013-12-10	FEE: 150 DAY STATEMENT 11H51 PBB GAUTENG EXP ##	R 28.00		R	64,474,444.16
2013-12-13	INTERBANK TRANSFER SWIFAMBO RAIL 1312134442NP232 5 41,50	R 52,000,000.00		R	12,474,444.16
2013-12-13	FEE - INTERBANK TRANSFER	R 1,188.00		R	12,473,256.16
2013-12-24	INTERBANK CREDIT TRANSFER PRASA TECH HO SANDTON 787		R 468,672,880.80	R	481,146,136.96
2013-12-31	SERVICE FEE ACC 022682570 ##	R 45.00		R	481,146,091.96
2013-12-31	MONTHLY MANAGEMENT FEE ACC 022682570 ##	R 37.00		R	481,146,054.96
2014-01-09	INTERBANK TRANSFER SWIFAMBO RAIL 1401094442NP3169 44,00	R 318,750,000.00		R	162,396,054.96
2014-01-09	TRANSFER TO 370362756 CSC-JOHANNES 105	R 300,000.00		R	162,096,054.96
2014-01-09	TRANSFER TO 678504253 CSC-JOHANNES 115	R 160,000.00		R	161,936,054.96
2014-01-09	FEE - INTERBANK TRANSFER	R 1,259.00		R	161,934,795.96
2014-01-22	TRANSACTION REVERSAL 678504253-001 CSC-JOHANNES 557		R 160,000.00	R	162,094,795.96
2014-01-22	TRANSFER TO 678504253-001 CSC-JOHANNES 747	R 160,000,000.00		R	2,094,795.96
2014-01-31	SERVICE FEE ACC 022682570 ## A	R 45.00		R	2,094,750.96
2014-01-31	MONTHLY MANAGEMENT FEE ACC 022682570 ##	R 45.00		R	2,094,705.96
2014-02-03	TRANSFER TO 273313339 CSC-JOHANNES 039 44,00	R 800.00		R	2,093,905.96
2014-02-17	FEE: 90 DAY STATEMENT 10H08 PBB GAUTENG EXP ##	R 24.00		R	2,093,881.96
2014-02-17	FEE: 180 DAY STATEMENT 10H09 PBB GAUTENG EXP ##	R 30.00		R	2,093,851.96
2014-02-27	FEE RECOVERED FOR: REF 57330806 SANDTON 329 ##	R 315.00		R	2,093,536.96
2014-02-28	SERVICE FEE ACC 022682570 ##	R 45.00		R	2,093,491.96
2014-02-28	MONTHLY MANAGEMENT FEE ACC 022682570 ##	R 45.00		R	2,093,446.96
2014-03-19	ELECTRONIC BANKING TRANSFER FR 2014078002/1 SANDTON 081		R 50,000,000.00	R	52,093,446.96
2014-03-19	ELECTRONIC BANKING PAYMENT TO MUSA CAPITAL NA2 52 15:36	R 1,697,954.55		R	50,395,492.41
2014-03-20	ELECTRONIC BANKING PAYMENT TO MM TRUST VUK66 16:38	R 50,000,000.00		R	395,492.41
2014-03-31	SERVICE FEE MIN SF 022682570 ##	R 45.00		R	395,447.41
2014-03-31	MONTHLY MANAGEMENT FEE ACC 022682570 ##	R 45.00		R	395,402.41

DATE	DESCRIPTION	DEBIT	CREDIT	BALANCE
2014-04-03	RENTAL - LEASE 9078 SUNLYNINV R000094718 15,90	R 2,340.80		R 393,061.61
2014-04-24	FEE: 60 DAY STATEMENT 10H43 PBB:GAUTENG EHP ##	R 18.00		R 393,043.61
2014-04-25	RENTAL - LEASE 9712 SUNLYNINV R000094718 15,90	R 2,509.74		R 390,533.87
2014-04-30	MONTHLY MANAGEMENT FEE ACC 022682570 ##	R 45.00		R 390,488.87
2014-04-30	SERVICE FEE ACC 022682570 ##	R 45.00		R 390,443.87
2014-05-06	ELECTRONIC BANKING TRANSFER FR MARKET LINK TRANSFER		R 2,100,000.00	R 2,490,443.87
2014-05-06	ELECTRONIC BANKING PAYMENT TO SGROUP RCT46 17:38	R 1,147,049.38		R 1,343,394.49
2014-05-08	ELECTRONIC BANKING PAYMENT TO LEO HAESE CENTURIO RCT46 17:38	R 893,019.20		R 450,375.29
2014-05-13	INTERBANK CREDIT TRANSFER SHOSHOLLOZA MEY L HO		R 335,308,062.36	R 335,758,437.65
2014-05-15	ELECTRONIC BANKING PAYMENT TO SRL 0 SWIFAMBO RAIL VUK6613:41	R 260,000,000.00		R 75,758,437.65
2014-05-15	ELECTRONIC BANKING TRANSFER TO TRANSFER TO MARKET LINK ACCOUN	R 50,000,000.00		R 25,758,437.65
2014-05-16	ELECTRONIC BANKING TRANSFER TO MARKET LINK TRANSFER	R 24,000,000.00		R 1,758,437.65
2014-05-23	ELECTRONIC BANKING PAYMENT TO NTSHOVELO LOGISTIC VUK66 15:55	R 1,710,000.00		R 48,437.65
2014-05-23	FEE: INTERIM/30 DAY STATEMENT 15H42 PBB:GAUTENG EHP ##	R 17.00		R 48,420.65
2014-05-26	RENTAL - LEASE 9843 SUNLYNINV R000094718 15,90	R 2,506.26		R 45,914.39
2014-05-29	ELECTRONIC BANKING TRANSFER FR MARKET LINK TRANSFER		R 41,000,000.00	R 41,045,914.39
2014-05-29	ELECTRONIC BANKING PAYMENT TO ASTOO MCCARTHY TOYO RCT4610:44	R 241,445.82		R 40,804,468.57
2014-05-30	ELECTRONIC BANKING TRANSFER FR MARKET LINK TRANSFER		R 20,000,000.00	R 60,804,468.57
2014-05-30	ELECTRONIC BANKING PAYMENT TO SARS e-Filing NA252 09:56	R 39,891,554.05		R 20,912,914.52
2014-05-30	ELECTRONIC BANKING PAYMENT TO 004 SWIFAMBO HOLD NA25209:56	R 20,000,000.00		R 912,914.52
2014-05-31	SERVICE FEE ACC 022682570 ##	R 45.00		R 912,869.52
2014-05-31	MONTHLY MANAGEMENT FEE ACC 022682570 ##	R 45.00		R 912,824.52
2014-06-18	ELECTRONIC BANKING PAYMENT TO SARS e-Filing NA252 13:24	R 747,687.57		R 165,136.95
2014-06-23	ELECTRONIC BANKING TRANSFER FR SARS PAYMENT SANDTON 771		R 750,000.00	R 915,136.95
2014-06-24	ELECTRONIC BANKING TRANSFER FR BAHN SHARES SANDTON 034		R 7,500,000.00	R 8,415,136.95
2014-06-24	ELECTRONIC BANKING PAYMENT TO BAHN WHEELS SOLUTI RCT46 16:49	R 7,500,000.00		R 915,136.95
2014-06-25	RENTAL - LEASE 9830 SUNLYNINV R000094718 15,90	R 2,508.00		R 912,628.95
2014-06-27	FEE: 60 DAY STATEMENT 14H42 PBB:GAUTENG EHP ##	R 18.00		R 912,610.95
2014-06-30	SERVICE FEE ACC 022682570 ##	R 45.00		R 912,565.95
2014-06-30	MONTHLY MANAGEMENT FEE ACC 022682570 ##	R 45.00		R 912,520.95
2014-07-01	INTERBANK CREDIT TRANSFER SHOSHOLLOZA MEY L HO		R 430,166,416.92	R 431,078,937.87
2014-07-02	MAGTAPE CREDIT 9450 BININK BTW47102631060380629434		R 1,263.02	R 431,080,200.89
2014-07-02	ELECTRONIC BANKING TRANSFER TO 2014182002/1 *	R 53,000,000.00		R 378,080,200.89
2014-07-03	ELECTRONIC BANKING PAYMENT TO EXPOO GLOBAL AVIATI NA25212:32	R 198,599.99		R 377,881,600.90
2014-07-03	ELECTRONIC BANKING PAYMENT TO SRL 0 SWIFAMBO RAIL VUK6617:43	R 350,000,000.00		R 27,881,600.90
2014-07-04	ELECTRONIC BANKING PAYMENT TO SRL_0 SWIFAMBO RAIL VUK6612:18	R 27,000,000.00		R 881,600.90
2014-07-09	ELECTRONIC BANKING PAYMENT TO EXPOO SGROUP NA2 5215:49	R 552,900.00		R 328,700.90
2014-07-09	ELECTRONIC BANKING PAYMENT TO SARS e-Filing RCT46 17:27	R 27,482.43		R 301,218.47
2014-07-10	ELECTRONIC BANKING TRANSFER FR 2014190002/1 SANDTON 166		R 600,000.00	R 901,218.47
2014-07-23	ELECTRONIC BANKING TRANSFER FR TRF FROM 678504253		R 3,000,000.00	R 3,901,218.47
2014-07-23	ELECTRONIC BANKING PAYMENT TO MIZANA INVESTMENTS NA252 12:07	R 3,000,000.00		R 901,218.47
2014-07-24	ELECTRONIC BANKING PAYMENT TO MASHELE LG NA2 52 11:02	R 6,328.80		R 894,889.67
2014-07-24	ELECTRONIC BANKING PAYMENT TO MARIMA S NA2 52 11:02	R 3,465.00		R 891,424.67
2014-07-24	ELECTRONIC BANKING PAYMENT TO MATHEBULA AX NA2 52 11:02	R 9,073.54		R 882,351.13
2014-07-24	ELECTRONIC BANKING PAYMENT TO MALULEKE N NA2 52 11:02	R 14,976.03		R 867,375.10
2014-07-24	ELECTRONIC BANKING PAYMENT TO MHLABA M NA2 52 11:02	R 52,159.65		R 815,215.45
2014-07-25	RENTAL - LEASE 9998 SUNLYNINV R000094718 15,90	R 2,508.00		R 812,707.45
2014-07-31	ELECTRONIC BANKING TRANSFER FR VAT TRANSFER SANDTON 809		R 50,100,000.00	R 50,912,707.45
2014-07-31	ELECTRONIC BANKING PAYMENT TO SARS e-Filing NA252 13:26	R 50,077,335.70		R 835,371.75
2014-07-31	SERVICE FEE ACC 022682570 ##	R 45.00		R 835,326.75
2014-07-31	MONTHLY MANAGEMENT FEE ACC 022682570 ##	R 45.00		R 835,281.75
2014-08-01	DEBIT TRANSFER 9488 GROWTHPOINGROWTHPOINT PROPERTI 15,90	R 24,346.65		R 810,935.10
2014-08-07	ELECTRONIC BANKING TRANSFER FR WKH LANDGREBE PAYMENT		R 1,100,000.00	R 1,910,935.10
2014-08-07	ELECTRONIC BANKING PAYMENT TO W.K.H LANDGREBE NA252 12:50	R 1,100,000.00		R 810,935.10
2014-08-07	ELECTRONIC BANKING PAYMENT TO SARS g-Filing NA252 15:14	R 24,906.63		R 786,028.47
2014-08-08	ELECTRONIC BANKING PAYMENT TO RISHI RISHILE INVES NA25209:52	R 91,660.00		R 694,368.47
2014-08-08	ELECTRONIC BANKING PAYMENT TO AM CONSULTING ENGI NA252 09:52	R 90,000.00		R 604,368.47
2014-08-12	ELECTRONIC BANKING PAYMENT TO ON BOARD TRAVEL RCT46 15:53	R 190,231.00		R 414,137.47
2014-08-20	FEE: 60 DAY STATEMENT 11H21 PBB:GAUTENG EHP ##	R 18.00		R 414,119.47
2014-08-22	ELECTRONIC BANKING PAYMENT TO MASHELE LG NA2 52 15:28	R 6,041.15		R 408,078.32
2014-08-22	ELECTRONIC BANKING PAYMENT TO MATHEBULA AX NA2 52 15:28	R 9,073.55		R 399,004.77
2014-08-22	ELECTRONIC BANKING PAYMENT TO MALULEKE N NA2 52 15:28	R 14,976.02		R 384,028.75
2014-08-22	ELECTRONIC BANKING PAYMENT TO MHLABA M NA2 52 15:28	R 52,159.65		R 331,869.10
2014-08-22	ELECTRONIC BANKING PAYMENT TO MARIMA S NA252 15:28	R 2,956.05		R 328,913.05
2014-08-25	RENTAL - LEASE 9281 SUNLYNINV R000094718	R 2,537.46		R 326,375.59
2014-08-30	CREDIT TRANSFER 9079 BININK BTW47102631060383787011		R 481.59	R 326,857.18
2014-08-30	SERVICE FEE ACC 022682570 ##	R 45.00		R 326,812.18
2014-08-30	MONTHLY MANAGEMENT FEE ACC 022682570 ##	R 45.00		R 326,767.18
2014-09-01	ELECTRONIC BANKING PAYMENT TO RISHI RISHILE INVES RCT4613:39	R 166,660.00		R 160,107.18
2014-09-01	DEBIT TRANSFER 9315 GROWTHPOINGROWTHPOINT PROPERTI 15,90	R 23,872.46		R 136,234.72
2014-09-03	ELECTRONIC BANKING PAYMENT TO BOWLINE PROFESSION NA252 09:07	R 99,750.00		R 36,484.72
2014-09-05	ELECTRONIC BANKING PAYMENT TO SARS e-Filing NA252 15:35	R 24,920.54		R 11,564.18
2014-09-10	FEE RECOVERED FOR: REF-7002442713 SANDTON 595	R 420.00		R 11,144.18
2014-09-17	ELECTRONIC BANKING TRANSFER FR CALL ACCOUNT TRANSFER		R 3,200,000.00	R 3,211,144.18
2014-09-17	ELECTRONIC BANKING PAYMENT TO MAKHE MAKHENZA MABU NA25214:15	R 480,000.00		R 2,731,144.18
2014-09-17	ELECTRONIC BANKING PAYMENT TO AUSWE AUSWELL MASHA NA25214:15	R 240,000.00		R 2,491,144.18
2014-09-17	ELECTRONIC BANKING PAYMENT TO CLIFT CLIFTON RENOV NA25214:15	R 141,603.00		R 2,349,541.18
2014-09-17	ELECTRONIC BANKING PAYMENT TO MIZAN MIZANA NA2 5214:15	R 140,000.00		R 2,209,541.18
2014-09-17	ELECTRONIC BANKING PAYMENT TO WKH L WKH LANDGREBE NA25214:15	R 494,072.00		R 1,715,469.18
2014-09-17	ELECTRONIC BANKING PAYMENT TO MAKHE MAKHENZA MABU NA25214:15	R 750,000.00		R 965,469.18
2014-09-17	ELECTRONIC BANKING PAYMENT TO SIYAY SIYAYA DB CON NA2 5214:15	R 809,400.00		R 156,069.18
2014-09-23	FEE: 60 DAY STATEMENT 13H59 PBB:GAUTENG EHP ##	R 18.00		R 156,051.18
2014-09-25	RENTAL - LEASE 9404 SUNLYNINV R000094718 15,90	R 2,522.73		R 153,528.45
2014-09-30	MONTHLY MANAGEMENT FEE ACC 022682570 ##	R 45.00		R 153,483.45
2014-09-30	SERVICE FEE ACC 022682570 ##	R 45.00		R 153,438.45
2014-10-01	DEBIT TRANSFER 9452 GROWTHPOINGROWTHPOINT PROPERTI 15,90	R 27,393.64		R 126,044.81
2014-10-02	MAGTAPE CREDIT 9679 BININK BTW47102631060385722809		R 555.78	R 126,600.59
2014-10-07	ELECTRONIC BANKING PAYMENT TO SARS e-Filing RCT46 23:48	R 20,786.68		R 105,813.91
2014-10-08	ELECTRONIC BANKING TRANSFER FR CALL ACCOUNT TRANSFER		R 700,000.00	R 805,813.91
2014-10-08	ELECTRONIC BANKING PAYMENT TO ON BOARD TRAVEL RCT46 16:23	R 206,350.07		R 599,463.84
2014-10-09	ELECTRONIC BANKING PAYMENT TO RISHI RISHILE INVES NA25216:22	R 166,660.00		R 432,803.84
2014-10-09	ELECTRONIC BANKING PAYMENT TO ON BO ON BOARD TRAV NA25213:42	R 9,486.00		R 423,317.84
2014-10-10	ELECTRONIC BANKING PAYMENT TO ON BO ON BOARD TRAV RCT4612:37	R 261,527.90		R 161,789.94
2014-10-23	ELECTRONIC BANKING TRANSFER FR CALL ACCOUNT TRANSFER		R 1,000,000.00	R 1,161,789.94

DATE	DESCRIPTION	DEBIT	CREDIT	BALANCE
2014-10-23	ELECTRONIC BANKING PAYMENT TO MHLABA M RCT46 14:22	R 52,544.56		R 1,109,245.38
2014-10-23	ELECTRONIC BANKING PAYMENT TO MASHELE LG RCT46 14:22	R 6,055.63		R 1,103,189.75
2014-10-23	ELECTRONIC BANKING PAYMENT TO MALULEKE N RCT46 14:22	R 15,168.98		R 1,088,020.77
2014-10-23	ELECTRONIC BANKING PAYMENT TO 004 SWIFAMBO HOLD RCT4614:21	R 89,340.28		R 998,680.49
2014-10-23	ELECTRONIC BANKING PAYMENT TO A-M C A-M CONSULTIN NA25214:25	R 570,000.00		R 428,680.49
2014-10-23	ELECTRONIC BANKING PAYMENT TO MARIMA S RCT46 14:22	R 2,956.05		R 425,724.44
2014-10-23	ELECTRONIC BANKING PAYMENT TO MATHEBULA AX RCT46 14:22	R 9,142.37		R 416,582.07
2014-10-24	ELECTRONIC BANKING TRANSFER FR CALL ACCOUNT TRANSFER		R 1,200,000.00	R 1,616,582.07
2014-10-24	ELECTRONIC BANKING PAYMENT TO SIYAY SIYAYA DB CON NA25211:15	R 1,200,000.00		R 416,582.07
2014-10-24	ELECTRONIC BANKING PAYMENT TO A-M C A-M CONSULTIN NA25209:57	R 159,500.00		R 257,082.07
2014-10-25	RENTAL - LEASE 9938 SUNLYNINV R000094718 15,90	R 2,522.73		R 254,559.34
2014-10-28	ELECTRONIC BANKING TRANSFER FR TRANSFER FROM 678504253		R 500,000.00	R 754,559.34
2014-10-28	ELECTRONIC BANKING PAYMENT TO NSOVO HOLDINGS NA252 11:49	R 283,002.00		R 471,557.34
2014-10-31	ELECTRONIC BANKING PAYMENT TO RISHI RISHILE INVES RCT4613:50	R 166,660.00		R 304,897.34
2014-10-31	MONTHLY MANAGEMENT FEE ACC 022682570 ##	R 45.00		R 304,852.34
2014-10-31	SERVICE FEE ACC 022682570 ##	R 45.00		R 304,807.34
2014-11-01	CREDIT TRANSFER 9404 BININK BTW47102631060387175060		R 1,485.10	R 306,292.44
2014-11-03	ELECTRONIC BANKING PAYMENT FR SIYAYA CONSULTING ENGINEERS		R 1,200,000.00	R 1,506,292.44
2014-11-03	DEBIT TRANSFER 9280 GROWTHPOINGROWTHPOINT PROPERTI 15,90	R 28,202.30		R 1,478,090.14
2014-11-07	ELECTRONIC BANKING PAYMENT TO SARS e-Filing NA252 09:22	R 24,279.05		R 1,453,811.09
2014-11-07	ELECTRONIC BANKING PAYMENT TO SARS e-Filing RCT46 13:07	R 6,606.44		R 1,447,204.65
2014-11-21	FEE: 60 DAY STATEMENT 10H25 PBB:GAUTENG EHP ##	R 18.00		R 1,447,186.65
2014-11-24	ELECTRONIC BANKING PAYMENT TO MHLABA M NA2 52 14:28	R 52,544.56		R 1,394,642.09
2014-11-24	ELECTRONIC BANKING PAYMENT TO MASHELE LG NA2 52 14:28 A	R 6,397.63		R 1,388,244.46
2014-11-24	ELECTRONIC BANKING PAYMENT TO MATHEBULA AX NA2 52 14:28	R 9,142.38		R 1,379,102.08
2014-11-24	ELECTRONIC BANKING PAYMENT TO MALULEKE N NA2 52 14:28	R 15,168.98		R 1,363,933.10
2014-11-24	ELECTRONIC BANKING PAYMENT TO MARIMA S NA2 52 14:28	R 2,956.05		R 1,360,977.05
2014-11-25	ELECTRONIC BANKING PAYMENT TO CLIFT CLIFTON RENOV RCT4610:39	R 330,043.50		R 1,030,933.55
2014-11-25	ELECTRONIC BANKING PAYMENT TO ON BO ON BOARD TRAV RCT4610:40	R 241,027.47		R 789,906.08
2014-11-25	RENTAL - LEASE 9472 SUNLYNINV R000094718 15,90	R 2,522.73		R 787,383.35
2014-11-29	MONTHLY MANAGEMENT FEE ACC 022682570 ##	R 45.00		R 787,338.35
2014-11-29	SERVICE FEE ACC 022682570 ##	R 45.00		R 787,293.35
2014-12-01	DEBIT TRANSFER 9917 GROWTHPOINGROWTHPOINT PROPERTI 15,90	R 29,884.58		R 757,408.77
2014-12-03	ELECTRONIC BANKING TRANSFER FR TRANSFER FROM 0678504253		R 1,000,000.00	R 1,757,408.77
2014-12-03	ELECTRONIC BANKING PAYMENT TO RISHI RISHILE INVES RCT4610:06	R 166,660.00		R 1,590,748.77
2014-12-03	ELECTRONIC BANKING PAYMENT TO SEBENZA RCT46 16:52	R 359,858.44		R 1,230,890.33
2014-12-04	ELECTRONIC BANKING PAYMENT TO SIYAY SIYAYA CONSUL RCT4612:44	R 735,300.00		R 495,590.33
2014-12-05	ELECTRONIC BANKING PAYMENT TO SARS e-Filing NA252 11:13	R 24,205.00		R 471,385.33
2014-12-09	FEE: INTERIM/30 DAY STATEMENT 16H01 PBB:GAUTENG EHP	R 17.00		R 471,368.33
2014-12-24	ELECTRONIC BANKING PAYMENT TO SALOO MALULEKE N RCT4622:47	R 37,068.55		R 434,299.78
2014-12-24	ELECTRONIC BANKING PAYMENT TO SALOO MATHEBULA AX RCT4622:53	R 17,718.14		R 416,581.64
2014-12-24	ELECTRONIC BANKING PAYMENT TO SALOO MASHELE LG RCT4622:48	R 10,287.62		R 406,294.02
2014-12-24	ELECTRONIC BANKING PAYMENT TO SALOO MARIMA S RCT4622:54	R 6,421.05		R 399,872.97
2014-12-24	ELECTRONIC BANKING PAYMENT TO SALOO MHLABA M RCT4622:46	R 52,544.57		R 347,328.40
2014-12-27	RENTAL - LEASE 9079 SUNLYNINV R000094718 15,90	R 2,522.73		R 344,805.67
2014-12-31	SERVICE FEE ACC 022682570 ##	R 45.00		R 344,760.67
2014-12-31	MONTHLY MANAGEMENT FEE ACC 022682570 ##	R 45.00		R 344,715.67
2015-01-02	DEBIT TRANSFER 9602 GROWTHPOINGROWTHPOINT PROPERTI 16,75	R 29,961.01		R 314,754.66
2015-01-07	MAGTAPE CREDIT 9195 BININK BTW47102631060390034599		R 3,923.73	R 318,678.39
2015-01-07	ELECTRONIC BANKING PAYMENT TO SARS e-Filing RCT46 16:17	R 36,758.91		R 281,919.48
2015-01-09	ELECTRONIC BANKING PAYMENT TO RISHI RISHILE INVES NA25215:51	R 166,660.00		R 115,259.48
2015-01-14	TRANSFER FROM 202538117 CSC-JOHANNES 868		R 35,000,000.00	R 35,115,259.48
2015-01-14	ELECTRONIC BANKING PAYMENT TO SEBEN SEBENZA FORWA NA25216:33	R 34,511,450.17		R 603,809.31
2015-01-20	ELECTRONIC BANKING TRANSFER FR VOSSL0H PAYMENTSANDTON 362		R 307,000,000.00	R 307,603,809.31
2015-01-20	TELETRANSMISSION OUTWARD VOSSL0H ESPANA 1501200155TT4933 55,00	R 307,000,000.00		R 603,809.31
2015-01-22	ELECTRONIC BANKING PAYMENT TO NDHUKWANI 31 NA2 52 14:58	R 2,969.54		R 600,839.77
2015-01-22	ELECTRONIC BANKING PAYMENT TO MATHEBULA AX NA2 52 14:58	R 9,050.38		R 591,789.39
2015-01-22	ELECTRONIC BANKING PAYMENT TO MALULEKE N NA2 52 14:58	R 17,638.69		R 574,150.70
2015-01-22	ELECTRONIC BANKING PAYMENT TO MARIMA S NA2 52 14:58	R 2,906.05		R 571,244.65
2015-01-22	ELECTRONIC BANKING PAYMENT TO MHLABA M NA2 52 14:58	R 52,491.56		R 518,753.09
2015-01-22	FEE: 60 DAY STATEMENT 17H18 PBB:GAUTENG EHP ##	R 33.00		R 518,720.09
2015-01-26	RENTAL - LEASE 9830 SUNLYNINV R000094718 16,75	R 2,522.73		R 516,197.36
2015-01-30	MAGTAPE CREDIT 9397 BININK BTW47102631060391218873		R 8,304.11	R 524,501.47
2015-01-31	SERVICE FEE ACC 022682570 ##	R 88.50		R 524,412.97
2015-01-31	MONTHLY MANAGEMENT FEE ACC 022682570 ##	R 50.00		R 524,362.97
2015-02-03	ELECTRONIC BANKING TRANSFER FR TRANSFER FROM 678504253		R 1,500,000.00	R 2,024,362.97
2015-02-03	ELECTRONIC BANKING PAYMENT TO NSOVO NSOVO HOLDING NA25211:32	R 283,002.72		R 1,741,360.25
2015-02-03	ELECTRONIC BANKING PAYMENT TO OUTSE OUTSERVE NA25211:31	R 1,000,000.02		R 741,360.23
2015-02-03	ELECTRONIC BANKING PAYMENT TO RISHI RISHILE INVES NA25211:35	R 166,660.00		R 574,700.23
2015-02-03	ELECTRONIC BANKING TRANSFER TO OPERATIONAL ACCOUNT TRANSFER	R 300,000.00		R 274,700.23
2015-02-05	ELECTRONIC BANKING TRANSFER FR TRANSFER FROM 678504253		R 1,000,000.00	R 1,274,700.23
2015-02-05	ELECTRONIC BANKING PAYMENT TO ON BO ON BOARD TRAV NA25215:47	R 110,183.07		R 1,164,517.16
2015-02-05	ELECTRONIC BANKING PAYMENT TO MIZAN MIZANA INVEST NA25215:47	R 777,777.75		R 386,739.41
2015-02-06	ELECTRONIC BANKING TRANSFER FR TRANSFER FROM 678504253		R 5,000,000.00	R 5,386,739.41
2015-02-06	ELECTRONIC BANKING PAYMENT TO STERLINGS LIVING NA252 14:27	R 5,000,000.00		R 386,739.41
2015-02-06	ELECTRONIC BANKING PAYMENT TO SARS e-Filing RCT46 13:16	R 26,441.95		R 360,297.46
2015-02-10	ELECTRONIC BANKING TRANSFER FR TRANSFER FROM 678504253		R 2,000,000.00	R 2,360,297.46
2015-02-10	ELECTRONIC BANKING PAYMENT TO 004 SWIFAMBO HOLD NA25218:27	R 2,000,000.00		R 360,297.46
2015-02-12	ELECTRONIC BANKING TRANSFER FR TRANSFER FROM 678504253		R 1,000,000.00	R 1,360,297.46
2015-02-12	ELECTRONIC BANKING PAYMENT TO NSOVO NSOVO HOLDING NA25211:24	R 141,501.36		R 1,218,796.10
2015-02-12	ELECTRONIC BANKING PAYMENT TO SIYAY SIYAYA RAIL S NA25211:24	R 934,800.14		R 283,995.96
2015-02-16	FEE - STOP ORDER ESTABLISHMENT ##	R 16.00		R 283,979.96
2015-02-18	FEE: INTERIM/30 DAY STATEMENT 16H53 PBB:GAUTENG EHP ##	R 20.00		R 283,959.96
2015-02-24	ELECTRONIC BANKING TRANSFER FR TRANSFER FROM 678504253		R 5,000,000.00	R 5,283,959.96
2015-02-24	ELECTRONIC BANKING PAYMENT TO 004 SWIFAMBO HOLD NA25212:35	R 5,000,000.00		R 283,959.96
2015-02-24	ELECTRONIC BANKING PAYMENT TO SIBANGO G NA2 52 14:49	R 27,860.39		R 256,099.57
2015-02-24	ELECTRONIC BANKING PAYMENT TO MATHEBULA AX RCT46 14:38	R 19,973.00		R 236,126.57
2015-02-24	ELECTRONIC BANKING PAYMENT TO MARIMA S RCT46 14:38	R 2,906.05		R 233,220.52
2015-02-24	ELECTRONIC BANKING PAYMENT TO MHLABA M RCT46 14:38	R 52,353.09		R 180,867.43
2015-02-24	ELECTRONIC BANKING PAYMENT TO MALULEKE N RCT46 14:38	R 20,788.77		R 160,078.66
2015-02-24	ELECTRONIC BANKING PAYMENT TO NDHUKWANI 31 RCT46 14:38	R 6,435.00		R 153,643.66
2015-02-25	RENTAL - LEASE 9854 SUNLYNINV R000094718 16,75	R 2,522.73		R 151,120.93
2015-02-27	ELECTRONIC BANKING TRANSFER FR TRANSFER FROM MARKET LINK		R 53,000,000.00	R 53,151,120.93
2015-02-27	ELECTRONIC BANKING PAYMENT TO SARS e-Filing RCT46 16:13	R 20,153,475.47		R 32,997,645.46

DATE	DESCRIPTION	DEBIT	CREDIT	BALANCE
2015-02-28	STOP ORDER HANDLING FEE ##	R 16.75		R 32,997,628.71
2015-02-28	STOP ORDER 1 NSOVO HOLDINGS	R 141,501.36		R 32,856,127.35
2015-02-28	MONTHLY MANAGEMENT FEE ACC 022682570 ##	R 50.00		R 32,856,077.35
2015-02-28	SERVICE FEE ACC 022682570 ##	R 50.00		R 32,856,027.35
2015-03-02	ELECTRONIC BANKING TRANSFER FR TRANSFER FROM 678504253		R 15,000,000.00	R 47,856,027.35
2015-03-02	ELECTRONIC BANKING PAYMENT TO SEBEN SEBENZA FORWA NA25213:01	R 32,510,819.23		R 15,345,208.12
2015-03-02	ELECTRONIC BANKING PAYMENT TO MAMOR MAMOROKO MAKO RCT4612:22	R 9,000,000.00		R 6,345,208.12
2015-03-02	ELECTRONIC BANKING PAYMENT TO RISHI RISHILE INVES NA25213:02	R 166,660.00		R 6,178,548.12
2015-03-02	ELECTRONIC BANKING PAYMENT TO MUSA CAPITAL RCT46 21:21	R 5,000,000.00		R 1,178,548.12
2015-03-03	ELECTRONIC BANKING TRANSFER FR TRANSFER FROM 678504253		R 2,000,000.00	R 3,178,548.12
2015-03-03	ELECTRONIC BANKING TRANSFER FR SWIFAMBO SANDTON 403		R 5,000,000.00	R 8,178,548.12
2015-03-03	ELECTRONIC BANKING PAYMENT TO ON BO ON BOARD TRAV RCT4612:05	R 160,471.54		R 8,018,076.58
2015-03-03	ELECTRONIC BANKING PAYMENT TO MIZAN MIZANA ENGINE RCT4612:09	R 339,845.34		R 7,678,231.24
2015-03-03	ELECTRONIC BANKING PAYMENT TO VELE VELA INTERNAT RCT4611:58	R 570,000.00		R 7,108,231.24
2015-03-03	ELECTRONIC BANKING PAYMENT TO ON BO ON BOARD TRAV RCT4610:41	R 127,659.33		R 6,980,571.91
2015-03-03	ELECTRONIC BANKING PAYMENT TO MIZAN MIZANA ENGINE NA25212:29	R 1,428,064.94		R 5,552,506.97
2015-03-03	ELECTRONIC BANKING TRANSFER TO 2015062007/1 *	R 5,000,000.00		R 552,506.97
2015-03-06	ELECTRONIC BANKING PAYMENT TO SARS e-Filing RCT46 13:00	R 44,923.30		R 507,583.67
2015-03-20	FEE: 60 DAY STATEMENT 16H24 PBB:GAUTENG EHP ##	R 33.00		R 507,550.67
2015-03-25	ELECTRONIC BANKING PAYMENT TO SIBAN SIBANGO G RCT4616:05	R 60,634.86		R 446,915.81
2015-03-25	ELECTRONIC BANKING PAYMENT TO NDHUK NDHUKWANI 31 RCT4616:05	R 6,660.85		R 440,254.96
2015-03-25	ELECTRONIC BANKING PAYMENT TO SALOO MATHEBULA AX RCT4616:05	R 11,245.97		R 429,008.99
2015-03-25	ELECTRONIC BANKING PAYMENT TO SALOO MHLABA M RCT4616:05	R 50,543.88		R 378,465.11
2015-03-25	ELECTRONIC BANKING PAYMENT TO LEE LEE M RCT4616:05	R 90,059.38		R 288,405.73
2015-03-25	ELECTRONIC BANKING PAYMENT TO KLEIN KLEINEIDAM C RCT4616:05	R 95,396.63		R 193,009.10
2015-03-25	ELECTRONIC BANKING PAYMENT TO SALOO MARIMA S RCT4616:05	R 7,821.57		R 185,187.53
2015-03-25	ELECTRONIC BANKING PAYMENT TO SALOO MALULEKE N RCT4616:05	R 18,472.70		R 166,714.83
2015-03-25	RENTAL - LEASE 9041 SUNLYNINV R000094718 16,75	R 2,522.73		R 164,192.10
2015-03-26	UNPAID SYSTEM CREDIT SWFSALARIES150325		R 90,059.38	R 254,251.48
2015-03-27	MAGTAPE CREDIT 9674 BININK BTW47102631060394815295		R 1,918.47	R 256,169.95
2015-03-30	ELECTRONIC BANKING TRANSFER FR TRANSFER FROM 678504253		R 200,000.00	R 456,169.95
2015-03-31	ELECTRONIC BANKING PAYMENT TO LEE LEE M NA2 5212:45	R 90,059.38		R 366,110.57
2015-03-31	ELECTRONIC BANKING PAYMENT TO RISHI RISHILE INVES NA25217:12	R 166,660.00		R 199,450.57
2015-03-31	STOP ORDER HANDLING FEE ##	R 16.75		R 199,433.82
2015-03-31	STOP ORDER 1 NSOVO HOLDINGS	R 141,501.36		R 57,932.46
2015-03-31	MONTHLY MANAGEMENT FEE ACC 022682570 ##	R 50.00		R 57,882.46
2015-03-31	SERVICE FEE ACC 022682570 ##	R 50.00		R 57,832.46
2015-04-01	ELECTRONIC BANKING TRANSFER FR TRSNF FROM CALL TO CURRENT ACC		R 400,000.00	R 457,832.46
2015-04-02	ELECTRONIC BANKING PAYMENT TO DABELAMI RCT46 12:05	R 119,088.68		R 338,743.78
2015-04-07	ELECTRONIC BANKING PAYMENT TO SARS e-Filing NA252 10:44	R 165,671.78		R 173,072.00
2015-04-09	ELECTRONIC BANKING TRANSFER FR TRANSFER FROM 678504253		R 14,200,000.00	R 14,373,072.00
2015-04-09	ELECTRONIC BANKING PAYMENT TO ON BO ON BOARD TRAV NA25214:36	R 153,342.82		R 14,219,729.18
2015-04-10	ELECTRONIC BANKING PAYMENT TO SEBEN SEBENZA FORWA RCT4611:58	R 14,000,000.00		R 219,729.18
2015-04-14	INTERBANK CREDIT TRANSFER BININK BTW4710 2631060395712627		R 7,980,168.14	R 8,199,897.32
2015-04-15	FEE: INTERIM/30 DAY STATEMENT 11H59 IPC:MAINTAIN 2 ##	R 20.00		R 8,199,877.32
2015-04-16	ELECTRONIC BANKING PAYMENT TO SEBEN SEBENZA FORWA NA25215:11	R 8,000,000.00		R 199,877.32
2015-04-23	ELECTRONIC BANKING TRANSFER FR TRANSFER FROM 678504253		R 200,000.00	R 399,877.32
2015-04-23	ELECTRONIC BANKING PAYMENT TO NDHUK NDHUKWANI 31 RCT4615:55	R 6,369.75		R 393,507.57
2015-04-23	ELECTRONIC BANKING PAYMENT TO CHAMANE BE RCT46 15:55	R 28,990.78		R 364,516.79
2015-04-23	ELECTRONIC BANKING PAYMENT TO SIBAN SIBANGO G RCT4615:55	R 60,634.86		R 303,881.93
2015-04-23	ELECTRONIC BANKING PAYMENT TO SALOO MHLABA M RCT4615:55	R 98,161.39		R 205,720.54
2015-04-23	ELECTRONIC BANKING PAYMENT TO SALOO MATHEBULA AX RCT4615:55	R 11,515.97		R 194,204.57
2015-04-23	ELECTRONIC BANKING PAYMENT TO SALOO MARIMA S RCT4615:55	R 4,356.57		R 189,848.00
2015-04-23	ELECTRONIC BANKING PAYMENT TO SALOO MALULEKE N RCT4615:55	R 19,193.69		R 170,654.31
2015-04-25	RENTAL - LEASE 9773 SUNLYNINV R000094718 16,75	R 2,901.14		R 167,753.17
2015-04-28	ELECTRONIC BANKING PAYMENT TO SAS SALESIAN SCHO RCT4613:05	R 75,000.00		R 92,753.17
2015-04-30	STOP ORDER HANDLING FEE ##	R 16.75		R 92,736.42
2015-04-30	ELECTRONIC TRF - CREDIT CARD 9452 SB AUTOPAY 5221189730694224 5,00	R 1,002.00		R 91,734.42
2015-04-30	STOP ORDER 1 NSOVO HOLDINGS	R 141,501.36		-R 49,766.94
2015-04-30	SERVICE FEE ACC 022682570 ##	R 50.00		-R 49,816.94
2015-04-30	MONTHLY MANAGEMENT FEE ACC 022682570 ##	R 50.00		-R 49,866.94
2015-05-02	HONOURING FEE 022682570 3004 ##	R 130.00		-R 49,996.94
2015-05-05	ELECTRONIC BANKING TRANSFER FR TRF FRM CALL TO CURRENT ACC		R 400,000.00	R 350,003.06
2015-05-05	ELECTRONIC BANKING PAYMENT TO RISHI RISHILE INVES RCT4614:16	R 166,660.00		R 183,343.06
2015-05-06	ELECTRONIC BANKING TRANSFER FR TRNSF FRM CALL TO CURRENT ACC		R 100,000.00	R 283,343.06
2015-05-06	TELETRANSMISSION OUTWARD MINGDER LEE 1505069205TT9907 55,00	R 90,059.39		R 193,283.67
2015-05-06	FEE-TELETRANSMISSION OUTWARD MINGDER LEE 1505069205TT9907 ## A	R 560.30		R 192,723.37
2015-05-07	ELECTRONIC BANKING PAYMENT TO SARS e-Filing NA252 14:23	R 153,140.05		R 39,583.32
2015-05-08	ELECTRONIC BANKING TRANSFER FR TRANSFER FROM 678504253		R 200,000.00	R 239,583.32
2015-05-08	ELECTRONIC BANKING PAYMENT TO MIZAN MIZANA ENGINE NA25215:01	R 173,970.00		R 65,613.32
2015-05-20	FEE-BILL OF ENTRY FOLLOW UP FOREX REF NO 1505200155RR3696 ##	R 50.00		R 65,563.32
2015-05-23	FEE: 60 DAY STATEMENT 11H30 IPC:MAINTAIN 2 ##	R 33.00		R 65,530.32
2015-05-25	ELECTRONIC BANKING TRANSFER FR TRNSF FRM CALL TO CURRENT ACC		R 400,000.00	R 465,530.32
2015-05-25	ELECTRONIC BANKING PAYMENT TO SALOO MALULEKE N RCT4609:39 A	R 9,800.54		R 455,729.78
2015-05-25	ELECTRONIC BANKING PAYMENT TO KLEIN KLEINEIDAM C RCT4621:09	R 128,410.21		R 327,319.57
2015-05-25	ELECTRONIC BANKING PAYMENT TO NDHUK NDHUKWANI 31 RCT4609:39	R 8,984.41		R 318,335.16
2015-05-25	ELECTRONIC BANKING PAYMENT TO SIBAN SIBANGO G RCT4609:39	R 60,634.86		R 257,700.30
2015-05-25	ELECTRONIC BANKING PAYMENT TO SALOO MARIMA S RCT4609:39	R 4,356.57		R 253,343.73
2015-05-25	ELECTRONIC BANKING PAYMENT TO SALOO MATHEBULA AX RCT4621:09	R 11,515.97		R 241,827.76
2015-05-25	ELECTRONIC BANKING PAYMENT TO CHAMA CHAMANE BE RCT4609:39	R 28,990.78		R 212,836.98
2015-05-25	ELECTRONIC BANKING PAYMENT TO SALOO MHLABA M RCT4609:39	R 53,911.38		R 158,925.60
2015-05-25	RENTAL - LEASE 9198 SUNLYNINV R000094718 16,75	R 2,901.14		R 156,024.46
2015-05-25	INTEREST ON OVERDRAFT UP TO 05 24 022682570 @15,250%	R 104.34		R 155,920.12
2015-05-26	TELETRANSMISSION OUTWARD MINGDER LEE 15052 59205TT4070 55,00	R 90,059.38		R 65,860.74
2015-05-26	FEE-TELETRANSMISSION OUTWARD MINGDER LEE 15052 59205TT4070 ##	R 560.30		R 65,300.44
2015-05-29	ELECTRONIC BANKING TRANSFER FR FRM CALL TO CURRENT ACCOUNT		R 300,000.00	R 365,300.44
2015-05-29	ELECTRONIC BANKING PAYMENT TO RISHI RISHILE INVES RCT4614:58	R 166,660.00		R 198,640.44
2015-05-30	SERVICE FEE ACC 022682570 ##	R 126.75		R 198,513.69
2015-05-30	MONTHLY MANAGEMENT FEE ACC 022682570 ##	R 50.00		R 198,463.69
2015-05-30	OVERDRAFT SERVICE FEE NO LIMIT ACC 022682570 ##	R 57.00		R 198,406.69
2015-06-01	STOP ORDER HANDLING FEE ## A	R 16.75		R 198,389.94
2015-06-01	STOP ORDER 1 NSOVO HOLDINGS	R 141,501.36		R 56,888.58
2015-06-01	ELECTRONIC TRF - CREDIT CARD 9585 SB AUTOPAY 5221189730694224 5,00	R 108,621.45		-R 51,732.87
2015-06-02	HONOURING FEE 022682570 0106 ##	R 130.00		-R 51,862.87

DATE	DESCRIPTION	DEBIT	CREDIT	BALANCE
2015-06-03	MAGTAPE CREDIT 9328 BININK , BTW47102631060398451631		R 38,632.98	-R 13,229.89
2015-06-04	ELECTRONIC BANKING TRANSFER FR TRNSF FRM CALL TO CURRENT ACC		R 400,000.00	R 386,770.11
2015-06-05	INTERBANK CREDIT TRANSFER SHOSHOLLOZA MEY L HO		R 182,424,651.62	R 182,811,421.73
2015-06-05	ELECTRONIC BANKING PAYMENT TO SARS e-Filing NA252 12:28	R 181,240.75		R 182,630,180.98
2015-06-08	ELECTRONIC BANKING PAYMENT TO SEBEN SEBENZA FORWA NA25212:54	R 9,705,951.11		R 172,924,229.87
2015-06-08	ELECTRONIC BANKING TRANSFER TO TRNSF FRM CURRENT TO CALL ACC	R 172,000,000.00		R 924,229.87
2015-06-10	ELECTRONIC BANKING PAYMENT TO JACOB ZUMA FOUNDAT RCT46 09:53	R 150,000.00		R 774,229.87
2015-06-25	ELECTRONIC BANKING TRANSFER FR TRANSFER FROM 678504253		R 5,000,000.00	R 5,774,229.87
2015-06-25	ELECTRONIC BANKING PAYMENT TO 004 SWIFAMBO HOLD NA25210:28	R 5,000,000.00		R 774,229.87
2015-06-25	RENTAL - LEASE 9576 SUNLYNINV R000094718 16,75	R 2,901.14		R 771,328.73
2015-06-25	INTEREST ON OVERDRAFT UP TO 06 24 022682570 @15,250%	R 48.81		R 771,279.92
2015-06-26	FEE: 60 DAY STATEMENT 08H33 IPC:MAINTAIN 2 ##	R 33.00		R 771,246.92
2015-06-29	ELECTRONIC BANKING TRANSFER FR TRNSF FRM CALL TO CURRENT ACC		R 10,000,000.00	R 10,771,246.92
2015-06-29	ELECTRONIC BANKING PAYMENT TO SIYAY SIYAYA DB CON RCT4613:50	R 346,401.15		R 10,424,845.77
2015-06-29	ELECTRONIC BANKING PAYMENT TO RISHI RISHILE INVES NA25214:06	R 166,660.00		R 10,258,185.77
2015-06-30	MAGTAPE CREDIT 9575 BININK BTW47102631060399788853		R 3,622.98	R 10,261,808.75
2015-06-30	ELECTRONIC BANKING PAYMENT TO SIYAY SIYAYA DB CON RCT4615:01	R 601,317.47		R 9,660,491.28
2015-06-30	ELECTRONIC BANKING PAYMENT TO 004 SWIFAMBO HOLD RCT4615:02	R 9,000,000.00		R 660,491.28
2015-06-30	STOP ORDER HANDLING FEE ##	R 16.75		R 660,474.53
2015-06-30	ELECTRONIC TRF - CREDIT CARD 9462 SB AUTOPAY 5221189730694224 5,00	R 27,144.61		R 633,329.92
2015-06-30	STOP ORDER 1 NSOVO HOLDINGS	R 141,501.36		R 491,828.56
2015-06-30	MONTHLY MANAGEMENT FEE ACC 022682570 ##	R 50.00		R 491,778.56
2015-06-30	OVERDRAFT SERVICE FEE NO LIMIT ACC 022682570 ##	R 57.00		R 491,721.56
2015-06-30	SERVICE FEE ACC 022682570 ##	R 50.00		R 491,671.56
2015-07-03	ELECTRONIC BANKING PAYMENT TO SARS e-Filing RCT46 10:11	R 16.00		R 491,655.56
2015-07-03	ELECTRONIC BANKING PAYMENT TO SARS e-Filing RCT46 10:11	R 254.00		R 491,401.56
2015-07-03	ELECTRONIC BANKING PAYMENT TO SARS e-Filing RCT46 10:12	R 1,835.00		R 489,566.56
2015-07-03	ELECTRONIC BANKING PAYMENT TO SARS e-Filing RCT46 10:11	R 5,542.00		R 484,024.56
2015-07-06	ELECTRONIC BANKING PAYMENT TO SARS e-Filing RCT46 10:10	R 52,107.66		R 431,916.90
2015-07-07	INTERBANK CREDIT TRANSFER SHOSHOLLOZA MEY L HO		R 264,070,324.63	R 264,502,241.53
2015-07-09	ELECTRONIC BANKING TRANSFER TO TRNSF FRM CURRENT TO CALL	R 264,000,000.00		R 502,241.53
2015-07-10	ELECTRONIC BANKING TRANSFER FR TRNSF FRM CALL TO CURRENT ACC		R 2,500,000.00	R 3,002,241.53
2015-07-10	ELECTRONIC BANKING PAYMENT TO 004 SWIFAMBO HOLD RCT4611:54	R 2,500,000.00		R 502,241.53
2015-07-20	ELECTRONIC BANKING PAYMENT TO SEBEN SEBENZA FORWA RCT4614:55	R 165,377.15		R 336,864.38
2015-07-23	ELECTRONIC BANKING PAYMENT TO SALOO MALULEKE N RCT4611:30	R 28,323.44		R 308,540.94
2015-07-23	ELECTRONIC BANKING PAYMENT TO SALOO MHLABA M RCT4611:30	R 59,674.37		R 248,866.57
2015-07-23	ELECTRONIC BANKING PAYMENT TO SALOO MATHEBULA AX RCT4611:30	R 11,515.97		R 237,350.60
2015-07-23	ELECTRONIC BANKING PAYMENT TO SALOO MARIMA S RCT4611:30	R 4,918.57		R 232,432.03
2015-07-23	ELECTRONIC BANKING PAYMENT TO CHAMA CHAMANE BE RCT4611:30	R 31,433.59		R 200,998.44
2015-07-23	ELECTRONIC BANKING PAYMENT TO NDHUK NDHUKWANI 31 RCT4611:30	R 10,776.84		R 190,221.60
2015-07-23	ELECTRONIC BANKING PAYMENT TO SIBAN SIBANGO G RCT4611:30	R 67,791.33		R 122,430.27
2015-07-25	RENTAL - LEASE 9061 SUNLYNINV R000094718 16,75	R 2,901.14		R 119,529.13
2015-07-28	ELECTRONIC BANKING TRANSFER FR TRNSF FRM CALL TO CURRENT ACC		R 400,000.00	R 519,529.13
2015-07-29	ELECTRONIC BANKING PAYMENT TO RISHI RISHILE INVES RCT4611:35	R 166,660.00		R 352,869.13
2015-07-29	FEE: 60 DAY STATEMENT 11H44 IPC:MAINTAIN 2 ##	R 33.00		R 352,836.13
2015-07-30	ELECTRONIC BANKING TRANSFER FR TRANSFER FROM 678504253		R 23,000,000.00	R 23,352,836.13
2015-07-31	ELECTRONIC BANKING PAYMENT TO SARS e-Filing RCT46 12:03	R 22,919,897.35		R 432,938.78
2015-07-31	STOP ORDER HANDLING FEE ##	R 16.75		R 432,922.03
2015-07-31	ELECTRONIC TRF - CREDIT CARD 9322 SB AUTOPAY 5221189730694224 5,00	R 298,964.78		R 133,957.25
2015-07-31	STOP ORDER 1 NSOVO HOLDINGS	R 141,501.36		-R 7,544.11
2015-07-31	SERVICE FEE ACC 022682570 ##	R 50.00		-R 7,594.11
2015-07-31	MONTHLY MANAGEMENT FEE ACC 022682570 ##	R 50.00		-R 7,644.11
2015-08-01	HONOURING FEE 022682570 3107 ##	R 130.00		-R 7,774.11
2015-08-03	ELECTRONIC BANKING TRANSFER FR TRNSF FRM CALL TO CURRENT ACC		R 100,000.00	R 92,225.89
2015-08-04	ELECTRONIC BANKING TRANSFER FR TRANSFER FROM 678504253		R 200,000.00	R 292,225.89
2015-08-04	ELECTRONIC BANKING PAYMENT TO SIYAY SIYAYA DB CON NA25216:00	R 162,226.06		R 129,999.83
2015-08-06	INTERBANK CREDIT TRANSFER BININK BTW4710 2631060401871611		R 30,561,848.18	R 30,691,848.01
2015-08-11	ELECTRONIC BANKING TRANSFER TO TRNSF FRM CURR TO CALL	R 30,000,000.00		R 691,848.01
2015-08-21	ELECTRONIC BANKING PAYMENT TO NSOVO NSOVO HOLDING RCT4613:11	R 287,421.36		R 404,426.65
2015-08-24	ELECTRONIC BANKING PAYMENT TO SIBAN SIBANGO G RCT4610:59	R 60,634.86		R 343,791.79
2015-08-24	ELECTRONIC BANKING PAYMENT TO SALOO MARIMA S RCT4610:59	R 3,794.57		R 339,997.22
2015-08-24	ELECTRONIC BANKING PAYMENT TO SALOO MALULEKE N RCT4610:59	R 8,636.54		R 331,360.68
2015-08-24	ELECTRONIC BANKING PAYMENT TO NDHUK NDHUKWANI 31 RCT4610:59	R 9,238.06		R 322,122.62
2015-08-24	ELECTRONIC BANKING PAYMENT TO SALOO MATHEBULA AX RCT4610:59	R 11,515.97		R 310,606.65
2015-08-24	ELECTRONIC BANKING PAYMENT TO MASHA MASHABA AKANI RCT4610:59	R 13,256.03		R 297,350.62
2015-08-24	ELECTRONIC BANKING PAYMENT TO CHAMA CHAMANE BE RCT4610:59	R 31,433.59		R 265,917.03
2015-08-24	ELECTRONIC BANKING PAYMENT TO SALOO MHLABA M RCT4610:59	R 59,674.37		R 206,242.66
2015-08-25	RENTAL - LEASE 9186 SUNLYNINV R000094718 16,75	R 2,927.62		R 203,315.04
2015-08-25	INTEREST ON OVERDRAFT UP TO 07 31 022682570 @15,500%	R 3.25		R 203,311.79
2015-08-25	INTEREST ON OVERDRAFT UP TO 08 24 022682570 @15,500%	R 6.60		R 203,305.19
2015-08-27	ELECTRONIC BANKING TRANSFER FR TRNSF FRM CALL TO CURRENT		R 500,000.00	R 703,305.19
2015-08-28	ELECTRONIC BANKING PAYMENT TO RISHI RISHILE INVES NA25216:29	R 166,660.00		R 536,645.19
2015-08-31	STOP ORDER HANDLING FEE ##	R 16.75		R 536,628.44
2015-08-31	ELECTRONIC TRF - CREDIT CARD 9654 SB AUTOPAY 5221189730694224 5,00	R 27,402.42		R 509,226.02
2015-08-31	STOP ORDER 1 NSOVO HOLDINGS	R 141,501.36		R 367,724.66
2015-08-31	SERVICE FEE ACC 022682570 ##	R 50.00		R 367,674.66
2015-08-31	OVERDRAFT SERVICE FEE NO LIMIT ACC 022682570 ##	R 57.00		R 367,617.66
2015-08-31	MONTHLY MANAGEMENT FEE ACC 022682570 ##	R 50.00		R 367,567.66
2015-09-02	ELECTRONIC BANKING TRANSFER FR TRANSFER FROM 678504253 A		R 500,000.00	R 867,567.66
2015-09-02	ELECTRONIC BANKING PAYMENT TO WKH L WKH LANDGREBE NA25210:49	R 506,801.82		R 360,765.84
2015-09-17	FEE RECOVERED FOR: STATEMENTS CSC-JOHANNES 156	R 300.00		R 360,465.84
2015-09-18	ELECTRONIC BANKING PAYMENT TO SARS e-Filing RCT46 16:41	R 72,267.20		R 288,198.64