

COMMISSION OF INQUIRY INTO STATE CAPTURE

HELD AT

PARKTOWN, JOHANNESBURG

10

12 JULY 2019

DAY 132

20

PROCEEDINGS ON 12 JULY 2019

CHAIRPERSON: Good morning Ms Hofmeyr, good morning everybody.

ADV KATE HOFMEYR: Morning Chair.

CHAIRPERSON: Are you ready?

ADV KATE HOFMEYR: We are indeed.

CHAIRPERSON: Thank you.

ADV KATE HOFMEYR: Thank you Chair. Before we commence with the evidence of today's witness there are a few procedural aspects to address. Chair the commission has received two applications from Mr
10 Natasen. The first of those relates to matters of confidentiality in relation to certain of the documents he has provided to the commission and the second of those relates to an application to cross-examine Ms Tlatsana who has given evidence. I would like to deal with each of those in turn. Chair you do have a copy of them before you. In relation to the application to maintain confidentiality of certain of the documents Chair that is the one before you which is marked SEC12 of 2019.

CHAIRPERSON: I think they are both before me.

ADV KATE HOFMEYR: Excellent, excellent. But just so that you can
20 differentiate them 12 of 2019 is the application relating to confidentiality and the second...

CHAIRPERSON: Oh now I see where 12 is here.

ADV KATE HOFMEYR: Chair thank you.

CHAIRPERSON: So the other one is 13.

ADV KATE HOFMEYR: Indeed.

CHAIRPERSON: Yes.

ADV KATE HOFMEYR: So if we commence with 12 that is the one related to confidentiality. Chair as I understand the application and Mr Natasen is legally represented. His legal representatives will shortly place themselves on record. But I have discussed with him this morning what attitude we were going to take to each of these applications and there has been correspondence about it. So on the application to maintain to confidentiality Mr Natasen has submitted certain documents to the commission. His concerned about private and
10 other sensitive information in those documents. The arrangement that has been agreed between the parties is that the documents that we will be working with and the bundles today will not be made publicly available after the evidence. We will engage in a process through the course of the evidence of identifying only those parts to which reference is made in the course of the evidence and those are the parts of the documents which are relevant to the investigations of the commission. Certainly as a legal team we have no interest in publicly disclosing any other information that Mr Natasen has provided the commission and so the arrangement will be after today's hearing there
20 will be a process of redaction engaged upon which will ensure that any documents that were submitted by Mr Natasen which have not been referred to in the testimony today will be redacted and only that redacted version will be made available on the web site of the commission or otherwise publicly. Chair as I understand the position that is a position that is agreed to by Mr Natasen.

CHAIRPERSON: Okay let me try and understand that. So there would be documents to which reference will be made in the course of the evidence of the witness.

ADV KATE HOFMEYR: Yes.

CHAIRPERSON: That is not affected by the arrangement?

ADV KATE HOFMEYR: Correct.

CHAIRPERSON: The arrangement only affects documents that will not be referred to during his evidence?

ADV KATE HOFMEYR: Chair I should be specific. There will – these
10 bundles contain a host of documents. Only certain of those documents is there any concern about the confidentiality and as I understand the application confidentiality concerns are raised in relation to documents submitted by Mr Natasen pursuant to summonses issued by the commission for those documents. We will go to those documents, some of them in the course of today's proceedings but let me give you an example. Where Mr Natasen has provided for example a bank statement, the bank statement has many line items on each individual page. There are a whole host of those which are not relevant to the investigations of the commission and which from the legal team's
20 perspective we have no difficulty suggesting to you Chair should be redacted.

CHAIRPERSON: Yes.

ADV KATE HOFMEYR: So the idea for the process and convenience of today's evidence getting underway is that when reference is made on a document that has been the product of a summons by the commission

to information it can then be publicly disclosed. But all else to which no reference is made will be blacked out so that issues of privacy etcetera in those other pieces of information on a given page will not be made publicly available.

CHAIRPERSON: But the idea is that whatever documents are referred to...

ADV KATE HOFMEYR: Yes.

CHAIRPERSON: Today.

ADV KATE HOFMEYR: Yes.

10 **CHAIRPERSON**: Should not be made publicly available until the process that you talk about has been completed.

ADV KATE HOFMEYR: Precisely Chair.

CHAIRPERSON: At which stage then they can be made available – publicly available after whatever redaction or – has been effected?

ADV KATE HOFMEYR: Precisely Chair and just to give a background to why we have arrived at this what I am going to suggest is a pragmatic approach. Chair you will be aware that the rules of the commission require a witness who makes any claim for confidentiality in respect of summonsed documents to identify with specificity each
20 portion of each document in which respective which are confidentiality claim is made and the grounds on which it is made we – there have been engagements between the legal commission and the secretariat of the commission and Mr Natsen and his lawyers in this regard. At no point has he provided the commission with an itemised and specified which portions must and must not but we did not want to be obstructive

and so our approach and suggestion today is that it is a pragmatic way of dealing with it as and when reference is made to something in the course of evidence my learned friend Ms Buthelezi has the in – unenviable task today of making a very clear record of what those parts were. It will then go through a process prior to being made publicly available of blacking out everything else and then only thereafter will it be uploaded onto the web site of the commission.

CHAIRPERSON: Yes. Okay I do not have a problem in principle with that arrangement but once I have had confirmation from Mr Natasen's
10 legal representatives then I will issue a ruling that should cover that.

ADV KATE HOFMEYR: Indeed. Thank you Chair. And before I hand over to Mr Pienaar I will just deal with the application to cross-examine Ms Tlatsana because it is appropriate that he deals with both in any address he wishes to make to you Chair. The application to cross-examine Mr Tlatsana you will find in the soft file SEQ13 of 2019. Chair this is an application that was received on about the 29 June. When the legal team initially received the application it regarded it as deficient and it was deficient in the following respect. Chair you will be aware that Rule 4 – 3.4 of the Commission's Rules requires any
20 application for cross-examination of a witness by an implicated person to identify the parts or the witness's affidavit or statement or testimony which is disputed and the grounds on which those parts are disputed or denied. Mr Natasen's cross-examination application identifies the parts of Ms Tlatsana's affidavit and statement that he takes issue with. It does not however in the view of the legal team identify the grounds on

which those parts are disputed. The legal team therefore through the secretariat of the commission engaged with Mr Natasen's lawyers set that out and made it clear that in that respect it was regarded as deficient and invited a supplementation of the application. What we received I think it was two days ago was a letter from Mr Natasen's lawyers indicating again the parts of Ms Tlatsana's affidavit and statement in respect of which they say they take issue and they want to be granted leave to cross-examine but again failed to set out the grounds. So it is our submission this morning before you Chair that it
10 remains deficient. That Chair your previously rulings on cross-examination applications have made it clear that you want to be in possession of the two versions in order properly to be able to exercise your powers as to whether it is in the public interest to allow the application. So it is our submission this morning that it remains deficient, that it should be supplemented and when it is and in good time Chair you will no doubt consider the application and give whatever ruling you deem appropriate. But that is the official stance of the legal team as matters stand this morning. Chair if I may there are one or two other procedural aspects to deal with but not ones that I believe Mr
20 Pienaar has an interest in.

CHAIRPERSON: Yes.

ADV KATE HOFMEYR: And so I should maybe hand over to him to address you on those two aspects.

CHAIRPERSON: Ja of course the cross-examination application should be – application should be given to Mr Tlatsana.

ADV KATE HOFMEYR: Indeed.

CHAIRPERSON: For her to file an answering affidavit or respond if she chooses to.

ADV KATE HOFMEYR: Indeed.

CHAIRPERSON: So that it is ripened for argument. But I think it was important that at least you brought to the attention of Mr Natasen's lawyers what the view is of the legal team of the application so that they themselves could then take a view whether...

ADV KATE HOFMEYR: Indeed.

10 **CHAIRPERSON:** Your contention had merits or not.

ADV KATE HOFMEYR: Hm.

CHAIRPERSON: And in due course they might decide the matter.

ADV KATE HOFMEYR: Indeed Chair and...

CHAIRPERSON: Yes.

ADV KATE HOFMEYR: And I may just pick up on one point. Chair it is precisely because our processes envisage us giving the cross-examination application to the witness who is sought to be cross-examined for their response. That is must contain the grounds on which it is disputed or denied because an application that does not tell
20 Ms Tlatsana what the contrary version is is an application that she can do very little with. She can say again what she said previously. And so that is the underlying principle basis Chair on which the legal team adopted the position it did.

CHAIRPERSON: Ja. Ja.

ADV KATE HOFMEYR: Thank you Chair.

CHAIRPERSON: Thank you. Mr Pienaar please come forward.

MR ANDRE PIENAAR: Thank you Chair. Thank you to my learned colleague. Let me first deal with the application for redaction of the record. Ms Hofmeyr has dealt with the submissions and has advised Chair that certain aspects of the record will be redacted due to the sensitivity and the confidentiality of the information on it. That is exactly what we made application for and we are happy with the outcome. Having said that I think it needs to be said – stated on record that we are dealing with high volumes of documentation. The
10 bank statements by way of example as my learned colleague says contain a number of line items which if one was to go and redact one would spend an inordinate amount of time doing so and I think logically the reverse engineering of that situation would be more preferable. In other words instead of redacting all the sensitive and confidential information rather let us focus on what information is relevant for the time being and we can agree that the balance of the information is redacted to the extent that evidence sought to be led on information which we believe to be confidential, sensitive we will bring that to Chair's attention and we will deal with it individually on that basis.
20 Okay. Then secondly...

CHAIRPERSON: Maybe let me – let me deal with the confidentiality – let me give the ruling on the confidentiality application so that we are done with it. How much time do you consider reasonable in order to complete the exercise whatever it is that needs to be done? A week?

MR ANDRE PIENAAR: I think a week would be more than reasonable.

ADV KATE HOFMEYR: Chair it can be done in a matter of hours.

CHAIRPERSON: Oh okay.

ADV KATE HOFMEYR: The bank statements are a few pages. Chair the envisaged approach is that we have the bundles before us today.

CHAIRPERSON: Yex.

ADV KATE HOFMEYR: The course of the evidence will run.

CHAIRPERSON: Ja.

ADV KATE HOFMEYR: Reference will be made to parts that are relevant to the investigation of the commission.

10 **CHAIRPERSON**: Yes.

ADV KATE HOFMEYR: Whatever is referenced will be highlighted by my learned friend Ms Buthelezi.

CHAIRPERSON: Yes.

ADV KATE HOFMEYR: At the end of today we will take those files back across the road.

CHAIRPERSON: Hm.

ADV KATE HOFMEYR: And anything that is not highlighted.

CHAIRPERSON: Yes.

ADV KATE HOFMEYR: Will be blacked out.

20 **CHAIRPERSON**: Yes. So that will be

ADV KATE HOFMEYR: That will be the end of it.

CHAIRPERSON: The end of the process.

ADV KATE HOFMEYR: I have engaged with the commission's document management people they tell me that they are very swift.

CHAIRPERSON: Yes.

ADV KATE HOFMEYR: And that will be done.

CHAIRPERSON: Yes.

ADV KATE HOFMEYR: Simply.

CHAIRPERSON: Yes.

ADV KATE HOFMEYR: And only thereafter will those documents and the full bundle be made available on the web site.

CHAIRPERSON: Okay.

ADV KATE HOFMEYR: That is the process we envisage.

CHAIRPERSON: Okay. Mr Pienaar.

10 **MR ANDRE PIENAAR:** Yes.

CHAIRPERSON: Maybe to be on the safe side shall I say that the documents will not be made publicly available before end of the day on Monday? Would that give...?

MR ANDRE PIENAAR: Chair I would like a bit more time I am not as optimistic as my ...

CHAIRPERSON: Wednesday?

MR ANDRE PIENAAR: Wednesday would be more preferable please.

20 **CHAIRPERSON:** Wednesday would be fine. Okay. Documents relating to the witness Mr Vivien Natasen that have been submitted to the commission will not be made available publicly until the end of the day on Wednesday next week. That is to enable the commission's legal team and Mr Natasen's lawyers to attend to the process that will ensure that information that is not really relevant for purposes of the commission is not made publicly available if it is confidential. I think that covers it. Is that – is that fine?

MR ANDRE PIENAAR: We happy with that, thank you.

CHAIRPERSON: Okay thank you. And then let us move to the other application. The other application of course is not to be considered in terms of the merits now because it has not reached that stage but you might wish to say something in response to whatever Ms Hofmeyr may have said?

MR ANDRE PIENAAR: Absolutely, thank you.

CHAIRPERSON: Yes.

MR ANDRE PIENAAR: Firstly Chair I would just like to make a
10 statement that having witnessed the evidence given during the course of the commission over the past several weeks it seems to be abundantly clear that there is a reluctance on the part of the commission to allow the cross-examination of witnesses. Now the only inference that can be drawn and please forgive me if I am ...

CHAIRPERSON: Well I am...

MR ANDRE PIENAAR: Forgive me if I am overstepping the mark.

CHAIRPERSON: Yes. No, no that is fine.

MR ANDRE PIENAAR: But please I need to make this statement.

CHAIRPERSON: Let us hear. Let us hear yes.

20 **MR ANDRE PIENAAR:** The only inference – only logical inference that can be drawn is that the commission's legal representatives do not wish and I am going to use my client as an example he is an implicated party, do not with the evidence of the witnesses so implicating to be tested because they wish for that evidence to be dealt with on a prima facie – prima facie basis. Now I understand the purpose of the

commission is to investigate and to collate as much information as possible but at the end of the day one must appreciate that my client in giving this evidence and opening up records is compromising not only himself but compromising third parties. It is critical for us to test the evidence and just as a matter of procedure the rules of the commission certainly allow for it. There should be no reason why we should not be entitled to cross-examine those witnesses who have so implicated us and to take a technical point with all due respect on the basis that the application is deficient. And I understand that there has been a

10 concession that we will have an opportunity to further supplement and I am very grateful for that. But at the end of the day one of the fundamental rules of the commission is that the witnesses cannot suffer any prejudice and my submission is simply that without testing the evidence and being entitled to cross-examine there will be substantial prejudice suffered by my client. But I will leave it that I do not want to [indistinct] my point.

CHAIRPERSON: Well – well let us not leave it like that Mr Pienaar. You have just said that it seems to you that there is a reluctance on the part of – I do not know whether the commission or the commission's

20 legal team to have witnesses cross-examined. What is the factual basis for that statement?

MR ANDRE PIENAAR: Well let us take this specific application.

CHAIRPERSON: Hm.

MR ANDRE PIENAAR: I am told by the legal representative for the commission that the application is deficient because

1. It fails to set out the aspects of Mr Tlatsana's statement which is in dispute and
2. It fails to give grounds for that.

Now on the contrary the affidavit submitted and supported the application to cross-examine does quite the opposite. In fact at paragraph 10 of the affidavit it sets out specifically the aspects of Mr Tlatsana's evidence which is in dispute and...

CHAIRPERSON: But Mr Pienaar – Mr Pienaar. The commission's legal team looked at Mr Natasen's application for leave to cross-examine and
10 took a view. They are entitled to take a view and not only are they entitled but probably they are obliged to convey that view to Mr Natasen's lawyers to say this is what we think. So that you are taken by surprise later on if they take – if they say our view as the legal team is that this application is defective. They – they took the view that it was defective. They wanted to make sure that you knew that as early as possible so that if you considered that it was defective there would be a time for you to supplement rather than them having taken the view that your application – his application is defective them keeping quiet and hope that you will not pick that up and when the application is
20 argued they come up with that point. You were not obliged to agree with them that the application is defective. You were entitled to say, I do not agree with that this application is in order, we want to pursue it as it is. You had that right. And you know that in the end it is not the legal team of the commission that decides whether leave to cross-examine must be granted or not. I decide that. So I do not understand

why if the legal team takes a certain view of the application and they convey that why that should be interpreted as them being reluctant to have a witness cross-examined.

MR ANDRE PIENAAR: Oh thank you Chair. But the reality is they are entitled to take a view as are we. Our view is obviously ...

CHAIRPERSON: Different.

MR ANDRE PIENAAR: Different.

CHAIRPERSON: Yes and that is – that is in order.

MR ANDRE PIENAAR: And having said that we have been given the
10 opportunity to supplement by way of correspondence. We have identified the aspects of the affidavit which sustain the disputes and the grounds and notwithstanding have been told that it is still deficient.

CHAIRPERSON: Yes but their word is not final.

MR ANDRE PIENAAR: I understand that Chair.

CHAIRPERSON: Ja you can disagree with them and say.

MR ANDRE PIENAAR: I am disagreeing with them.

CHAIRPERSON: Yes.

MR ANDRE PIENAAR: But I understand that but I need to make the point. I need the – and I am entitled to make the point and so is my
20 client that there should be no reason why the evidence of Ms Tlatsana should not be tested. And we should have the right ...

CHAIRPERSON: That is the merits.

MR ANDRE PIENAAR: Bearing in mind – bearing in mind that the test is prejudiced and bearing in mind that the – sorry and I am not telling – I am not trying to – to educate you on the rule of the commission you

are well aware of the rules. But you are aware as am I that the evidence given has to be to the benefit of the commission and in the public interest and where would the public interest be served ultimately if my client is not given the opportunity. And the reason I bring it up here Chair is because we have already been told for the second time that the application is deficient.

CHAIRPERSON: You see – you see Mr Pienaar.

MR ANDRE PIENAAR: Hm.

CHAIRPERSON: The – part of the arguments you advance belong to
10 the stage where I will be hearing argument on whether I should grant leave to cross-examine or not which is not today. You know.

MR ANDRE PIENAAR: I understand that but you have asked me to address the commission.

CHAIRPERSON: Which is not today – yes. And whatever the commission's legal team may say to you about their view on the application you are entitled to say, we do not agree and we want the application to be set down for hearing or to be served on the other side because we want it ripened as soon as possible. And if the commission knows that even though the legal team might have taken a certain view
20 on – of it you do not agree, you are happy that the matter proceeds. The matter will proceed you know. All they – that will need to be done is that the application be given to Ms Tlatsana, she gets a chance to file a response. If she chooses to she might not choose to. And at a certain stage the application will either be dealt with by me in chambers or it might be set down for argument in an open hearing. And

I do not know whether you have had a chance to read some of the rulings that I have made on applications for to cross-examine. It should be – it should be quite clear from those rulings that there is certainly no reluctance on the part of the commission to have evidence tested as long as the test is met and all the requirements are met.

MR ANDRE PIENAAR: Can I put it differently

CHAIRPERSON: Yes.

MR ANDRE PIENAAR: Okay if I may? I understand that this is not the forum where the merits of the application to cross-examine will be
 10 argued but let me put it this way. My colleagues have come back and said that notwithstanding our supplementation via correspondence of the application or our explanation as to why the application is not deficient is insufficient and it remains deficient in their view. It is for that reason I am bringing it up now and placing it on record because I believe that the onus now falls on my colleagues to explain why the information that they have been provided is still deficient.

CHAIRPERSON: No, no that does not -

MR ANDRE PIENAAR: Ja.

CHAIRPERSON: That does not have to be explained now. As long as
 20 you have taken the view that the application as it is you take the view that it is in order and should be processed that is what will happen – that is what will happen. So they have given you the benefit of their view, you have considered their view, you do not agree, the application – you want the application to be processed, it will be processed. That is all.

MR ANDRE PIENAAR: Chair thank you.

CHAIRPERSON: Ja.

MR ANDRE PIENAAR: But I would like to place on record and ask?

CHAIRPERSON: Yes.

MR ANDRE PIENAAR: Given the fact that the legal team for the commission have said that it should still be supplemented given the fact that we have provided further information and it appears in their view to still be deficient that we be given the opportunity to be provided by the legal team with an explanation of their view as to why it is
10 deficient so that when we do supplement and I thank them for the opportunity to further supplement that when we do supplement we are meeting the requirements that they are setting out for the application to meet with 3.4 of the Rules. That is all I am saying.

CHAIRPERSON: Well let us get where we are right now. I thought what you were saying amounted to saying the application as far as you are concerned is in order, it should be processed. There will be no further supplementation. But the last few statements you have made suggest that you may be wishing to have an opportunity to supplement depending on what they say to you in explanation of their view.

20 **MR ANDRE PIENAAR:** Chair if they say that it is still deficient and they give us an explanation for it then I would like the opportunity to give them the information they still require so that when the application is ventilated before yourself that you are given all the information that may be relevant to that application.

CHAIRPERSON: Well that – then in that event I will not say it should

be processed the – you should talk to the legal team. They will deal with your request and – the way they will decide to deal with it. At a certain stage the application should be ripened and then it will then be dealt with. Okay.

MR ANDRE PIENAAR: As the commission pleases. Thank you.

CHAIRPERSON: Thank you.

ADV KATE HOFMEYR: Thank you Chair.

CHAIRPERSON: Hm.

ADV KATE HOFMEYR: Chair I am indebted to you for that guidance in
10 relation to the processing of the cross-examination application.
However there are one or two submissions I would like to make in
response to my learned friend.

CHAIRPERSON: Yes.

ADV KATE HOFMEYR: Because my learned friend's address included
an allegation that it is the legal – that the legal team has an interest in
keeping implicated persons away from cross-examining the witnesses
that they have questioned. And it is important in the light of that very
serious allegation that the legal team's position in relation to this
application be set out for the record. Chair until this point we have
20 been dealing in some abstraction about what the application contains
and what was said. I suggest we do not deal with abstraction anymore
let us go straight to it. Chair you will find the cross-examination
application at SEQ13 of 2019. My learned friend said paragraph 10 of
that application sets out and meets the requirements of the rules.
Chair the requirements of the rules you will be aware Chair with respect

is that in terms of 3.4

“An application by an implicated person must be accompanied by a statement from the implicated person responding to a witness’s statement insofar as it implicates him or her. The statement must make clear what parts of the witness’s statement are disputed or denied and the grounds upon which those parts are disputed or denied.”

Chair it is our submission that you will read this application that was
 10 received. You will find in it the parts and identification of the parts of
 Ms Tlatsana’s evidence that are disputed or denied. What you will not
 find is the grounds on which they are disputed or denied. My learned
 friend’s reference to paragraph 10 confirms that because paragraph 10
 at page 6 of this application reads further to the above at paragraph
 4.45 of Tlatsana’s aforementioned answering affidavit she alleges on
 behalf of Koreneka that:

“I had business dealings on behalf of certain Gupta
 related companies.”

Without further elucidation as to *inter alia* what dealings she refers to
 20 with which Gupta related companies such dealings were entered into
 and on what basis such bold allegations were being made by Tlatsana.
 Not the grounds on which the allegation that he had business dealings
 on behalf of certain Gupta companies is disputed. Chair that
 precipitated the letter from the Commission to Mr Natasen’s attorneys.

You will find that in the bundle of Mr Natasen’s evidence. We

have not yet entered it in as an exhibit Chair. It should be entered in our records as EXHIBIT DD10 and Chair you will be looking in Part B of EXHIBIT DD10. Chair we have not – do not want to take you there but I do want to quote what was said in the letter ...

CHAIRPERSON: Okay, yes.

ADV KATE HOFMEYR: Because Chair this point that I make now is the point that was made to Mr Natasen's lawyers. At paragraph 2.1 ...

CHAIRPERSON: Hm.

ADV KATE HOFMEYR: In italics ...

10 **CHAIRPERSON:** Hm.

ADV KATE HOFMEYR: The point was made.

"In order for the application to be placed before the
Chairperson for determination it must comply with
this requirement of the rules."

CHAIRPERSON: Hm.

ADV KATE HOFMEYR: It is preceded by a quote of the rule I have just read.

CHAIRPERSON: Hm.

20 **ADV KATE HOFMEYR:** "Mr Natasen is therefore invited to
supplement his application in order to identify the
parts of Tlatsana's evidence that he disputes or
denies and ..."

In italics.

CHAIRPERSON: Hm.

ADV KATE HOFMEYR: "...the grounds on which he so

disputes or denies them.”

CHAIRPERSON: Hm.

ADV KATE HOFMEYR: Chair the response to that was a letter from Mr Natasen’s attorneys dated 10 July ...

CHAIRPERSON: Hm.

ADV KATE HOFMEYR: In which in greater specificity ...

CHAIRPERSON: Hm.

ADV KATE HOFMEYR: They identified ...

CHAIRPERSON: Hm.

10 **ADV KATE HOFMEYR:** The parts of Ms Tlatsana’s evidence that are disputed or denied ...

CHAIRPERSON: Hm.

ADV KATE HOFMEYR: And they continue at paragraph 6 and say:

“Our client’s application to cross-examine clearly indicates the relevant aspects of Tlatsana’s evidence in which she has implicated our client as the basis on which our client wishes to cross-examine her and accordingly the application to cross-examine is by no means lacking with regard to ...”

20

And then they quote:

CHAIRPERSON: Hm.

ADV KATE HOFMEYR: “...only the first part.”

CHAIRPERSON: Hm.

ADV KATE HOFMEYR: “The parts of the witness’ statement

which are disputed or denied.”

Chair if we had possibly been able to place a competent application before you.

CHAIRPERSON: Hm.

ADV KATE HOFMEYR: We would have done so today ...

CHAIRPERSON: Hm.

ADV KATE HOFMEYR: But we received that two days ago ...

CHAIRPERSON: Hm.

ADV KATE HOFMEYR: And it failed to address the italicised part

10 **CHAIRPERSON:** Hm.

ADV KATE HOFMEYR: Of the letter that was sent two days before ...

CHAIRPERSON: Hm.

ADV KATE HOFMEYR: Saying the rules require the grounds to be identified.

CHAIRPERSON: Hm.

ADV KATE HOFMEYR: I understand my learned friend now to thank us for the opportunity to supplement the application ...

CHAIRPERSON: Hm.

20 **ADV KATE HOFMEYR:** Which no doubt will take place in accordance with your ruling ...

CHAIRPERSON: Hm.

ADV KATE HOFMEYR: But the suggestion that those steps by the legal team of the Commission are designed to keep implicated persons ...

CHAIRPERSON: Hm.

ADV KATE HOFMEYR: Away from cross-examining witnesses ...

CHAIRPERSON: Hm.

ADV KATE HOFMEYR: Is quite frankly false.

CHAIRPERSON: Yes. Well I – I gave Mr Pienaar an opportunity to give me the factual basis for the statement and the fact that the legal team conveyed to them a certain contention based on the adequacy or inadequacy of the application simply is not a basis to allege that the legal team does not wish witnesses to be cross-examined. It cannot – it cannot.

- 10 **ADV KATE HOFMEYR:** Indeed Chair and we are indebted for your ruling in relation to the further processing. As I understand it there will be an opportunity to supplement as and when that application is received. We can then place it before you.

CHAIRPERSON: Well put – put it this way from what you have read to – to me it does appear that the legal team has explained to Mr Natasen's lawyers what their concern is with the application. I think the – the position is simply that based on what Mr Pienaar said at the end of his address it seems that he is not saying the application may be processed ...

- 20 **ADV KATE HOFMEYR:** Indeed.

CHAIRPERSON: As of today. He does wish to explore some further discussion with the legal team. So that is what will – will – he will approach the legal team and the legal team will take whatever stance it decides to take and then at a certain stage he will have to inform the secretary whether he regards his application as complete and ready to

be processed and then at that stage it will be processed.

ADV KATE HOFMEYR: Indeed Chair.

CHAIRPERSON: So I think – I think that is where we – we can leave it.

ADV KATE HOFMEYR: Thank you Chair.

CHAIRPERSON: Hm.

ADV KATE HOFMEYR: The final aspect from the legal team's position in relation to applications for cross-examination Chair you would have seen in the course of the evidence that has been led particularly in the aviation work stream that the applications to cross-examine when they
10 have been received in time have in fact been put to witnesses.

CHAIRPERSON: Yes.

ADV KATE HOFMEYR: It is the stance certainly that we have taken in the approach of this evidence ...

CHAIRPERSON: Hm.

ADV KATE HOFMEYR: That this Commission is only ...

CHAIRPERSON: Hm.

ADV KATE HOFMEYR: Aided ...

CHAIRPERSON: Hm.

ADV KATE HOFMEYR: By versions from implicated persons.

20 **CHAIRPERSON:** Hm.

ADV KATE HOFMEYR: It is with respect our submission the duty of this Commission ...

CHAIRPERSON: Hm.

ADV KATE HOFMEYR: To uncover the truth and we are greatly assisted ...

CHAIRPERSON: Hm.

ADV KATE HOFMEYR: By the versions of implicated persons being made available ...

CHAIRPERSON: Hm.

ADV KATE HOFMEYR: So that witnesses whom they contradict ...

CHAIRPERSON: Hm.

ADV KATE HOFMEYR: Can be asked for their response to those aspects.

CHAIRPERSON: Actually even yesterday in relation to Transnet the
10 evidence leader Ms Sello we spent – I mean I think the main reason
actually the only reason why Mr Callard was called to come yesterday
and give evidence was so that Mr Laher and Mr Mohamed's versions
could be put to him ...

ADV KATE HOFMEYR: Indeed.

CHAIRPERSON: Because they had taken the trouble to send in their
responses to his evidence and we spent a number of hours here with
the evidence leader drawing attention – drawing Mr Callard's attention
to the versions put up by those two persons and giving the witness the
opportunity to deal with their versions. That is – that is what has been
20 happening and that is what happened as recently as yesterday.

ADV KATE HOFMEYR: Indeed Chair. If I may then move to one or two
other procedural aspects as the two applications have been addressed.
Chair there has been a lot of movement in relation to Mr Natasen's
evidence. In the course of yesterday around midday we received a
further affidavit from the firm which compiled Mr Natasen's company's

financial statements.

That was made available to Mr Natasen yesterday afternoon and will form part of the bundle. He was alerted to the fact that it would be included. In addition to that just after 9 o' clock this morning Mr Natasen provided us with a further statement. We have also managed to include that in the bundle and so reference will be made to all of those various statements or affidavits in the course of the evidence.

Chair before we continue with Mr Natasen's evidence I
 10 thought it appropriate to do two things. The one was just to locate this evidence in the course of the aviation evidence because there has been something of a break since we were last presenting evidence to your Chair. Mr Natasen's evidence relates to a particular transaction or transactions between the North West Government's Department of Transport and South African Express Airways and then a company that was controlled by the then Commercial Manager of South African Express Airways called Koreneka.

Chair you have already heard evidence that from Koreneka certain amounts of money were paid out to an entity called Neo
 20 Solutions and you have also heard evidence already that from Neo Solutions monies was - were paid out to Batsamai Investments. Mr Natasen is the Sole Director and Shareholder of Neo Solutions.

His evidence is therefore relevant to tracking the flow of funds that came out of the North West Department of Transport moved to South African Express Airways into a company run effectively

according to the evidence that has been presented by the former Commercial Manager of South African Express Airways through Neo Solutions and back to that Commercial Manager and an entity called Batsamai Investments. So that is where it fits into the scheme.

Chair at the commencement of the aviation evidence I also made submissions to you Chair about the enablers of State Capture, Corruption and Fraud and it was the legal teams submission that part of the task of this Commission is to understand and investigate what those enablers are because they are what made it possible for our public
10 resources to be depleted and for p good to be used for private benefit.

Chair in those introductory submissions I also submitted that company that allow their businesses to be used to hide the source movement and proceeds of unlawful activities are clearly relevant to the mandate of the Commission in order for us to understand precisely what happened when these events took place if indeed they did take place in the past and as I have indicated in the introduction it is because of the role that Neo Solutions played in those funds that we asked Mr Natasen join us today and we will ask him certain questions.

Chair there is no other substantive application before you
20 today. However I am informed by my learned friend this morning that there are certain *in limine* points that he would like to address to you. Chair I expect - I do not know what they are. He said he would like to address them to you. I expect that they arrive from certain averments that were contained in an affidavit that Mr Natasen submitted to the Commission on 14 June which he deposed to the day before.

Chair those averments include various accusations against the Commission, its members of its legal team and its investigators. In the light of the fact that particular accusations are made against me it is not appropriate that I deal with any of those *in limine* points if they are to traverse those aspects and so I am greatly indebted to my learned friend Ms Gcabashe who will deal with those *in limine* aspects to the extent that they merit a response after Mr Pienaar has addressed you on them.

CHAIRPERSON: Okay, thank you.

- 10 **MR ANDRE PIENAAR:** Thank you Chair. The only issue which I wish to address *in limine* is regarding the evidence that has been put forward in relation to the financial statements of Neo Solutions and the alleged discrepancies that are contained in those financial statements. Now as I understand the rules of the Commission and specifically 3.2 of those rules which states:

20 “A member of the Commission’s legal team had put questions to a witness whose evidence is presented to the Commission by the Commission’s legal team including Commission’s aimed at assisting the Commission in assessing the truthfulness of the evidence of a witness.”

The issue I have Chair is this Mr Natasen in his witness statements has not dealt with the evidence relating to the financial statements of Neo Solutions and those alleged discrepancies. I do not know the line of questioning that is going to be taken by the

Commission's legal team but I thought that it may be prudent to address it upfront and to state that to the extent that inquiries or investigations or questions are put to Mr Natasen regarding those financial statements given the fact that they fall outside of his witness statement that those questions be disallowed.

I obviously defer to the Commission in that regard but I think it is prudent to raise it now because obviously the line of questioning will initially deal with his first statements and then the later statements that have been filed but again they do not deal with the financial
10 documentation and so I think a view just needs to be taken please Chair.

CHAIRPERSON: Well should you not wait until you hear whether a question is put to Mr Natasen that you feel is objectionable?

MR ANDRE PIENAAR: I am happy to do it.

CHAIRPERSON: Yes.

MR ANDRE PIENAAR: Okay, thank you.

ADV KATE HOFMEYR: Thank you Chair. Ms Gcabashe thank you so much for being here in the event that the need arose.

CHAIRPERSON: Hm.

20 **ADV KATE HOFMEYR:** It seems it has not. Chair we are then ready to proceed with the evidence of Mr Natasen. If I could request that he be sworn in.

CHAIRPERSON: Thank you. Please swear him in or administer the affirmation.

REGISTRAR: Please state your full names for the record.

MR VIVIEN NATASEN: It is Vivien Natasen.

REGISTRAR: Do you have any objections to making the prescribed affirmation?

MR VIVIEN NATASEN: No.

REGISTRAR: Do you solemnly affirm that all the evidence that you will give will be the truth, the whole truth and nothing but the truth if so please raise your right hand and say I truly affirm.

MR VIVIEN NATASEN: I truly affirm.

MR VIVIEN NATASEN: (duly affirmed, states)

10 **REGISTRAR:** Thank you.

CHAIRPERSON: Thank you.

ADV KATE HOFMEYR: Thank you Chair.

CHAIRPERSON: You may proceed.

ADV KATE HOFMEYR: Mr Natasen just to orientate you with all those files you see in front of you on the desk. There are two files which compromise the various statements/affidavits and other documents related to your evidence in particular today. Chair if I may ask that Mr Natasen's bundle be entered into the record as EXHIBIT DD10.

CHAIRPERSON: I see you have got A and B?

20 **ADV KATE HOFMEYR:** Indeed Chair, thank you.

CHAIRPERSON: The one that should be A has got a statement of his in terms of Section 204 of the Criminal Procedure Act at the top. Is that right?

ADV KATE HOFMEYR: Indeed Chair.

CHAIRPERSON: The lever arch file containing Mr Natasen's statement

in terms of Section 204 of the Criminal Procedure Act on top will be marked EXHIBIT DD10A and then the lever arch file which contains additional annexures that is in addition to annexures that are in EXHIBIT DD10A will be marked EXHIBIT DD10B.

ADV KATE HOFMEYR: Thank you Chair and then Mr Natasen in addition in from of you are two bundles related to the evidence of two previous witnesses. There will be occasion twice to refer to them and that is why they are available to you and then the last bundle before you is a bundle containing relevant legislation to which reference may
10 be made in the course of your evidence but I will identify them by their – what appears on their spine label.

So you will easily be able to know what you have in front of you. Mr Natasen I would like to commence your evidence with a bit of background about you if I may. I read in your affidavit to the Commission that you describe yourself as a businessman with substantial experience. Can you please give the Commission a sense of what that experience entails?

MR VIVIEN NATASEN: I run a company called Neo Solutions which is a – a consulting business. We do various projects mostly logistics,
20 transport, advisory and a lot of information technology.

ADV KATE HOFMEYR: Thank you and I understand that you are a Chartered Accountant. Is that correct?

MR VIVIEN NATASEN: That is correct.

ADV KATE HOFMEYR: And where did you serve your articles?

MR VIVIEN NATASEN: At Deloitte.

ADV KATE HOFMEYR: And what position did you – were you elevated to at Deloitte?

MR VIVIEN NATASEN: Partner.

ADV KATE HOFMEYR: Partner and when did you leave Deloitte?

MR VIVIEN NATASEN: In 2003.

ADV KATE HOFMEYR: Are you a member of the South African Institute of Chartered Accountants?

MR VIVIEN NATASEN: Yes.

ADV KATE HOFMEYR: And when did that – when were you registered
10 with them?

MR VIVIEN NATASEN: On completion of articles in 1997.

ADV KATE HOFMEYR: So that would mean you have been a member for about 22 years. Is that correct?

MR VIVIEN NATASEN: Yes.

ADV KATE HOFMEYR: As a Chartered Accountant are you aware of the Code of Professional Conduct of Chartered Accountants?

MR VIVIEN NATASEN: Yes.

ADV KATE HOFMEYR: And are you aware that it applies to Chartered Accountants whether or not they do auditing work?

20 **MR VIVIEN NATASEN:** Yes.

ADV KATE HOFMEYR: So as I understand that Code you would be described within the Code as a Chartered Accountant in Business. Is that also your understanding?

MR VIVIEN NATASEN: That is correct.

ADV KATE HOFMEYR: I also understand that Code to envisage that is

there is any contravention of or failure to comply with requirements of the Code that that may constitute an offence and that steps can be taken by SAICA in accordance with its bylaws if a member of SAICA is found guilty. It that also your understanding?

MR VIVIEN NATASEN: Correct.

ADV KATE HOFMEYR: And in terms of the requirements of the Code for the Conduct of a Chartered Accountant in Business the Code as I understand it requires:

10 “A Chartered Accountant in Business to prepare or
present any information for which he is responsible,
fairly honestly and in accordance with relevant
professional standards so that the information will
be understood in the context.”

Are you aware of that requirement?

MR VIVIEN NATASEN: Correct.

ADV KATE HOFMEYR: There is a further requirement that a Chartered Accountant in Business:

20 “Shall take reasonable steps to maintain
information for which the Chartered Accountant in
Business is responsible in a manner a: that
describes clearly the true nature of the business
transaction assets or liabilities and ...”

C is the one I am interested in.

“...represents the facts accurately and completely in
all material respects.”

Are you aware of that obligation?

MR VIVIEN NATASEN: Yes.

ADV KATE HOFMEYR: Then in terms of Neo Solutions if we may just your role there. I indicated earlier in my address that your evidence indicates that you are the Sole Director and Shareholder of Neo Solutions. Is that correct?

MR VIVIEN NATASEN: That is correct.

ADV KATE HOFMEYR: Has that always been the case?

MR VIVIEN NATASEN: That is correct.

10 **ADV KATE HOFMEYR:** And when was the business started?

MR VIVIEN NATASEN: In 2003 (intervenes).

ADV KATE HOFMEYR: So it was a move from Deloitte then where you occupied the position of Partner to the creation of Neo Solutions?

MR VIVIEN NATASEN: Correct.

ADV KATE HOFMEYR: And you have maintained the position of Sole Director and Shareholder to this day?

MR VIVIEN NATASEN: Correct.

ADV KATE HOFMEYR: Thank you. Mr Natasen before I forget in the early part of 2016 4 January to be precise I understand from your
20 affidavit and various statements that you were out of town. You were not in Johannesburg as I have it. Is that correct?

MR VIVIEN NATASEN: I think so yes.

ADV KATE HOFMEYR: Okay. If it becomes relevant we will come back to that and you can try and refresh your memory more accurately but at the moment you say you think you were out of town. Do you recall

where?

MR VIVIEN NATASEN: I normally go away to Cape Town in December.

ADV KATE HOFMEYR: Right. So 4 January you might well have still been there. Is that correct?

MR VIVIEN NATASEN: From what I recall yes.

ADV KATE HOFMEYR: Mr Natasen I would now like to take you to page 21 of EXHIBIT DD10A if I may. Mr Natasen you will see that that is a document entitled:

“Witness Statement – Vivien Natasen”

10 We will come back to this statement, its origins, how it was produced etcetera. All that I am interested in at the moment is the description given at paragraph 1 there about the business of Neo Solutions. You indicate at paragraph 1 there that the business provides the following services and then they are listed in six subparagraphs. Is that an accurate description of Neo Solutions services?

MR VIVIEN NATASEN: Ja, I think it covers most of the things we do.

ADV KATE HOFMEYR: As your evidence I had it earlier you said in general it does advisory and consultancy work. Is that correct?

20 **MR VIVIEN NATASEN:** Mostly in the areas of business process engineering and technology.

ADV KATE HOFMEYR: Right and to whom are those services generally provided?

MR VIVIEN NATASEN: A mixture between private sector and Government.

ADV KATE HOFMEYR: Does Neo Solutions produce any goods or

products?

MR VIVIEN NATASEN: Sometimes we do to the extent that there is technology required for the implementation of a project.

ADV KATE HOFMEYR: So could I – would it be fair to say it is confined to technology products?

MR VIVIEN NATASEN: No there is quite often the – if it is beyond technology there is software which may be considered technology

ADV KATE HOFMEYR: Right.

MR VIVIEN NATASEN: But generally yes.

10 **ADV KATE HOFMEYR:** Has Neo Solutions ever been involved in the manufacture or procuring of security camera equipment?

MR VIVIEN NATASEN: On some of the rollouts we do provide CCTV Equipment which some of the implementations we do requires CCTV on it. So they become incidental to the project rollout.

ADV KATE HOFMEYR: Have you ever provided as Neo Solutions security camera equipment to airports?

MR VIVIEN NATASEN: No.

ADV KATE HOFMEYR: Is Neo Solutions an accountable institution under FICA?

20 **MR VIVIEN NATASEN:** No.

ADV KATE HOFMEYR: Is it a financial services provider?

MR VIVIEN NATASEN: No.

ADV KATE HOFMEYR: Is it a deposit taking institution?

MR VIVIEN NATASEN: No.

ADV KATE HOFMEYR: So it does not hold money for third parties like

a bank would and then make those funds available to them as and when they want them?

MR VIVIEN NATASEN: No.

ADV KATE HOFMEYR: Did Neo Solutions ever render invoices to Koreneka Trading and Projects for security cameras that it provided?

MR VIVIEN NATASEN: Definitely not.

ADV KATE HOFMEYR: And did Neo Solutions ever render invoices to Koreneka Trading and Projects for any services at all?

MR VIVIEN NATASEN: Definitely not.

10 **ADV KATE HOFMEYR:** Did an entity call Batsamai Investment Holdings ever render any services to Neo Solutions?

MR VIVIEN NATASEN: No.

ADV KATE HOFMEYR: And did Neo Solutions ever receive any invoices from Batsamai Investments?

MR VIVIEN NATASEN: As far as I can recall no.

ADV KATE HOFMEYR: Mr Natasen if you had received such invoices - and you will correct me if I am wrong on this assumption – I assume you would have sent them back and said I do not know what these are about because Batsamai you have not ever rendered any services to
20 Neo Solutions. Is that a fair assumption to make?

MR VIVIEN NATASEN: I think in the context of the relationship with Mr van Wyk the invoices would have been incorrect because the funds we received from him as – as proceeds from a project that he had told me about but I think that will come out in the context. As it stands right now no. We would have queried invoices that would have come

because there should not have been invoices.

ADV KATE HOFMEYR: Okay. Let us unpack that a little bit. What is your evidence as to whether invoices were ever received by Neo Solutions from Batsamai Investment Holdings?

MR VIVIEN NATASEN: Okay. So can I refer to ...

ADV KATE HOFMEYR: Of course.

MR VIVIEN NATASEN: My statement? Okay. The document ...

ADV KATE HOFMEYR: I will need to give a reference to the Chair so that we can find the pages. So if you direct me to where you are sort
10 of in the statement.

MR VIVIEN NATASEN: Okay.

ADV KATE HOFMEYR: I will be able to guide us.

MR VIVIEN NATASEN: Okay. I think if I go to my statement that we submitted this morning ...

ADV KATE HOFMEYR: Right, so.

MR VIVIEN NATASEN: But I am not aware which bundle you (intervenes).

ADV KATE HOFMEYR: Chair that is the one that we got just after 9 o'clock this morning. You will find it right at the end of Bundle DD10A
20 and ...

CHAIRPERSON: Well I do not think it is what I have. Right at the end is a statement. It looks like a transcript of some conversation between ...

MR VIVIEN NATASEN: I think it is page 2-3-8.6-1.

CHAIRPERSON: What is the page number?

MR VIVIEN NATASEN: 2-3-8.6-1.

CHAIRPERSON: 2-3-8.6-1?

ADV KATE HOFMEYR: Yes Chair apologies. Those are – what you were picking up right at the end are annexures ...

CHAIRPERSON: Oh.

ADV KATE HOFMEYR: To the statement which arrived this morning.

CHAIRPERSON: Okay.

ADV KATE HOFMEYR: If you go back to 2-3-8.6-1 – I am indebted to you Mr Natasen. You are a bit quicker than I was but that is the
10 statement you provided this morning.

CHAIRPERSON: Yes I have got it.

ADV KATE HOFMEYR: Mr Natasen you wanted to draw our attention to something here.

MR VIVIEN NATASEN: Yes. So I think it is important that I contextualise the relationship with Mr van Wyk and how it evolved before I can get to the answer of exactly whether the statement – there were invoices or not around this matter.

ADV KATE HOFMEYR: Mr Natasen if that is your intention then I am indebted to you for that clarity. I do suggest then we get to it in the
20 course of unpacking that relationship because I have a series of questions that will get us there ...

MR VIVIEN NATASEN: Okay.

ADV KATE HOFMEYR: But I will not lose the point that in the course of that I would like you to clarify ...

MR VIVIEN NATASEN: Huh-uh.

ADV KATE HOFMEYR: As to whether any invoices were received from Batsamai and if they were what approach you took to them.

MR VIVIEN NATASEN: Okay.

ADV KATE HOFMEYR: So let us do it in the course if we may.

MR VIVIEN NATASEN: So shall we come back to that then?

ADV KATE HOFMEYR: Indeed and certainly if I do not remember I am sure your legal representative will remind me about it. Mr Natasen ...

CHAIRPERSON: Well what happens to the question you had asked which he wanted to answer?

10 **ADV KATE HOFMEYR:** Indeed.

CHAIRPERSON: That is when he took us to the statement.

ADV KATE HOFMEYR: Indeed Chair and my – my suggestion ...

CHAIRPERSON: Hm.

ADV KATE HOFMEYR: With your leave is that we get to it at the appropriate point ...

CHAIRPERSON: Okay.

ADV KATE HOFMEYR: In the development of the story.

CHAIRPERSON: Okay.

20 **ADV KATE HOFMEYR:** What I was seeking to do at this stage of Mr Natasen's evidence was just some background as to the nature of the Neo Solutions business as well as his own background.

CHAIRPERSON: Yes that is fine.

ADV KATE HOFMEYR: I think it appropriate to deal with it when we get into the meat of the transaction.

CHAIRPERSON: That is fine.

ADV KATE HOFMEYER: Thank you, Chair. I am indebted and just to conclude on the business of Neo Solutions, has Neo Solutions been involved in beef farming?

MR VIVIEN NATASEN: No.

ADV KATE HOFMEYER: And has been involved in conducting feasibility studies into the possibility of beef farming?

MR VIVIEN NATASEN: We actually do a lot of feasibility studies for various sectors and we guide a few clients along that. So beef farming happened to be one of them.

10 **ADV KATE HOFMEYER:** Right. So it is not doing the beef farming but it provides advisory services in relation to feasibility of certain ventures. Is that a fair summary?

MR VIVIEN NATASEN: Correct. We have a team that puts together the feasibility studies and where there are specialist services required then we bring those in to assist.

ADV KATE HOFMEYER: And in relation to beef farming in particular, when did Neo Solutions engage in that work?

MR VIVIEN NATASEN: In terms of the feasibility study for the project, it will come out in the context of this because we do have to deal with it
20 in there but ultimately, Chair, to just to give you a picture. When I created Neo Solutions that was in 2003. We stuck to our roots as a core business of consultancy as Neo Solutions but there is a bigger group that I intended at the start to evolve to and like any good consultancy you dream of the day that you do not want to sell time anymore. And the intention behind creating feasibility studies where the

group as Neo Africa would be the ultimate shareholder was to again move away from selling time to going into businesses that are annuity-based. So yes, the feasibility was being conducted by Neo Solutions but the intention was to create a business unit under the group that will then give effect to this long-term business.

ADV KATE HOFYMEYER: Thank you for that background. My question was when did that take place?

MR VIVIEN NATASEN: So that started during towards the end of 2015 on about October.

10 **ADV KATE HOFYMEYER**: So it was not related to when you became a director of a company called Distal Farming Operations?

MR VIVIEN NATASEN: The intentions obviously was to institutionalize. So when the business was then successfully funded and implemented then Distal Farming would then be the enterprise that we were going to label it under.

ADV KATE HOFYMEYER: Right but as I have your evidence, those feasibility assessments started well in advance of that?

MR VIVIEN NATASEN: Ja, so just again to give context to that. We were also assisting a couple of retail chain stores in terms of their
20 identifying new convenience centre sites and within saw in there that the empowerment or the lack of empowerment in supply-chain into chain stores was a big gap area that we could intervene into. So the intention was not to buy farms only. We did not, we had no intention of just being farmers. The intention was to create a supply chain logistics enterprise that will go from farm to fork which ultimately means that we

were; our first prize was to secure uptake agreements and obviously leveraging off the BEE nature of the company to be able to get into the chain stores for delivery of goods such as meat etc. And secondly, to identify foreign offtakes because we believe that there would have been an opportunity in that space. So the whole feasibility study was actually based on securing offtake agreements first and reverse engineering the entire supply chain that we will have to farm, have the abattoir, half the meatpacking and then ultimately the delivery of the business.

ADV KATE HOFYMEYER: Mr Natasen, as I understand that answer you
 10 said you were not, Neo Solutions was not just interested in investing but at least in some respects it was interested in investing in farmsteads, abattoirs etc. Is that correct?

MR VIVIEN NATASEN: Yes, I am saying is not limited to farming. Although, we loosely used the word throughout called farming but the enterprise that we were seeking to implement was an entire logistics enterprise starting from the feedlot and ending at the distribution point. It was not just to buy farms.

ADV KATE HOFYMEYER: Understood, thank you. Mr Natasen, I then
 20 like to go through the various affidavits and statements that will be relevant to your evidence just so that you can understand where they are, navigate them and I like to ask just a few questions of an introductory nature in relation to them. We can start with the Section 204 declaration that you made in October 2017. You will find that in DD10A from page 3. Can you confirm that that is your Section 204 declaration? If you go to page 11 it may be useful because that

contains what I understand to be your signature. Can you confirm that it is your signature?

MR VIVIEN NATASEN: Correct it is.

ADV KATE HOFYMEYER: Thank you. Just before we move beyond this, can you tell us a little bit about the circumstances that gave rise to the production of this statement? Who did you meet with in its production?

MR VIVIEN NATASEN: Okay. So again it is context is now, there is a lot of stuff that has happened before so I do not know if you want to
10 deal with it exactly at this point.

ADV KATE HOFYMEYER: Let us just deal with how, who did you meet with to produce the statement?

MR VIVIEN NATASEN: So the investigator that was appointed by Coroneker approached me to state that there was indications that Brian Van Wyk was in fact the one that hijacked the company and not the other way around. Up to that point, Chair, the indication that Brian had always given us was that the company was hijacked by his partner. And the investigator that was then appointed approached me in around September 2017 to state that it was in fact Brian that did it and that
20 this lady who was his partner, I did not know the name at the time was in fact the one that had opened up a counter case and that on that counter case they were seeking to recover monies back to the company from Neo Solutions because we were in receipt of those monies. So at that point I explained to John Jodie, the investigator that we had done nothing wrong. We had in fact, Brian had transferred these funds on the

basis that it was a dividend or proceeds from a project that he had in the North West province and on that basis we had taken his money in good faith. The intention was to invest in businesses. He had indicated that before this he had indicated that he was planning to leave SA Express and that these funds had nothing to do with SA Express; that the intention was obviously to set up businesses for when he was out of SA Express. The farming venture happened along the same time as when he approached us. So when he heard us discussing the farming venture he then wanted to be part of it and in fact it was and you will

10 see through our evidence that a lot of the feasibility study of the farming venture was actually done with Van Wyk directly involved. But going back to this point when the investigator approached me, I then said we obviously we will cooperate because we were not so aware that there was something untoward with these funds. And then I tasked the investigator to work with my accounts team to obtain the bank statements, the proof that whatever we had received from Van Wyk purportedly as a dividend from Coroneker was in fact returned to him. And we then provided all this information and the Section 204 was then prepared on the basis.

20 **ADV KATE HOFYMEYER**: Who prepared it?

MR VIVIEN NATASEN: So what exactly like we have done here is that when Jodie approached me, I then gave him everything that had happened and what had happened between Van Wyk and myself and then I referred him to our accounts team. Then he obtained the bank statements etc. from the accounts team. He then prepared this draft

which he came and sat with me and then we obviously then read it and I concurred with it and that is the affidavit that I deposed.

ADV KATE HOFYMEYER: Was Mr Jodie employed by the police service or any official body?

MR VIVIEN NATASEN: My understanding is that he was a former police officer and that he was appointed by Coroneker to assist in the investigation.

ADV KATE HOFYMEYER: So at the time he was a private investigator. Correct?

10 **MR VIVIEN NATASEN:** Correct, yes.

ADV KATE HOFYMEYER: Did it strike you as odd that a private investigator was getting you to sign a Section 204 declaration?

MR VIVIEN NATASEN: The indication that he gave me was that the investigating officer and he did put on the phone, the investigating officer was based in Rustenburg and for logistic reasons she could not come across to us. And therefore, he was facilitating getting this done.

ADV KATE HOFYMEYER: So that's, I was not aware of that before. So there was actually a situation in which she was on the phone while you and Mr Jodie were working on the information. Is that correct?

20 **MR VIVIEN NATASEN:** Correct. He briefed her as well.

ADV KATE HOFYMEYER: Do you recall her name?

MR VIVIEN NATASEN: No, I do not recall her name.

ADV KATE HOFYMEYER: Does, if I said Captain Makgosi would that ring a bell?

MR VIVIEN NATASEN: I do not recall.

ADV KATE HOFYMEYER: Certainly. But definitely somebody who was introduced as an investigating officer was on a call were you are dealing with Mr Jodie. Is that correct?

MR VIVIEN NATASEN: Correct, yes.

ADV KATE HOFYMEYER: And you indicated as I have it earlier in the evidence, this happened around September 2017. Is that correct?

MR VIVIEN NATASEN: Ja, the affidavit was finalized in early October.

ADV KATE HOFYMEYER: Indeed.

MR VIVIEN NATASEN: So it was towards the end of September. They
10 took a few days to get the information together but it happened very quickly that he got it and that is the last I heard of it for a while actually since then.

ADV KATE HOFYMEYER: And that is the date appears at page 11, the 4th of October 2017. Is that accurate?

MR VIVIEN NATASEN: Correct.

ADV KATE HOFYMEYER: And Mr Natasen, I have your evidence. You sat down with him and you considered what was contained in this document. Did you do so carefully?

MR VIVIEN NATASEN: The way, when I explained to him what had
20 exactly happened he obviously prepared it based on what he said was fatuous. When I asked him do we need, not more detail than this, then he said no stick to the facts because that is what we need for the evidence to be provided back. He based the whole affidavit on the fact that we had we had sufficient proof to show that whatever we had received we had reimbursed to Van Wyk and that we were not benefited

in any way. So he kept it to that content literally.

ADV KATE HOFYMEYER: And do you today confirm the contents of this declaration?

MR VIVIEN NATASEN: Yes, I think to the extent that it contains the meat of the information it is there.

ADV KATE HOFYMEYER: Well, let us just probe that a little further because understand your answer to say it contains the meat of the issues. Your affidavit before the Commission which you deposed on the 13th of June describes it as follows and so you can follow it. You can go
10 to page 66 in the file in front of you. Chair that is Exhibit DD10A.

CHAIRPERSON: Did you say 66?

ADV KATE HOFYMEYER: Indeed, Chair.

CHAIRPERSON: Thank you. Yes?

ADV KATE HOFYMEYER: Chair, I am conscious of the time. If I may just complete this point. We just at quarter past, with your leave?

CHAIRPERSON: Ja, that is fine.

ADV KATE HOFYMEYER: Thank you. Mr Natasen, if you pick it up and page 66 paragraph 14 you will see in the second half of that paragraph you say there, I know that in compliance with Section 204 of the
20 Criminal Procedure Act, the Section 204 statement (that is the one we have been looking at) provides all the relevant details of my possible involvement in the matter candidly and fully as also (I think it is supposed to) and also attaches all the relevant proof of the details therein disclosed. Do you see that?

MR VIVIEN NATASEN: Correct.

ADV KATE HOFYMEYER: You stand by the fact that the 204 declaration therefore sets out candidly and fully all indications of your possible involvement in the matter?

MR VIVIEN NATASEN: I think to me when I set with Jodie and I gave him all the information and his advice was stick to just the facts that show that the funds that were received did in fact get reimbursed to Van Wyk. Obviously since the interaction with the legal unit of the Commission, there is a lot for more information that you are seeking to put in. So I understand, yes while the statement is there it is relevant
10 to the fund's flow in and out; 100% is compliant with that. The Commission obviously is requiring much further context and that is the nature of how this has, this entire matter has evolved since the engagement with the Commission since March of this year.

ADV KATE HOFYMEYER: Mr Natasen, why did you set that out in paragraph 14?

MR VIVIEN NATASEN: Again, I think the understanding was on the basis that the fact was received these funds, we received them in good faith, we returned them to Van Wyk. That was the essence of my interaction with the Commissions Investigative Unit at the time. It is
20 only when the Commission started to request much further, much more detailed information that we started to compile that and put it into context. A lot of the information that we further provided later was to give for the context to the 204. So yes, although we say all, all is relevant in that we received these monies, we paid out these monies, there is evidence to support each side. Then now we are providing

further evidence to support what we have put into that document.

ADV KATE HOFYMEYER: Mr Natasen, this affidavit that we are looking at was deposed you on the 13th of June. Is that correct?

MR VIVIEN NATASEN: I think so, yes.

ADV KATE HOFYMEYER: I can take you to the end if you would like. You will find it page 75.

MR VIVIEN NATASEN: Okay.

ADV KATE HOFYMEYER: That is the 13th of June this year. Is that correct?

10 **MR VIVIEN NATASEN:** That is right.

ADV KATE HOFYMEYER: By that stage you have had all the interactions that your speaking about with the Commission, had not you other than today?

MR VIVIEN NATASEN: Yes.

ADV KATE HOFYMEYER: So when you set down to prepare this affidavit just before the 13th of June, you had had all of those interactions. You knew how much more the Commission was interested in. And then why did you say at paragraph 14 that your Section 204 provides all the relevant details of your possible involvement in the
20 matter candidly and fully if as I understand your evidence today you accept that it does not?

MR ANDRE PIENAAR: Sorry, if I may just.

CHAIRPERSON: Yes, please come forward.

MR ANDRE PIENAAR: Interject, I am sorry.

CHAIRPERSON: The person next to you can just switch off your mic at

the back so that, ja okay.

MR ANDRE PIENAAR: I am sorry, Chair. I think Mr Natasen has answered this question twice. He has explained the context in which the affidavit was given to Jodie. He has explained the request made to him at the time by Jodie and the guidance that was afforded to him by Jodie in making the statement. Since then my learned colleague is well aware that my client has furnished numerous further statements clarify, supplementing. There is no need to take the line of questioning over and over because we are not getting anywhere.

10 **CHAIRPERSON**: Why is that not an answer that could be given by Mr Natasen?

MR ANDRE PIENAAR: He has answered it twice.

CHAIRPERSON: Well, I have not heard the part that you have just said about how much more else he has given.

MR ANDRE PIENAAR: Chair, we are focusing on a 204 statement.

CHAIRPERSON: Hm.

MR ANDRE PIENAAR: We are focusing on Jodie's. We are reading the two in the context of one another. It is clear that when my client sat with Jodie he was asked for a very specific statement. He gave that
20 statement at the time. Subsequently he has given further statements which amplify and provide all the further information requested. But my learned colleague is pressing on this point almost.

CHAIRPERSON: But my understanding of the question arises from the fact that in paragraph 14 he says, that is the witness that the 204, the Section 204 statement contains, provides all the relevant details of my

possible involvement in the matter candidly and fully.

MR ANDRE PIENAAR: But Chair?

CHAIRPERSON: Yes?

MR ANDRE PIENAAR: Mr Jodie was appointed by Coroneker. So his request related to his mandate that he has received from Coroneker to investigate the matter and to secure evidence. Therefore, the evidence that he had requested would have been constrained by that mandate. So at the time the information that was provided by my client to Mr Jodie in the 204 was limited to the inquiries made.

10 **CHAIRPERSON**: No, I think that point I understand. But I think this seems to go beyond that. It seems to say... (intervention).

MR ANDRE PIENAAR: I think we are focusing on wording in the affidavit.

CHAIRPERSON: Yes.

MR ANDRE PIENAAR: Most affidavits contain a generic statement to the effect that the information contained herein is to the best of my belief, true and correct. It is comprehensive of information relevant to the matter. That does not mean that that is the only information that may be relevant to every aspect of every transaction leading to the
20 statement taken by Jodie. So my point is simply and I do not want to belabour it.

CHAIRPERSON: Yes.

MR ANDRE PIENAAR: Because I understand we are time constrained.

CHAIRPERSON: Yes.

MR ANDRE PIENAAR: But I think to focus on that specific wording

when Mr Natasen has twice explained the reason, the words were inserted into the affidavit to the effect that that was everything or conclusive is not – is not taking us anywhere.

CHAIRPERSON: Look I want us to have progress. I think if I understand Ms Hofmeyer's question it relates not so much to what the statement relates to in regards to the Section 204 statement as such to what the private investigator wanted. It seems to relate to what Mr Natasen understood in June 2019, his involvement to have been in the matter and to the extent that in this paragraph he was looking back at
10 the statement of Section 204.

MR ANDRE PIENAAR:

CHAIRPERSON: And in June saying that statement relating to Section 204 fully and candidly describes his involvement in this matter.

MR ANDRE PIENAAR: Chair.

CHAIRPERSON: That is the understanding of what she is trying to look at.

MR ANDRE PIENAAR: I appreciate that that is the understanding.

CHAIRPERSON: Yes.

MR ANDRE PIENAAR: But the reality.

20 **CHAIRPERSON:** Hm.

MR ANDRE PIENAAR: That may be the understanding now but the reality is that the 29 statement – 2019 statement referred back to the 204 statement. The 204 statement was specifically contextualized and specified the involvement of Neo in relation to the Coroneker funds and it was very specific. To now say that the statement that you gave was

purportedly all encompassing. You have said that under oath in the statement and why did you not mention any other factors or any other issues or any other related entities, transactions. I think my colleague is well aware as to why.

CHAIRPERSON: Well, Mr Pienaar let me just read to you the first sentence of paragraph 14. Moreover, the aforementioned correspondence from APAA advised that any and all evidence that I could offer the Commission was already in my Section 204 statement which forms part of the public record and is also being used in a
10 criminal investigation.

MR ANDRE PIENAAR: Well, that is correct Chair because...
(intervention.

CHAIRPERSON: So I read this to say in June 2019 when Mr Natasen was doing this statement he was saying that the 204 statement contained all that he could offer as far as the Commission is concerned in terms of his involvement.

MR ANDRE PIENAAR: Correct.

CHAIRPERSON: Which from what I have heard now him and from you seems not to be correct because both you and he have said that he has
20 subsequently supplied a lot more information.

MR ANDRE PIENAAR: He has supplied information.

CHAIRPERSON: Yes.

MR ANDRE PIENAAR: Requested by the Commission's legal representatives pertaining to the ancillary transactions and individuals involved and the request that has been made continuously is what do

you know about these ancillary transactions and persons.

CHAIRPERSON: Yes, Mr Pienaar. I will allow the question. Thank you.

MR ANDRE PIENAAR: Thank you.

ADV KATE HOFYMEYER: Mr Natasen, do you recall the question?

MR VIVIEN NATASEN: If you can repeat it please?

ADV KATE HOFYMEYER: Certainly. If we can go to page I think it was 66.

MR VIVIEN NATASEN: Ja, I am on 66. So you are referring to Clause 14?

10 **ADV KATE HOFYMEYER**: I am referring to paragraph 14 on page 66 and I was focusing on the second sentence of that paragraph and I was asking you in the light of your evidence, why you did not say there something more along the lines of the testimony you have given today. Which is that the Section 204 statement did not set out all the dealings and possible involvement that Neo Solutions had in this matter? That there is more that you furnished more to the Commission and you are ready to come to the Commission to say that. Would not that have been more accurate?

MR VIVIEN NATASEN: I concede it would have been more accurate.

20 **ADV KATE HOFYMEYER**: Thank you. Mr Natasen, oh Chair I realize we have missed the tea adjournment may be appropriate.

CHAIRPERSON: We may as well go up to half past.

ADV KATE HOFYMEYER: Indeed.

CHAIRPERSON: But if you are moving on to another point we could adjourn now.

ADV KATE HOFMEYER: Chair, I was going to move on to some of the other documents. So maybe we should adjourn now and then I can move beyond this statement.

CHAIRPERSON: Yes. Okay we will adjourn now. It is 25 past. We will resume at 11h40. We adjourn.

INQUIRY ADJOURNS

INQUIRY RESUMES

CHAIRPERSON: Let's proceed.

ADV KATE HOFMEYER: Thank you Chair. Mr Natasen before the break
10 we were looking at paragraph 14 of your affidavit dated the 13th of June 2019, and that affidavit concludes at page 75, we looked at your signature on the date of the 13th of June there, Mr Natasen can I just understand other than the correction that you've now made to paragraph 14 of this affidavit do you otherwise confirm today that it is a true and correct reflection of the facts set out?

MR VIVIEN NATASEN: I think Chair it might be useful if I can also clarify the engagement that has happened with the Commission.

CHAIRPERSON: Well before you do that I think you might wish to rephrase your question, you said you want him to confirm that it is true
20 and correct in respect of the facts set out.

ADV KATE HOFMEYER: Yes indeed.

CHAIRPERSON: I don't think that's accurate, do you want to rephrase that?

ADV KATE HOFMEYER: Indeed. Mr Natasen if we go to page 56 of your – page 56 which is the first page of that affidavit.

MR VIVIEN NATASEN: Right.

ADV KATE HOFMEYR: Paragraph 2 there says the following,

“The facts herein contained, save or otherwise stated or whether contrary appears from the context are within my personal knowledge and are, this is the point I’m interested in, to the best of your belief, both true and correct”,

As you sit here today do you confirm that, that is the case again?

MR VIVIEN NATASEN: Again, Advocate and through you Chair, the
10 evolution of the discussion – so I was contacted by the Commission’s
investigating unit in March of this year, in that first interaction I
presented the 204 when they explained that it related to the Koreneka
payment to us and then since then there’s been an evolution of
providing further information etcetera, so you’ll see from the evidence
there’s several affidavits by me as we pick up evidence and – to
support the – or to provide further background to the original 204
affidavit. So ultimately yes, at each point in time I then – especially in
the context that, the company, yes I’m the sole director and the
shareholder but I’m also very operational on every single project and a
20 lot of...(intervention).

CHAIRPERSON: Yes Mr Natasen I think you might be too cautious as
to how you answer the question but the question that Ms Hofmeyr is
asking you, doesn’t relate or is not the same as the question she asked
you in relation to paragraph 14. All she’s asking is whether, as you sit
here, you are able to say the contents or the facts you have set out in

this affidavit are, to the best of your knowledge and belief true and correct. That question says nothing about whether it's all the facts and so on, it doesn't say anything about that, it's simply whether the facts as you set them out in this affidavit at the time you did the affidavit, as you sit here when you go through the affidavit, are you in a position to say to the best of your knowledge and belief they are true and correct, that's all she's asking.

MR VIVIEN NATASEN: Okay Chair, thank you Chair. At that point in time when I signed this affidavit I concur with that, since then there's
10 been further developments where I've obviously received further information which required me to then amend and correct which is then supplied in later affidavits, including the one of this morning.

CHAIRPERSON: I guess your answer therefore is that, as you sit there now, you are not able to say all the facts you set out in that affidavit are, to the best of your knowledge and belief correct but at that time that's what you thought...(intervention).

MR VIVIEN NATASEN: Correct, at that point in time it was but there were further evidence has come out or further changes or supplementations that was needed.

20 **CHAIRPERSON:** Okay alright.

ADV KATE HOFMEYR: Mr Natasen you mentioned that, as a consequence of further information you had provided further statement or affidavit is that the one of this morning?

MR VIVIEN NATASEN: I think that's the most recent one this morning, correct.

ADV KATE HOFMEYR: There's no other one to my knowledge, do you know of another one?

MR VIVIEN NATASEN: No.

ADV KATE HOFMEYR: Right, so are we then to understand that the statement that you provided this morning is the version that we must apply for the purposes of your evidence and any contradictions between what is in the 13 June affidavit and the statement of this morning, must be read that what you confirm is true and correct is the statement of this morning?

10 **MR VIVIEN NATASEN:** Can you repeat the question?

ADV KATE HOFMEYR: I just want to know which version.

CHAIRPERSON: Maybe let's put it this way. If you look at the two statements, the one that you supplied this morning and the one of June, which one do you say, correctly and fully sets out the facts in relation to your involvement in this matter?

MR VIVIEN NATASEN: The statement of this morning.

CHAIRPERSON: And what do you say about the statement of June, do you say it should be disregarded or do you say it must be read together with this morning's statement. In other words it is possible that your
20 statement of this morning captures everything you want to put before the Commission and the one of June you regard as inadequate, in which case you say, even if you don't look at the June one, if you look at this morning's one, I am happy it has everything or you might say, well the two must be read together because there are some things in the June statement that I haven't repeated in this morning's statement

that must still be taken into account.

MR VIVIEN NATASEN: Chair I think the current – the statement that I submitted this morning adequately reflects all of the information I intend to provide.

CHAIRPERSON: Does that help?

ADV KATE HOFMEYR: It certainly does Chair but there is a follow-up because there are a number of aspects that are traverse in the 13 June affidavit that are not taken up in this morning's statement. So I need clarity from Mr Natasen, in the respects dealt with in the 13 June
10 affidavit that you do not deal with in this morning's statement, do you confirm today that those other aspects of your 13 June affidavit that you disposed to under oath are still true and correct?

MR VIVIEN NATASEN: Chair could I consult with my legal advisor please, I'm unsure of the – whether one concession or the other how it affects my testimony.

CHAIRPERSON: Well remember that all you have to do is, you have got to give an answer that you believe to the best of our knowledge and recollection is the truth okay. Now before I come to the question of your request, as I understand the question, all that it requires you to know is
20 whether there are some things in the June statement that are not in the – this morning's statement and whether those things that are in the June statement but not in this morning's statements are correct or not, factually, is that what you want to get advice about?

MR VIVIEN NATASEN: Yes if we've made corrections to the – I mean I don't recall the exact content offhand against each other right now but

to the extent that the current statement corrects anything that might have been deficient in the original statement, then I agree, we can reconcile those.

CHAIRPERSON: Okay so it may well be that if and when the time is right in terms of your planning, you might have to be specific.

ADV KATE HOFMEYR: Indeed.

CHAIRPERSON: Ja.

ADV KATE HOFMEYR: Indeed Chair and in fairness to you Mr Natasen I fully understand, and just so that we are on the same page, I want to
10 clarify this with you. I understand that if you said something in the 13 June affidavit which you now take up in the statement of this morning, you want us to regard the statement of this morning as correctly setting out the facts, is that correct?

MR VIVIEN NATASEN: Correct.

ADV KATE HOFMEYR: Fine, but there are matters in the 13 June statement that are not taken up – sorry 13 June affidavit that are not taken up in the statement this morning, I assume because you had no need to correct them and on that basis I'm asking you today, do you confirm that those other aspects are true and correct?

20 **MR VIVIEN NATASEN:** Correct.

ADV KATE HOFMEYR: Thank you. The next affidavit I'd like to just take you to for orientation purposes because I will make reference to it in the course of the evidence...(intervention).

CHAIRPERSON: Sorry Mr Natasen I didn't go back to your request to consult with your lawyer simply because it looked like

we...(intervention).

MR VIVIEN NATASEN: I think we're covered.

CHAIRPERSON: Okay thank you.

ADV KATE HOFMEYR: Thank you Chair. If you go to page 121 of bundle DD10 (A).

CHAIRPERSON: I think we should take a short adjournment.

ADV KATE HOFMEYR: Certainly Chair.

CHAIRPERSON: The meeting I had during the break prevented me from taking medication for my fever, so I think if I don't take it I'm not
10 going to be fine so we'll take just a short adjournment we'll resume at 12 o'clock. We're adjourned.

COMMISSION ADJOURNED

INQUIRY RESUMES

CHAIRPERSON: Okay we may proceed.

ADV KATE HOFMEYR: Thank you Chair. Mr Natasen before he adjournment we were at page 121 of Exhibit DD10 (A), do you have that?

MR VIVIEN NATASEN: Correct ja.

ADV KATE HOFMEYR: Mr Natasen that is an affidavit deposed to by
20 Mr Madlala, do you see that?

MR VIVIEN NATASEN: Yes.

ADV KATE HOFMEYR: Our records indicate you were sent that affidavit on the 25th of June 2019, is that correct?

MR VIVIEN NATASEN: Yes.

CHAIRPERSON: Sorry I missed the page.

ADV KATE HOFMEYR: Apologies Chair it's 121.

CHAIRPERSON: 121 thank you.

ADV KATE HOFMEYR: Chair we were confirming with Mr Natasen that this is an affidavit of Mr Madlala, he is an investigator of the Commission and we were confirming that, that affidavit was sent to Mr Natasen on the 25th of June and Mr Natasen I understand your evidence to be, you confirm receipt of it.

MR VIVIEN NATASEN: Correct.

ADV KATE HOFMEYR: Did you read it?

10 **MR VIVIEN NATASEN:** Yes.

ADV KATE HOFMEYR: You were also sent an audio recording of the first meeting that you had with the Commission on the 15th of March, is that correct?

MR VIVIEN NATASEN: Correct.

ADV KATE HOFMEYR: Did you listen to that audio recording?

MR VIVIEN NATASEN: Yes.

ADV KATE HOFMEYR: Do you confirm that it's your voice on that recording?

MR VIVIEN NATASEN: Yes.

20 **ADV KATE HOFMEYR:** Do you confirm it's an accurate recording of what transpired at the meeting?

MR VIVIEN NATASEN: Yes.

ADV KATE HOFMEYR: Then if we can go to your further statement of this morning just to orientate ourselves we looked at it a moment ago, that's at 238.61 in the same file which is DD10 (A).

MR VIVIEN NATASEN: Yes.

ADV KATE HOFMEYR: It is headed a, Witness Statement, but it appears to have been deposed to as an affidavit, my only ... (intervention).

CHAIRPERSON: I'm sorry I'm at 238.1.

ADV KATE HOFMEYR: Apologies it's 238.61.

CHAIRPERSON: Okay thank you, I've got it.

ADV KATE HOFMEYR: Thank you Chair I was just noting it's headed a, Witness Statement, however it does appear to have been deposed to
10 before a commissioner, the only purpose of drawing that observation is, have you confirmed under oath today the contents of this affidavit, I'll refer to it as, I'll refer to it as your affidavit of this morning all the facts are true and correct, is that right?

MR VIVIEN NATASEN: That's right.

ADV KATE HOFMEYR: Thank you and then we move to the affidavit of Mr Patel that was received yesterday, Chair and Mr Natasen you'll find that at page 238.1, Chair where I think you were previously.

CHAIRPERSON: That's where I was ja.

ADV KATE HOFMEYR: Indeed, that is an affidavit by Mr Patel, that
20 was sent to you yesterday, is that correct Mr Natasen?

MR VIVIEN NATASEN: Yes.

ADV KATE HOFMEYR: Have you read that affidavit?

MR VIVIEN NATASEN: Yes.

ADV KATE HOFMEYR: Thank you and then the last document I'd like to take you to is the statement that we actually looked at for the

description of Neo Solutions Business Operations, you'll find that at page 21, that's in Exhibit DD10 (A), page 21. You'll see that statement commences at page 21 and it comes to it's end before it's Annexures at page 29, if you'll turn to page 29, is that your signature on that page?

MR VIVIEN NATASEN: Yes.

ADV KATE HOFMEYR: Did you read this statement before signing it?

MR VIVIEN NATASEN: Yes.

ADV KATE HOFMEYR: Did you sign it to confirm that it's contents were true and correct?

10 **MR VIVIEN NATASEN:** At the time yes.

ADV KATE HOFMEYR: Thank you. Mr Natasen if we then go back to your 13 June affidavit which you'll find commencing at page 56 of Exhibit DD10 (A), Mr Natasen one of the aspects of this affidavit that is not picked up in your affidavit of this morning are all your interactions with the Commission's investigators and legal team is that correct?

MR VIVIEN NATASEN: Yes.

ADV KATE HOFMEYR: You've confirmed already under oath that you stand by the version of those facts s set out in the 13 June affidavit is that correct?

20 **MR VIVIEN NATASEN:** Yes.

ADV KATE HOFMEYR: Mr Natasen I need then to put to you that there are numerous statements in the 13 June affidavit that are false and I'd like to take you to them. The first is that you indicate that you had two meetings with the Commission and you'll find that at page 57, at page 57 you indicate that there was a meeting held on the 15th of March and

then you indicate that there was a meeting held on the 6th of March – sorry May, you later in the affidavit talk about a scheduled meeting for the 10th of May, but as I read the affidavit you indicate that only two meetings were held with the Commission, is that correct?

MR VIVIEN NATASEN: I do here, but I had forgotten about the one in April.

ADV KATE HOFMEYR: So shouldn't you have indicated earlier that you wanted to correct this affidavit, on that basis?

MR VIVIEN NATASEN: In my further affidavit now?

10 **ADV KATE HOFMEYR:** No remember earlier I asked you to confirm that the facts that are not addressed in the statement of this morning are facts that you regard as true and correct but you're now telling me you're not satisfied that there were only two meetings with the Commission, is that right?

MR VIVIEN NATASEN: I had forgotten about the 16th April – I think it was 16th April meeting.

ADV KATE HOFMEYR: No it was the 23rd of April but so be it. So you accept that there were three meetings and not two?

MR VIVIEN NATASEN: Yes.

20 **ADV KATE HOFMEYR:** If we then go to page 64...(intervention).

MR ANDRE PIENAAR: Sorry Chair, if I may just ask a question please, what is the relevance...(intervention).

CHAIRPERSON: Please come forward.

MR ANDRE PIENAAR: Sorry Chair, I'd just like to understand the relevance of that line of questioning because it seems to me as though

the Commission's legal representatives are simply trying to cast dispersions as regards to the *bone fides* of my client in deposing to these affidavits. His made it clear that there was an error on his part in disclosing the April meeting because he had forgotten about it, and then we simply move on to the next point. So I don't know if the intention is to simply take our client now through the affidavit and raise every inaccuracy, discrepancy in order to case his dispersions, I don't understand the relevance, perhaps my...(intervention).

CHAIRPERSON: Well your client has deposed to – or has signed
 10 certain statements setting out certain facts, the evidence leader is entitled to put questions to him and obviously it's important that the Commission gets the correct picture and all that has been said at this stage is, that Mr Natasen, in the statement indicated only two meetings and yet there was another one, he has indicated – he has conceded that yes there was a third one he had forgotten about it, and then the evidence leader, as I understand has moved on to go to something else.

MR ANDRE PIENAAR: I understand that Chair, but my concern is that the line of questioning isn't relevant, it's simply...(intervention).

20 **CHAIRPERSON:** Mr Pienaar how can you say that obviously it's relevant, it's highly important that the Commission should know what the true facts are.

MR ANDRE PIENAAR: Certainly but it's not...(intervention).

CHAIRPERSON: If there were three meetings and the statement says there were two meetings, it's important that the Commission should

know that there were three meetings and he concedes that he has no problem with that.

MR ANDRE PIENAAR: I understand that Chair but the meetings were with the Commission.

CHAIRPERSON: Yes.

MR ANDRE PIENAAR: Those meetings, whether there were two or three is not relevant to the issues which Mr Natasen is being brought to testify...(intervention).

CHAIRPERSON: Well the evidence leader is not there yet, you know
10 when you ask questions, you might be laying a foundation for something later.

MR ANDRE PIENAAR: I hope so Chair.

CHAIRPERSON: So I don't think there's anything wrong, really at this stage and Mr Natasen has conceded, yes there were three meetings, I forgot about the third one.

MR ANDRE PIENAAR: It's fine, I reserve my client's rights to take issue down the line if there is no relevance to this line of questioning.

CHAIRPERSON: No, no that's fine Mr Pienaar.

MR ANDRE PIENAAR: Thank you Chair.

20 **CHAIRPERSON:** Thank you.

ADV KATE HOFMEYR: Mr Natasen if we then go to page 64 and we pick it up at paragraph 9 on that page, you say there,

“In accordance with the discussions in the aforementioned meeting between myself and the representatives of the Commission a further meeting between myself and the

representatives of the Commission was scheduled for 10 May 2019”,

Do you see that?

MR VIVIEN NATASEN: Yes.

ADV KATE HOFMEYR: Do you know that, that is false?

MR VIVIEN NATASEN: I – no I don’t recall that, that is false.

ADV KATE HOFMEYR: So you recall there as being a further meeting scheduled?

MR VIVIEN NATASEN: As far as I’m aware yes.

10 **ADV KATE HOFMEYR:** I can take you to the email that makes it clear that there was no further meeting scheduled because it was the only correspondence prior to your lawyers becoming involved that was shared with you after that meeting, you’ll find it at page 130, apologies page 130 is the aspect of Mr Madlala’s affidavit where he addresses this and then we will go to the actual page where the email he sent you is recorded.

CHAIRPERSON: What page is the email?

ADV KATE HOFMEYR: The email you’ll find at page 228, let’s go straight there if we may.

20 **CHAIRPERSON:** Yes.

ADV KATE HOFMEYR: Mr Natasen do you see in the second half of that email there’s an – sorry that page, there’s an email from Mr Madlala to yourself amongst others?

MR VIVIEN NATASEN: Yes.

ADV KATE HOFMEYR: What is the date of that email?

MR VIVIEN NATASEN: 6th of May.

ADV KATE HOFMEYR: Do you see there that – it reads,

“Dear Mr Natasen, please find attached your draft statement for signature and the Annexures thereof, I’ve also listed the information requested per our meeting today, please re-look at the statement and provide the necessary documentation as per below preferable by Friday 10 May 2019”,

Do you see that?

MR VIVIEN NATASEN: Yes.

10 **ADV KATE HOFMEYR:** Do you have any other knowledge of any correspondence or interactions that scheduled a meeting for the 10th of May?

MR VIVIEN NATASEN: No I have assumed that I must arrive on the 10th of May to hand over those documents so I assumed there was another meeting to happen, to hand it over.

ADV KATE HOFMEYR: Had you driven to the Commission whenever you’d provided the Commission with documents previously?

MR VIVIEN NATASEN: Prior to the appointment of the attorneys, yes.

ADV KATE HOFMEYR: You had never sent them via email?

20 **MR VIVIEN NATASEN:** There were certain ones we sent via email that we had on hand immediately but generally at a meeting I would hand over, like, for example there was, I think my shareholders certificate etcetera that I brought on the morning of the meeting and handed it over.

ADV KATE HOFMEYR: So you understood this email to say, there’s

going to be another meeting at which you are going to hand over those documents?

MR VIVIEN NATASEN: That's how I understood it.

ADV KATE HOFMEYR: Thank you, then if you go to page – was there ever another meeting?

MR VIVIEN NATASEN: No, no at the point when the attorneys got involved in the way the – this was handled changed.

ADV KATE HOFMEYR: If you then go back to page 64, at paragraph 9.2 Mr Natasen on that page, you take issue with the fact that you had
10 not been informed of, amongst other things, your right to have your legal representative present at the meeting and you complain that you're an unassisted lay person, whereas representatives of the Commission were legal practitioners or otherwise well versed in legalities and rules of the Commission, do you see that?

MR VIVIEN NATASEN: Yes.

ADV KATE HOFMEYR: Do you maintain that you had not, prior to the meeting on the 6th of May, been alerted to your right to legal representation?

MR VIVIEN NATASEN: No, I was informed, the – I think Chair maybe if
20 I can give clarity to this. When I was first contacted by Mr Madlala I then appeared or arrived at the offices and I worked through – I presented the evidence relating to my 204 and used that as the basis to present my evidence. Mr Madlala and the rest of the representatives in the room also wanted to direct further questions over and above just the 204 which I cooperated with. The basis of my interaction was that

there was already a Section 204 in place so I understood my role as literally being State witness in providing and cooperating with the Commissions objectives. It evolved from that meeting and the other meeting to eventually the 6th of May meeting where Advocate Hofmeyr was involved where at that point I realised that the Commission was actually going further and deeper than just the evidence that I'd provided and at that point I realised that I needed a legal representative because then at that meeting it was indicated by Advocate Hofmeyr that she intended looking at my role relative to what happened as me being deficient or negligent or complicit in what happened with Van Wyk. So at that point I chose to bring legal representatives on. Prior to that, yes I was informed of my right but I am advised later that the – by my legal counsel that the rules of explaining who accused me, I wasn't presented with that evidence at the start, it was merely that I was – that there was payments made to me but the absolute content of Ms Tlatsana's evidence was not given to me at the time and it's through the intervention of my attorneys that we started to actually retrieve information that gave me a better background to actually what was being looked for.

20 **CHAIRPERSON:** Okay thank you.

ADV KATE HOFMEYR: So Mr Natasen back at page 64 when you state under oath there,

"I was not informed of my rights",

That is false?

MR VIVIEN NATASEN: That is not true.

ADV KATE HOFMEYR: Sorry you also made reference to the meeting of the 6th of May to which you've made reference I attended, your affidavit indicates that I also attended the first meeting you had with the Commission on the 15th of March, do you maintain that?

MR VIVIEN NATASEN: No that's not true.

ADV KATE HOFMEYR: You will find at page 57 you indicated that I was at that first meeting, that is false?

MR VIVIEN NATASEN: Okay concede.

ADV KATE HOFMEYR: If we then go to page 65, you'll find at
10 paragraph 10 there you say the following,

“A first draft of the statement mentioned at paragraph 9, that's the previous paragraph we were looking at, was duly completed by the representatives of the Commission, which draft statement was forwarded to me on or about 6 May 2019 by Madlala, a copy of the relevant correspondence by Madlala is attached hereto”,

Mr Natasen

ADV KATE HOFMEYR: Mr Natasen do you maintain that, that first draft of your statement was sent to you only on the 6th of May?

20 **MR VIVIEN NATASEN:** I can't recall the date.

ADV KATE HOFMEYR: If I told you it was sent the preceding Friday, the 3rd of May as set out in Mr Madlala's affidavit, would you take issue with that?

MR VIVIEN NATASEN: No it was sent out on the Friday because that's when Mr Madlala called me to ask me to sign it.

ADV KATE HOFMEYR: Correct, so why is that not stated at paragraph 10?

MR VIVIEN NATASEN: Okay, no it would have been the Friday before...(intervention).

ADV KATE HOFMEYR: That's the 3rd, correct.

MR VIVIEN NATASEN: That's an oversight.

ADV KATE HOFMEYR: And I also want to pick up your language at the beginning of that sentence,

“A first draft of the statement”,

10 Do you see that?

MR VIVIEN NATASEN: Yes.

ADV KATE HOFMEYR: Are you aware that it wasn't the first draft of the statement that was sent to you, even on the 3rd of May while we make that correction?

MR VIVIEN NATASEN: I don't recall another draft.

ADV KATE HOFMEYR: You don't recall making track changes to an earlier draft, earlier in the year?

MR VIVIEN NATASEN: It may have been.

20 **ADV KATE HOFMEYR:** So if I can show you the draft that you made track changes in you'll accept that, that is incorrect at paragraph 10?

MR VIVIEN NATASEN: Yes.

ADV KATE HOFMEYR: That statement I'd like to get your version on today, Mr Natasen because earlier this morning when I took you to it, you indicated – remember it's the one at page 21, in fairness to you I'd just like you to go back to it so that you can see it. You said that you

had signed it, you saw that you had signed it and you said that you confirmed that it's contents are true and correct, do you recall that?

MR VIVIEN NATASEN: Yes.

ADV KATE HOFMEYR: Now in correspondence from your attorneys on the 10th of May, there is a statement that you reject that this statement, are you aware of that?

MR VIVIEN NATASEN: Yes.

ADV KATE HOFMEYR: Did you instruct them to include that in the letter?

10 **MR VIVIEN NATASEN:** I was advised to do so.

ADV KATE HOFMEYR: How can you both reject it and this morning confirm that it is contents are true?

MR VIVIEN NATASEN: I think we need to refer to the inconsistencies so again Chair, the evolution of this – again it's in the context of how the company is run. So – yes I am the CEO and a sole director and a shareholder but I am also very operational on the projects in the field. So our *modus operandi* as a company is, I have an account team and – so when this topic came about, a lot of the compilation of evidence and so on to be able to meet the further requirements of the Commission, I

20 had to go back to the office to go and retrieve information, like, for example invoices etcetera, where, my understanding initially that there might have been invoices, when I went back to the office to confirm with the accounting division, there were no invoices. So on that basis there were corrections required, so yes at a point in time it was correct but later on when I go and get further evidence we find that there's a

different situation that existed.

CHAIRPERSON: So maybe you should tell me why you said you were rejecting it at a certain stage?

MR VIVIEN NATASEN: I think to the extent that it relates to invoices, initially in the interaction with Mr Madlala from the investigative unit I understood that there possibly would have been invoices. I then went back to the office and then when I worked with the accounts team we found there was a rational explanation as to why there weren't invoice because the understanding was, the monies were a dividend from van
10 Wyk, from a company he purported to own and control to us and therefore it is not revenue in our hands so therefore an invoice should not exist for it right, so on that basis we had processed the transaction in a certain way. When I discovered that, I then sent an email across to the investigative unit to explain that and so although the affidavit covered it in a certain way, my interactions with the Commission's investigative unit covered it in a certain way, when I went back and retrieved information and come back, it's obviously a different situation existed which I then informed them of.

CHAIRPERSON: Okay.

20 **ADV KATE HOFMEYR:** Mr Natasen the trouble I have with that is that the statement we're looking at, at page 21 makes no reference at all to invoices.

MR VIVIEN NATASEN: No I was using an example of the evolution.

ADV KATE HOFMEYR: The Chair's question was, in what respect do you reject this statement that appears at page 21, so I understood your

answer it was because it refers to invoices which you'd subsequently discovered didn't exist, correct?

MR VIVIEN NATASEN: No I was giving an example of the various – we had multiple versions of affidavits here.

ADV KATE HOFMEYR: So what do you reject in the statement that appears at page 21?

MR VIVIEN NATASEN: Okay I don't have the exact specifics here now for that, obviously I was under advisement in the way the affidavit was put together, so we can revert on that.

10 **CHAIRPERSON**: Okay, maybe let's do this. It's correct your position at some stage was that you were rejecting this statement, is that correct?

MR VIVIEN NATASEN: I think...(intervention).

CHAIRPERSON: Was that your position at a certain stage?

MR VIVIEN NATASEN: I think yes, under advice it was my position at the time.

CHAIRPERSON: Yes, and as you sit there do you still reject it?

20 **MR VIVIEN NATASEN**: I think Chair, the context – where there are inconsistencies, as we developed content, so where there are inconsistencies, the later version will then correct a previous deficiency. If we can see it from that perspective then yes, I agree there are inaccurate elements and we will identify the elements that are not accurate as we go along.

CHAIRPERSON: So I guess that what you are saying is, as you sit there, you are saying there are many things in the statement that are

correct, that you are happy with but there are certain things that, as you sit there, now think they are not correct?

MR VIVIEN NATASEN: Correct.

CHAIRPERSON: Is that correct?

MR VIVIEN NATASEN: That's right.

CHAIRPERSON: Okay.

ADV KATE HOFMEYR: Mr Natasen do you accept that the role of this Commission is to uncover the truth about what happened in relation to State Capture corruption and fraud in the public sector?

10 **MR VIVIEN NATASEN**: Yes I agree.

ADV KATE HOFMEYR: Your legal representative raised an objection earlier as to the relevance of this line of questioning and Chair I'd like to deal with it pertinently now. Mr Natasen the challenge that the Commission has experienced in engaging with you over this period is that there are numerous versions over time that you have supplied, which continue to be inconsistent with later versions, do you accept that characterisation of your various statements and affidavits?

MR VIVIEN NATASEN: I think again in context, as I went back and identified further information, I would then revert with that content and
20 if it refuted previous versions, then yes that's true.

ADV KATE HOFMEYR: So are we to understand that at any point in time that you depose to an affidavit, it's the facts that you regard as true then but if there's subsequent facts that you uncover you then recognise that those facts previously indicated were false and that you're now going to rely on the later version?

MR VIVIEN NATASEN: Yes.

ADV KATE HOFMEYR: Thank you.

MR ANDRE PIENAAR: Chair sorry, could I just add to that please.

CHAIRPERSON: Yes.

MR ANDRE PIENAAR: Chair when one swears to an affidavit, when one deposes to an affidavit, the content okay, when you take the oath, you're asked whether you have read and understood the affidavit and whether to the best of your knowledge and belief the contents are true and correct. My client has said now on three separate occasions that

10 at the time when he deposed to those statements with the knowledge he had at the time that he believed the statement to be true and correct. If further knowledge and information came to his attention at a later stage, obviously that would necessitate a further statement to the extent that the two statements may have discrepancies or inconsistencies, there's a logical explanation for it.

CHAIRPERSON: Yes but Ms Hofmeyr, you intervened when she had just obtained that concession from the witness.

MR ANDRE PIENAAR: But Chair, again the inference that one draws sitting and listening to the line of questioning is that Ms Hofmeyr is

20 trying to paint the picture that my client is being dishonest that he has not given statements that are true and correct, that he's misrepresented the truth. He's explained that, that's not the case, he's given a logical explanation for why the statements have changed over time as information came to his attention and that's not accepted.

CHAIRPERSON: Well let's do it this way Mr Pienaar. I suggest that

you record or make notes of all your concerns as we go along and at a certain stage you can discuss that with Ms Hofmeyr or give her your concerns, she might be able to correct whatever misconception there may be but if you feel strongly at a later stage about any particular point you can raise it with me and if need be we'll find a way of sorting it out...(intervention).

MR ANDRE PIENAAR: That's fine, I'm raising it now, I want it on record now because (indistinct) prejudicial.

CHAIRPERSON: Ja but at this stage really I don't see any problem at
10 this stage but let's go on, maybe later on there would be and then we can deal with it at that stage. He has been – he has indicated, that is the witness, that he would depose to an affidavit or make a statement on facts that he knew at the time but later on when other facts came out which necessitated him changing then he would do that. Ms Hofmeyr has left it at that stage in terms of what he has said, she has not, so far taken it further. What she makes of that is something that we might hear about later on and then when she wants to make an issue of it, then we can deal with it at that stage.

MR ANDRE PIENAAR: I hear you Chair but I think, you know, given the
20 tone of the – the tone, the wording and the line of questioning that's been taken I think her intention is clear. Her intention is to case dispersions on the veracity of the evidence that's been given and I don't think it's fair...(intervention).

CHAIRPERSON: Well put it this way Mr Pienaar, in putting questions to the witness she is required to try and assist me to get to the bottom

of what happened and she may be doing this in order to help me with that and at this stage I don't see any problem in the questions, it may or may not be that later on she will say, well this is the point I want to make out of the answer you gave earlier and then at that stage we can deal with it.

MR ANDRE PIENAAR: And if that point isn't made?

CHAIRPERSON: If it's not made it's up to you what you want to do with that because...(intervention).

MR ANDRE PIENAAR: Then the damage is already done Chair.

10 **CHAIRPERSON:** But – no I mean you can ask me if I can grant you leave to re-examine Mr Natasen and I will look at that at that stage but really there's no problem at this stage, no problem whatsoever so...(intervention).

MR ANDRE PIENAAR: I think we just have to be practical about the inconsistencies and I think Chair, if I can ask for your guidance insofar as the questioning is proceeding, if I can ask you to potentially intervene when Mr Natasen has explained the logical reasoning behind the change in the statements, on three separate occasions, I'm asking if you could please intervene and just put an end to the line of
20 questioning there because it just doesn't seem to taking it any further.

CHAIRPERSON: You can rest assured that as I listen to the questions and the answers, I am alert, I am alive to whether there's any unfairness that I see and with or without your intervention where I think there is unfairness, I will intervene but you must feel free if there's a concern, to raise it, but the only thing I want to say to you is, maybe

let's not have too many interruptions because then we won't have progress but when there is really something quite serious then, you know you...(intervention).

MR ANDRE PIENAAR: Chair this to me is serious and I will tell you why because I understand the line of questioning.

CHAIRPERSON: Yes.

MR ANDRE PIENAAR: Where it is going. Okay I understand.

CHAIRPERSON: Yes.

MR ANDRE PIENAAR: My client may not because he is not a legally
10 trained individual.

CHAIRPERSON: Ja.

MR ANDRE PIENAAR: I understand the protections afforded by 204 and I understand the requirements that have to be met in order for that protection to be in place.

CHAIRPERSON: Yes. But at this stage Mr Pienaar.

MR ANDRE PIENAAR: And I can understand where the line of questioning is going and what the intention behind it is and what – and Ms Hofmeyr is trying to achieve from that perspective I believe it to be prejudicial. Mr Natasen is being cooperative. He has been cooperative
20 from the – with the commission from the get go. He has been honest in his dealings with the commission. He has given them every bit of information that he has been requested to provide. He has done so under oath. I can tell you that he would not perjure himself on these statements if it was not for the fact that at the time that he gave the statement he believed the information that he was giving was true and

correct.

CHAIRPERSON: Well Mr Pienaar you may be overly concerned to a very large extent I think the witness has been able handle questions that have been put to him. I have not seen any big problem so far. Where there have been inconsistencies he has – he has conceded that no I made a mistake there that is not true. Here I believe it is true or there I believed at the time it was true so you may be overly concerned.

MR ANDRE PIENAAR: Chair once again I will leave it there.

CHAIRPERSON: Yes.

10 **MR ANDRE PIENAAR**: But we need to see the relevance of this line of questioning.

CHAIRPERSON: No at this – at this stage I think it is still fine Mr Pienaar but I am alive to your concerns and

MR ANDRE PIENAAR: Thank you.

CHAIRPERSON: If there is need for – to interfere we will interfere. Okay thank you. Ms Hofmeyr let us proceed.

ADV KATE HOFMEYR: Thank you Chair. Mr Natasen I would now like to move to aspects of your evidence which I take to be uncontentious. So if we could go to your Section 204 statement for that and if we begin
20 at page 3 of Exhibit DD10[a]. And I would like to pick it up at paragraph 5 which you will find at page 6. I would like to start at page – at paragraph 5 as this is where I understand your Section 204 declaration deals with the actual movement of funds. Do you see that?

MR VIVIEN NATASEN: Correct.

ADV KATE HOFMEYR: And can you tell us what facts you set out at

paragraph 5 there?

MR VIVIEN NATASEN: I refer to the amounts that were transferred into Neo Solutions an amount of 5 million on the 11 November 2015 and 4.9 million on the 12 November 2015.

ADV KATE HOFMEYR: I would like to then pick it up with the bank statements that you attach to that declaration. You will find them at page 13 as I have it. Is that the bank statement that reflects those two receipts from Koreneka into Neo Solutions bank account?

MR VIVIEN NATASEN: Yes.

- 10 **ADV KATE HOFMEYR:** And just that reference there what did that reference mean to you at the time under transaction column?

MR VIVIEN NATASEN: I have no idea that was what reflected on the bank statement.

ADV KATE HOFMEYR: And just for the purposes of the record Chair it reads Koreneka – KT1001 for both of those transactions on the 11th and the 12th November. But can you confirm those were the transactions of funds that you understood were being paid to Neo Solutions on the instruction of Mr Van Wyk?

MR VIVIEN NATASEN: That is right.

- 20 **ADV KATE HOFMEYR:** Thank you. If we then go over the page and we pick it up...

MR VIVIEN NATASEN: Sorry Chair do we not need to contextualise the basis that Van Wyk transferred these funds to us?

CHAIRPERSON: She will ask you when she needs to cover that.

MR VIVIEN NATASEN: Okay.

CHAIRPERSON: At this stage she just wanted you to confirm that those transactions related to your relationship with Mr Van Wyk.

MR VIVIEN NATASEN: Okay.

ADV KATE HOFMEYR: So we just tracking the flow of funds at the moment that is why I would like to pick it up at paragraph 7 on page 7.

MR VIVIEN NATASEN: Hm.

ADV KATE HOFMEYR: And I am trying to do this in chronology. So your previous evidence was on the 11th and the 12th November 2015 two amounts come into Neo Solutions bank account in the amount of 5
10 million and 4.9 million, correct?

MR VIVIEN NATASEN: That is right.

ADV KATE HOFMEYR: Then as I read your declaration the first amount goes out as you describe it at paragraph 7, can you please explain to us what happens there?

MR VIVIEN NATASEN: So on the 11th December an amount of 4 million was paid out by EFT to Batsomi Investment Holdings.

ADV KATE HOFMEYR: Thank you. And then we go down to paragraph 8 because that refers to what happened on the 22 December. What happened on the 22 December?

20 **MR VIVIEN NATASEN:** A further amount of 3 million was paid out to that same account.

ADV KATE HOFMEYR: From the Neo Solutions account to the Batsomi Investments account, is that correct?

MR VIVIEN NATASEN: That is correct.

ADV KATE HOFMEYR: Then just to stick with the chronology if we go

back up to – sorry it actually comes later. It comes twice in this affidavit but if you go to page 8 at paragraph 11.

MR VIVIEN NATASEN: Hm.

ADV KATE HOFMEYR: If we tracking the chronology that is the next

MR VIVIEN NATASEN: Payment.

ADV KATE HOFMEYR: Payment that I am aware of, is that correct?

MR VIVIEN NATASEN: That is right.

ADV KATE HOFMEYR: Tell us what happened as you record at paragraph 11?

- 10 **MR VIVIEN NATASEN**: So Van Wyk requested a portion of the funds in cash – an amount of R300 000,00 was paid to him – given to him on the 4 January 2016.

ADV KATE HOFMEYR: Okay let us just follow those up with the relevant bank statements if we may? So if you start at page 15, 15.

MR VIVIEN NATASEN: Hm.

ADV KATE HOFMEYR: Can you tell us what that page shows?

MR VIVIEN NATASEN: On the 11th of – it is a bank statement from – on our account at Neo Solutions. 11 December a payment of 4 million and then on the 22 December a further payment of 3 million.

- 20 **ADV KATE HOFMEYR**: And you can confirm those were payments to Batsomi Investments, is that right?

MR VIVIEN NATASEN: That is right.

ADV KATE HOFMEYR: Thank yo.

MR VIVIEN NATASEN: I think we had sent through the proof of payments over and above the statement in the further request from the

commission's investigators.

ADV KATE HOFMEYR: Indeed. If you go back a page to page 14 what does page 14 show?

MR VIVIEN NATASEN: It shows an amount of R300 000,00 leaving the Nedbank account going across to our Standard Bank account.

ADV KATE HOFMEYR: And just explain that reference under the transaction?

MR VIVIEN NATASEN: It says Neo Solutions loan.

ADV KATE HOFMEYR: Why was it given that description?

10 **MR VIVIEN NATASEN:** I am not sure why my accountant described it as that.

ADV KATE HOFMEYR: And then if we go back to page 7 we pick it up at paragraph 9. That is as I have it in the chronology as the next payment. Can you tell us what that was?

MR VIVIEN NATASEN: That was on the 10 March 2016 an amount of 1.4 million paid across to Batsomi.

ADV KATE HOFMEYR: And then the last transaction as I have it is the next paragraph. Can you tell us what that was?

20 **MR VIVIEN NATASEN:** Paragraph 10 on the 29 March 2016 an amount of 1.2 million paid over to Batsomi.

ADV KATE HOFMEYR: Again EFT from Neo Solutions bank account to Batsomi bank account.

MR VIVIEN NATASEN: That is correct.

ADV KATE HOFMEYR: Mr Natasen there is a difference in March as I have it only insofar as those funds were paid from a different bank

account, is that correct?

MR VIVIEN NATASEN: From our Standard Bank account.

ADV KATE HOFMEYR: Okay. So just in summary then and you will correct me if this is inaccurate. In total 9.9 million was paid into Neo Solutions Nedbank account by Koreneka Projects and Trading, is that correct?

MR VIVIEN NATASEN: That is right.

ADV KATE HOFMEYR: And that happened in November of 2015?

MR VIVIEN NATASEN: That is right.

10 **ADV KATE HOFMEYR:** Then between December of 2015 and March of 2016 9.6 million was paid by EFT transactions to the bank account of Batsomi Holdings Investment, correct?

MR VIVIEN NATASEN: That is right.

ADV KATE HOFMEYR: And R300 000,00 was paid in cash to Mr Van Wyk?

MR VIVIEN NATASEN: That is right.

ADV KATE HOFMEYR: On the 4 January 2016, correct>

MR VIVIEN NATASEN: That is correct.

20 **ADV KATE HOFMEYR:** Thank you. And then I would like to pick it up at page 8 Mr Natasen. And at paragraph 14 there can you indicate to the commission what you state at paragraph 14?

MR VIVIEN NATASEN: I state that neither Neo Solutions nor myself has benefited financially in any way from this transaction.

ADV KATE HOFMEYR: And as you give your evidence today do you stand by that assertion?

MR VIVIEN NATASEN: Yes.

ADV KATE HOFMEYR: Mr Natasen you requested at the outset of this line of questioning that you would like to go to the explanation for these funds and we must certainly do that. I would like to pick that up from page 6 of your declaration. And if we can commence at paragraph 3 because that is where I have it you begin to describe your relationship with Mr Van Wyk. Can you explain to the commission what the nature of that relationship was?

MR VIVIEN NATASEN: Ja I think it might be actually quite helpful if I
10 use my affidavit of today.

ADV KATE HOFMEYR: Certainly.

MR VIVIEN NATASEN: Because I actually cover it in there.

ADV KATE HOFMEYR: So let us go there.

MR VIVIEN NATASEN: So it will be...

CHAIRPERSON: On what page is that affidavit again?

ADV KATE HOFMEYR: Chair it commences at 238.61.

CHAIRPERSON: Okay.

MR VIVIEN NATASEN: Chair if I can take you to 238.62?

CHAIRPERSON: Yes.

20 **MR VIVIEN NATASEN:** There is a section called background and just after that it says relationship with Van Wyk and farming venture. Okay.

CHAIRPERSON: Yes you may continue.

MR VIVIEN NATASEN: So just to provide the full picture. So I had met Brian Van Wyk around 2014 through a former employee in fact and he started to engage with us. I think he gravitated to – we – the group

also owns a magazine called Prestige and he used to come to a lot of the Prestige events. I was aware at the time or informed by him that he was an employee of SA Express. But he had never done work, we had never engaged in any sort way with SA Express or Van Wyk on anything else before then. Since then – since that time he started to spend a lot of time coming – to even to our offices. At some point at one of the events he had informed me that he – it was his intention to leave SA Express around June 2016. He sort of indicated a date which to me meant he had a fixed term contract of some sort. And he had

10 mentioned also that he had lots of private business interests before he joined SA Express. From my understanding that he was trained as a Chartered Accountant by BMW South African and then did a little bit of tenure at VW as well. So from that understanding we sort of gelled. The fact that he was a Chartered Accountant. The fact that he was business orientated and from what I understood in the way he spoke he did not think his time at SA Express was going to be long term. He was not getting on with public sector at all. And he – for me Van Wyk is quite eloquent and he is quite good on business plans and so on from what we saw with the way he was doing the farming venture stuff

20 eventually. But even at the time I could see the way he spoke about business and the things he would like to do I actually almost saw him as a potential future business partner on various things. So – because he was competent and for me there comes a point where I also like I said earlier that I did not want to stay as a consultant for the long term. And to me he could be one of those candidates who could come in and

actually relieve some of that from me. And really he spoke in that way as well. Then in around October 2015 is when he approached me to say, he has – he had a private enterprise elsewhere and he was receiving a dividend from that enterprise. He did say that the – obviously from his perspective that he wanted to not reveal the income from that to anyone so he asked us to hold those funds for him and invest in businesses with us. Those discussions I – they were – I know I refer in my affidavit here to the farming venture per se but there were other discussions about – he had a passion for classic cars and in that

10 there was plans to open up a panel beating business for classic car together although that was a passion project it was not a big business case. But there were those types of discussions that evolved along the way. Ultimately he then said he was receiving a dividend of the 10 million which my 204 refers to. This is the context of that 204 – of the 10 million to come. The intention was obviously he was going to set up businesses and or participate in businesses with us. I also assumed he would build his own business because not everything was aligned with us. So that a portion of the funds would go. At the same – that was around as I said October and he said in fact at that point he said the

20 funds would be eminently coming. It only in fact arrived in November when it came through. The – in that time we were already starting onto this farming business or the food distribution business and he wanted a piece of that as well. So the – from what I understood from the initial investment required we would be required to come up with an equity portion ourselves and he said he had money to place in for his portion

of that equity. Okay so from that perspective I took it on face value that the guy is a businessman, he is obviously leaving public sector employ and would be – then becoming quite operational as he left SA Express he would be joining this business to actually run it. I – in fact most of the interaction he had and I will explain later who was involved in the farming or the food distribution business case. He literally chaired that team in terms of putting the business plan together. But the arrival of those funds – at the time yes I agreed that we – that I will assist him. I also understood him to be like I am a Chartered

10 Accountant operating by a certain set of rules that his declarations of whatever he needed to declare from an interest perspective at SA Express that he had complied with and he was a friend. So to me it was getting to the point where there is a business associate that was going to come out of this process that I could trust and that was thinking in the same way we are thinking around taking the business away from just purely selling time towards being a proper infrastructure business or a business that has annuity income. And that was the pretext of how these discussions evolved. I mean at the end of the day I took it on his word that he had done his homework and he has done his – his correct

20 – that he is transferring these funds in good faith.

CHAIRPERSON: Sorry did you say pretext?

MR VIVIEN NATASEN: Well in terms of – before these monies arrived I am trying to give you the context.

CHAIRPERSON: Hm.

MR VIVIEN NATASEN: Sorry the context of it.

ADV KATE HOFMEYR: Mr Natasen if we go back to page 6 if we may that is in your declaration?

MR VIVIEN NATASEN: Yes.

ADV KATE HOFMEYR: I would like to just get clarity as to what was set out at paragraph 4 on that page because some of what you have indicated in your answer to the Chair is reflected here, some is not and so I want your confirmation as to whether these facts set out here are accurate? So the first sentence reads:

10 “Van Wyk approached me in November 2015 and
asked if he can transfer R10 million into the bank
account of Neo Solutions.”

I understand the only change there in the basis of what you said was that it might have preceded that in October, is that right?

MR VIVIEN NATASEN: Yes, yes.

ADV KATE HOFMEYR: He then goes on and says you record:

“He explained that it was necessary to do it this way
as he was an official of the state employed at SA
Express and was leaving.”

Do you see that?

20 **MR VIVIEN NATASEN:** Yes.

ADV KATE HOFMEYR: Is that what he said to you?

MR VIVIEN NATASEN: Well I have now explained it in the context. This is how Udiel had captured it in preparing the draft for me.

ADV KATE HOFMEYR: Sure but you do not have a difficulty with it as it is stated there?

MR VIVIEN NATASEN: As it is stated here obviously there was an intention from us to receive his 10 million dividend and to hold it to put it into the businesses going forward.

ADV KATE HOFMEYR: But there is no factual inaccuracy in that statement?

MR VIVIEN NATASEN: No, no to the extent it complies with our thinking. We had agreed to receive it.

ADV KATE HOFMEYR: Mr Natasen all that you reflect here is what he said. I am just trying to understand from you, do you today accept that
10 he said that it was necessary to do it this way, transfer R10 million in the Neo Solutions bank account as he was an official of the state employed at SA Express and was leaving, is that what he said?

MR VIVIEN NATASEN: That is what he said to me.

ADV KATE HOFMEYR: Thank you. It goes on you record there:

“I asked for his confirmation that this – funds were
above board and that we would not be implicated in
any wrongdoing and he confirmed as such.”

Is that what you said to each other?

MR VIVIEN NATASEN: I firstly – in fact there were two layers. I
20 confirmed that it had nothing to do with SA Express and I also asked him is – was it related to any state enterprise and to both he had said no.

ADV KATE HOFMEYR: As I have it from the transcript of your fist interview with the commission you also made reference to the fact that you asked him whether the money was clean.

MR VIVIEN NATASEN: Yes.

ADV KATE HOFMEYR: Do you remember that?

MR VIVIEN NATASEN: Yes.

ADV KATE HOFMEYR: In particular. And what was his answer?

MR VIVIEN NATASEN: He said yes it is from a private business and it has nothing to do with the state.

ADV KATE HOFMEYR: And why – why were you asking that type of question of Mr Van Wyk?

MR VIVIEN NATASEN: Well I was aware he was a state official. So
10 from that perspective I had to make sure there was no conflict of interest with him obviously bringing these funds to us.

ADV KATE HOFMEYR: And then if we go back to page 6 you will see the last sentence of paragraph 4.

“The only reason that he did not want his – the reason was that he did not want his employers to be jealous that he had implemented a successful business and that he was in the process of parting ways with SA Express.”

Is that what he said?

20 **MR VIVIEN NATASEN:** That is what he said.

ADV KATE HOFMEYR: So he referred specifically to his employers being jealous?

MR VIVIEN NATASEN: Yes.

ADV KATE HOFMEYR: Do you recall that?

MR VIVIEN NATASEN: Yes he did refer to them. Obviously if they

were aware that he has made 10 million elsewhere that there would have been an issue of jealousy of that.

ADV KATE HOFMEYR: Why jealousy? Did you probe that with him Mr Natasen?

MR VIVIEN NATASEN: I did not but I understood in the context that obviously if he is now leaving and people are aware that he is making money elsewhere then that might be construed that there would be jealousy around.

CHAIRPERSON: But if they were jealous what could they do about it?

10 **MR VIVIEN NATASEN**: Nothing really Chair I – all I did was I took it on face value that he had – he had applied his mind to the transaction to make sure – well he confirmed to me unequivocally that this money had nothing to do with SA Express.

CHAIRPERSON: Yes but you were as I understand the position and you must tell me if my understanding is incorrect.

MR VIVIEN NATASEN: Hm.

CHAIRPERSON: You wanted to make sure that you did not receive money that was not clean?

MR VIVIEN NATASEN: Correct.

20 **CHAIRPERSON**: You did not want to receive money that was illegally obtained, is that right?

MR VIVIEN NATASEN: That is right.

CHAIRPERSON: So he says to you, I have got money that I have made from my private businesses but I would like you to keep it in your business accounts for a certain period of time. I do not want to keep it

in my business – in my account because if SA Express becomes aware of it they will be jealous. My thinking is the first question is

1. Why would they be jealous?

2. And so what, what will they do, it is your money?

MR VIVIEN NATASEN: His statement was that public officials do not like other people making money.

CHAIRPERSON: Ja but would that be a reason for him not to keep the money?

MR VIVIEN NATASEN: No it is not at all. I mean I dealt with that on
10 the basis – I understand where you are coming from Chair is should I have probed further. The guy was my friend he gave me an undertaking that there was nothing untoward with these funds. Right and that he had complied with whatever was his requirements for conflicts of interest etcetera. That was his undertakings.

CHAIRPERSON: But you were keen to make sure that you did not receive money that was not clean. That is my concern.

MR VIVIEN NATASEN: That is right but I relied on his undertaking. He was a CA as well.

CHAIRPERSON: He tells you a story that to me is subject to what I will
20 hear does not really seems to make sense. They will be jealous and then they will do what? He is – if he got the money legitimately they cannot do anything about it. So why does he not want to keep the money in his own account?

MR VIVIEN NATASEN: Ja I...

CHAIRPERSON: I think that is the question you should have raised.

MR VIVIEN NATASEN: I think yes. As we said at the time in the context of how he raised with me I understood it that he earned the money from a clean source or a reputable source that it is – no conflicts and I took it on its face value at the time that he had done that homework.

ADV KATE HOFMEYR: Mr Natasen in your interview with the commission that was recorded you also made reference to the fact that he had said he did not want the money to hit his bank account, do you recall saying that?

10 **MR VIVIEN NATASEN:** Yes.

ADV KATE HOFMEYR: Did he say that to you?

MR VIVIEN NATASEN: Yes.

ADV KATE HOFMEYR: And the explanation that he gave as I understood that recording was that SA Express does lifestyle audits from time to time, is that correct?

MR VIVIEN NATASEN: He mentioned lifestyle audits.

ADV KATE HOFMEYR: Is that what he said in the conversation?

MR VIVIEN NATASEN: Yes.

ADV KATE HOFMEYR: About these funds?

20 **MR VIVIEN NATASEN:** That is right.

ADV KATE HOFMEYR: Did you probe why they would be doing a lifestyle audit of Mr Van Wyk?

MR VIVIEN NATASEN: I assume that lifestyle audits was a regular course of any senior position at a state entity.

ADV KATE HOFMEYR: That a state entity can go into the private bank

accounts of their employees to audit their lifestyles?

MR VIVIEN NATASEN: From what I understood of SOE's they do check on that.

ADV KATE HOFMEYR: Do they check because they wake up one morning and want to or because usually there is some concern about wrongdoing?

MR VIVIEN NATASEN: I assumed it is either routine depending or if there is a genuine risk that emerges that there would be a specific investigation.

10 **ADV KATE HOFMEYR:** Did you ask him about why they would be doing lifestyle audits of him?

MR VIVIEN NATASEN: No I assumed it was a general statement. It was not a lifestyle audit on him that he referred to. I never understood it as a lifestyle audit on him. I assumed it was a routine thing which was a condition of his employment that all senior executives were subjected to.

ADV KATE HOFMEYR: Right so he says – well he may not have said but you assumed it is a routine matter. The consequence of the lifestyle audit if the funds were in his account is that SA Express would
20 have seen 10 million sitting in his account, correct?

MR VIVIEN NATASEN: Yes.

ADV KATE HOFMEYR: He says he does not want it to hit his account because of these lifestyle audits that occur, is that correct?

MR VIVIEN NATASEN: Yes.

ADV KATE HOFMEYR: And just to reiterate what the Chair was

engaging with you earlier on, how could that possibly be a problem for Mr Van Wyk if that R10 million had legitimately been obtained by him?

MR VIVIEN NATASEN: He did not indicate that it was a problem. He just said he preferred not to. Because he was leaving....

CHAIRPERSON: Yes. But Mr Natasen you are a Chartered Accountant. You know issues about corruption that are happening in the country. Here is somebody who is employed somewhere who says to you he has got money that he has received legitimately from private businesses but he says he does not want to keep it in his own account. He wants you
10 to keep it for him in your business account. Why do you not smell that there must be something wrong with this?

MR VIVIEN NATASEN: He indicated it was from a business he had worked in or implemented well before he went to the state. That is the indication I had from him. So it was not even his current state earnings. It was a project had in North West from a while ago.

CHAIRPERSON: But Mr Natasen whatever the circumstances if the money that he wanted you to keep for him was legitimately obtained why would that be a problem for his? Because if asked about it he would give an explanation that he has confidence in will satisfy any
20 reasonable person, why was – why was it a problem for him to keep it in his own account? I am saying that is a question that you should have asked yourself and I think that is what Ms Hofmeyr is also...

MR VIVIEN NATASEN: No fair enough I think Chair.

CHAIRPERSON: {indistinct} to and say – and the question is – particularly because you had already thought about hey I do not want

any dirty money.

MR VIVIEN NATASEN: Correct.

CHAIRPERSON: So therefore you are looking for a plausible explanation, was this a plausible explanation?

MR VIVIEN NATASEN: He had said that he had preferred it and obviously because we were already underway with the discussion of business ventures together I – in that context at that point in time I accepted his version. He had said preferred.

CHAIRPERSON: But I asked the question now and we can talk about
10 then. Did he give you a plausible explanation for not – for asking you to keep the money for him?

MR VIVIEN NATASEN: The plausible explanation was to go into the business ventures. So we were – we were working on the basis that the money was coming to us to invest in business. It was not to be returned to him. At that point in time my understanding was that he was going to put the money with us and we were going to go into business transactions together. It was obviously – the money he was placing would represent his equity in those deals.

CHAIRPERSON: But Mr Natasen if the purpose of him asking you to
20 keep the money for him because you are going to go into business together why would the issue of lifestyle audits come up?

MR VIVIEN NATASEN: As I said he had mentioned it in passing. He said preferably he did not want it – take it directly to him he would put it straight into the business.

CHAIRPERSON: But if he mentioned that – the issue of lifestyle audits

in circumstances where your understanding was that he is asking you to keep – to put the money into your business account because that was money that was going to help in the business that you were going to be involved with – with him. Your response would be what lifestyle audits?

MR VIVIEN NATASEN: I did ask that.

CHAIRPERSON: Why you telling me about lifestyle audits you – you are paying this money so that – because we are going to go into business together. That is – that would have been the response, is it not?

10 **MR VIVIEN NATASEN:** But I did ask him that exactly those questions.

CHAIRPERSON: And?

MR VIVIEN NATASEN: And his response was but he would prefer it to come to us he did not want it to go to his.

CHAIRPERSON: Did that make sense to you?

MR VIVIEN NATASEN: It made sense in that we were doing the business venture at the same time. So from that context I understood it in that way.

ADV KATE HOFMEYR: Mr Natasen your evidence – in your evidence you referred on a few occasions to your and Mr Van Wyk being friends,
20 is that right?

MR VIVIEN NATASEN: Ja he became very friendly with us. I mean I had never been to his house though so he would always come across to us. I only understood it that he lived in Blue Valley and that he will always just arrive at the office – normally he would come in like three – three thirty to the offices and if there was a function or a braai he

would arrive there.

ADV KATE HOFMEYR: In that transcript of that interview with the commission you spoke about – I read it to be your concern that you were just trying to help a mate out – I think those were your words and this thing had got a whole lot bigger, do you remember saying that?

MR VIVIEN NATASEN: Ja I think it is in the transcript yes.

ADV KATE HOFMEYR: Well is that a fair – as you sit here today is that a fair reflection of your state of mind at the time you were trying to help a mate out?

10 **MR VIVIEN NATASEN:** Well there was also an intention obviously to get these business units going. So if there was a person who was saying he can come in and be operational so it was more than just helping a friend out he had value to bring to the operations of what we were setting up.

ADV KATE HOFMEYR: And why not just transfer those funds to you rather than Neo Solutions?

MR VIVIEN NATASEN: I do not transact much with me so I do not understand why I would transfer the funds. In my mind Neo Solutions was busy with a business case to implement a business right. It – once
20 that business was up those funds would have been transferred from there as the shareholding into the entity. So I would not do it personally. There was no basis for me to do it personally. I cannot even relate to that.

ADV KATE HOFMEYR: So in October 2015 when you started to have these discussions with Mr Van Wyk was that understanding of the

venture as developed as you describe it at the moment?

MR VIVIEN NATASEN: No at that stage it was incubating but there was an intention...

MEETING ADJOURNS

HEARING RESUMES

ADV KATE HOFMEYR: Is that right?

MR VIVIEN NATASEN: Ja he became very friendly with us. I mean I had never been to his house though so he would always come across to us. I only understood it that he lived in Blue Valley and that he will
10 always just arrive at the office – normally he would come in like three – three thirty to the offices and if there was a function or a braai he would arrive there.

ADV KATE HOFMEYR: In that transcript of that interview with the commission you spoke about – I read it to be your concern that you were just trying to help a mate out – I think those were your words and this thing had got a whole lot bigger, do you remember saying that?

MR VIVIEN NATASEN: Ja I think it is in the transcript yes.

ADV KATE HOFMEYR: Well is that a fair – as you sit here today is that a fair reflection of your state of mind at the time you were trying to
20 help a mate out?

MR VIVIEN NATASEN: Well there was also an intention obviously to get these business units going. So if there was a person who was saying he can come in and be operational so it was more than just helping a friend out he had value to bring to the operations of what we were setting up.

ADV KATE HOFMEYR: And why not just transfer those funds to you rather than Neo Solutions?

MR VIVIEN NATASEN: I do not transact much with me so I do not understand why I would transfer the funds. In my mind Neo Solutions was busy with a business case to implement a business right. It – once that business was up those funds would have been transferred from there as the shareholding into the entity. So I would not do it personally. There was no basis for me to do it personally. I cannot even relate to that.

10 **ADV KATE HOFMEYR:** So in October 2015 when you started to have these discussions with Mr Van Wyk was that understanding of the venture as developed as you describe it at the moment?

MR VIVIEN NATASEN: No at that stage it was incubating but there was an intention for him to be 50/50 with me in it.

ADV KATE HOFMEYR: So just to...

MR VIVIEN NATASEN: We later [indistinct] him but at that point in time it was – it was us wanting to do it together.

ADV KATE HOFMEYR: So October 2015 he approaches you, he says he does not want this money to his bank account he wants to put it in
20 Neo Solutions and your understanding at that time is it can sit in Neo Solutions because there is some venture we are embarking upon and it will constitute his equity contribution, is that correct?

MR VIVIEN NATASEN: Correct.

ADV KATE HOFMEYR: Chair I see we are at the lunch adjournment if it is convenient?

CHAIRPERSON: Yes, yes. We will take the lunch adjournment and we will resume at two o'clock. We adjourn.

REGISTRAR: All rise.

INQUIRY ADJOURNS

INQUIRY RESUMES

CHAIRPERSON: Okay. Let us proceed.

ADV KATE HOFMEYR: Thank you Chair. Mr Natasen just a few clarificatory points before we return to your declaration if I may.

CHAIRPERSON: One second Ms Hofmeyr. Okay. Let us continue.

10 **ADV KATE HOFMEYR:** Thank you. Mr Natasen if I recall your testimony earlier you indicated that the farming venture had been discussed with amongst others Mr van Wyk as early as 2015 – in the course of 2015. Is that correct?

MR VIVIEN NATASEN: (Indistinct).

ADV KATE HOFMEYR: If you will just put on the microphone, thank you.

MR VIVIEN NATASEN: Sorry. It happened in October that we started that discussion and Brian happened to hear us debating the – the farming and in fact it was mostly the logistics first and then the farming
20 venture would have been a consequence of the logistics enterprise.

ADV KATE HOFMEYR: And that is October 2015?

MR VIVIEN NATASEN: That is right.

ADV KATE HOFMEYR: Thank you and then you certainly knew about it and the passage that it had followed by October 2017. Is that correct?

MR VIVIEN NATASEN: Yes. It – these is quite a bit of evolution of the

project along the way yes.

ADV KATE HOFMEYR: And can I just ask when were you first alerted to the fact that the funds that you had held or Neo Solutions had held for Mr van Wyk were suspect in anyway or could have been involved in unlawful activities?

MR VIVIEN NATASEN: It was when Mr Udiel brought it to my attention.

ADV KATE HOFMEYR: And that as I had from your evidence was in about September 2017. Is that correct?

MR VIVIEN NATASEN: That is right.

10 **ADV KATE HOFMEYR:** Thank you. If we can then go to page 8 of DD10A. I would like to pick it up if we may at paragraph 12 there. If you would not mind reading what you have recorded at paragraph 12.

MR VIVIEN NATASEN: "It should be noted that Van Wyk gave me undertakings that these funds were proceeds from a business venture and he was going to use these funds to set up a business. He only requested these funds in March as he stated that he was now setting up a venture business in preparation of his departure from SAA Express."

20 **ADV KATE HOFMEYR:** Thank you and let me just ask – sorry before I go to the actual text of that paragraph. Mr Natasen I understand your evidence. It was Mr van Wyk who gave the instructions as to when and to whom these various amounts have to be paid. Is that correct?

MR VIVIEN NATASEN: Yes.

ADV KATE HOFMEYR: You were not making those decisions yourself

independently of Mr van Wyk? Were you?

MR VIVIEN NATASEN: Not at all.

ADV KATE HOFMEYR: If we can just return to paragraph 12 then.

What I want to pick up on there is as you recorded here you say:

“Mr van Wyk gave me undertakings that these funds were proceeds from a business venture and he was going to use these funds to set up a business.”

You see that?

MR VIVIEN NATASEN: Hm.

10 **ADV KATE HOFMEYR:** And then it goes on and it says:

“He only requested those funds in March as he stated that he was now setting up his business venture.”

Do you see that?

MR VIVIEN NATASEN: *Ja.*

ADV KATE HOFMEYR: I am interested in that because do you agree with me that there is no mention in this paragraph of the farming venture. Is that right?

MR VIVIEN NATASEN: Yes.

20 **ADV KATE HOFMEYR:** There is no mention anywhere else in the declaration of the farming venture. Is that correct?

MR VIVIEN NATASEN: Yes.

ADV KATE HOFMEYR: And this seems to suggest at least to the reader that it is about his business that he is going to be embarking upon and he needs to park the funds for a period of time. Is that

correct?

MR VIVIEN NATASEN: Yes.

ADV KATE HOFMEYR: Thank you. Why ...?

MR VIVIEN NATASEN: Can I – can I further clarify that?

ADV KATE HOFMEYR: Indeed.

MR VIVIEN NATASEN: Ja. So it also – remember there were funds drawn in December.

ADV KATE HOFMEYR: Yes indeed.

MR VIVIEN NATASEN: Yes. So ...

10 **ADV KATE HOFMEYR:** I accept – is that a correction you would make at paragraph 12?

MR VIVIEN NATASEN: Yes that is a correction ...

ADV KATE HOFMEYR: Yes.

MR VIVIEN NATASEN: Because the first amount – I think Chair just to put you – because I do not think we discussed

CHAIRPERSON: Yes.

MR VIVIEN NATASEN: The rationale behind each of those payments. So ...

CHAIRPERSON: Huh-uh.

20 **MR VIVIEN NATASEN:** We received the monies in November.

CHAIRPERSON: Hm.

MR VIVIEN NATASEN: In December Brian van Wyk had called me to say that he urgently required a portion of the cash because he wished to buy another property. I think it was in Blue Valley Golf Estate and he wanted a portion remitted to him. So I said to him in that call it is

fine. It is your money. You – you are well entitled to take it back and then obviously as the ventures get undergoing because the farming venture was still a process.

So he – he undertook to bring funds back in for his equity stay as and when needed for the – for the farming venture to kick off but in December he had requested a portion and he drew out the two tranches of the four million and the three million.

CHAIRPERSON: Well what was going to be the amount more or less that would have been required in your estimation from both of you for
10 purposes of the farming business that you were contemplating going into the two of you?

MR VIVIEN NATASEN: The initial model was a total capex value of 100 million. We were hoping to secure a loan then of 80 percent and we assumed the bank would ask us for a 20 percent equity contribution. So I had to come up with 10 and he was – he was going to have to come up with 10.

CHAIRPERSON: But as I understand the position and I may have misread this the money came on the one day and the following day at least a large portion of it had to be paid out?

20 **MR VIVIEN NATASEN:** No. There – there was a time lag. I think if you follow the time line the – the first – the funds arrived into our account on the 11th and 12 November 2015.

CHAIRPERSON: Yes.

MR VIVIEN NATASEN: Right. The first draw that he ever did out was then in December on 11 December almost a month later.

CHAIRPERSON: Yes.

MR VIVIEN NATASEN: Okay and then on the 22nd he took a further three million.

CHAIRPERSON: Yes.

MR VIVIEN NATASEN: So there was - a passage of time was at least a month ...

CHAIRPERSON: Yes.

MR VIVIEN NATASEN: Before he took any of the money back.

CHAIRPERSON: And at this stage you still did not suspect anything
10 wrong with this?

MR VIVIEN NATASEN: It made sense from discussions he had informally with us that he – he was a huge fan of – of Blue Valley and he had at some point said he was looking to upgrade his house there. So I took it on the – on the value – on the face value that he was needing these funds to secure a home that he wanted to buy.

CHAIRPERSON: Did you ever get to know what types of businesses he was talking about that had given him these millions?

MR VIVIEN NATASEN: He did not indicate specifically. When he mentioned North West Province I assumed it related to a project on – of
20 an industrial nature. He – he mentioned that they were construction and manufacturing that he had interests in those but I did not ask specifics.

CHAIRPERSON: Ja. I continue to have difficulty with you accepting to keep such large amounts of money that do not belong to you on the basis of a request made by somebody. I mean at that time how long

had you known him?

MR VIVIEN NATASEN: About – close on 18 months to two years.

CHAIRPERSON: *Ja.* That you keep such large amounts for him either because the two of you are going to go into – are contemplating going into business together but also because he is scared that his employer may – might conduct style – lifestyle audits and then these amounts he wants to take them out and they are taken out. Throughout this period you do not have any suspicion that there is something wrong about this?

- 10 **MR VIVIEN NATASEN:** Chair if – if – from my understanding from what is in the media and so on around these monies that float from state entities and – and being moved through for me there was comfort in the fact that he did not ask for his money straightaway. So when it arrived it was sitting there. So if – if he was moving state money generally the – the condition has been and from all the media that has been around it would arrive today and get cleaned or transferred to new entities almost immediately.

- So I was almost feeling a sense of comfort that he was asking for this money. In fact the December request that he made was
20 incidental on – on him buying a house rather.

CHAIRPERSON: Well if you say you were deriving comfort from that that suggests that it did cross your mind that there could be something wrong with this but then you said well he is not asking for the money. Did it cross your mind that this could be – there could be something illegal about this money?

MR VIVIEN NATASEN: It crossed – when I was asking him when he first suggested that he was going to bring it at that point yes the first question I will ask is – is this money clean or from a – from a clean source or reputable source. At that point yes I – I had to make sure it was not or I had to satisfy myself then that it was not state money and he gave those undertakings and the fact that he did not call for that money quickly gave me further assurance.

CHAIRPERSON: *Ja.* You see if – if I go back to the questions that we dealt with you must forgive me but I am trying to – to give you a picture
10 of where my difficulty is. So that you get a chance to give me your perspective.

MR VIVIEN NATASEN: Hm, hm.

CHAIRPERSON: You know. I still just have this difficulty that somebody has this large amounts - millions that he does not want to touch bank account. Refers to lifestyle audits from his employer and wants you to keep that amount. He does not want to keep it himself. That does not say to you there must be something wrong with this.

MR VIVIEN NATASEN: I think Chair in the context of the discussions at the time he got close to us and I ...

20 **CHAIRPERSON:** Sorry just repeat that.

MR VIVIEN NATASEN: I am saying at the context of what happened at that time in October 2015 he was very friendly. He was always around us and to an extent yes my guard would have dropped a bit in that I trusted that this guy is a businessman. He is wanting to do business with us. He has given me assurances that this money is clean and

appropriate and that we are going to go into a long term enterprise.

So I did not suspect that he would now bring money into us that he – that actually might bring the whole business venture into – into disrepute or bring risk to it.

CHAIRPERSON: Thank you.

ADV KATE HOFMEYR: Mr Natasen when you engage in business ventures in the ordinary course and when Neo Solutions is going to provide some services attached to those business ventures do you always ask the people with whom you are getting into business whether
10 their funds are clean?

MR VIVIEN NATASEN: Not necessarily because most of the ventures we deal with do not involve people who are with the State – that are employed by the State well all of them. Yes, I think this was the first instance and that is why I asked the question that I did.

ADV KATE HOFMEYR: So there has never been another occasion when you have asked a potential partner about whether their funds are clean?

MR VIVIEN NATASEN: No I do not – I did not feel it was necessary to do so.

20 **ADV KATE HOFMEYR:** So something - just back to the Chair's probing earlier – something about this made you want to ask that question. Is that right?

MR VIVIEN NATASEN: Correct. Well the fact that he was still an employee of the State made me ask it.

CHAIRPERSON: Well I am – I am not sure I understand your evidence

that it is the fact that he was employed by the state that made you ask the question. I would have thought that the reason why you asked him whether the money was clean was because you were – you wanted to avoid keeping somebody's money that was linked to criminality irrespective of whether the State was involved or not. Is that not what – what the concern was about?

MR VIVIEN NATASEN: 100 percent. I think the context of the question was what triggered me in asking the question. The trigger was (intervenes).

10 **CHAIRPERSON:** Yes. No, no I understand that.

MR VIVIEN NATASEN: But obviously I would never allow a criminal or allow the company to be used deliberately or intentionally for a criminal act in that way.

CHAIRPERSON: So therefore the fact that he was employed by the State should have been neither here nor there.

MR VIVIEN NATASEN: In my mind it was one of the triggers that made me ask that question at that point in time but I agree when we do business with anyone you would not want that business to be exposed in anyway.

20 **CHAIRPERSON:** Because it – it creates the impression as if you did not want to be involved in any illegal money if the State was involved?

MR VIVIEN NATASEN: Yes.

CHAIRPERSON: But you did not mind if the State was not involved?

MR VIVIEN NATASEN: No, no.

CHAIRPERSON: That is the impression it creates in my mind.

MR VIVIEN NATASEN: No, no. It is the converse is not true in that instance.

CHAIRPERSON: Well I would have thought that all you said is if I am going to keep anybody's money I want to know that it is clean irrespective of whether the ...

MR VIVIEN NATASEN: That is true. That is true.

CHAIRPERSON: State is involved or not.

MR VIVIEN NATASEN: Yes. That is true.

CHAIRPERSON: Hm.

10 **ADV KATE HOFMEYR:** But you have never had occasion to ask anyone else ever?

MR VIVIEN NATASEN: No.

ADV KATE HOFMEYR: I would then like to just pick up on a few things in relation to your testimony in response to the Chair's questions. You mentioned that you thought it was envisaged that that the venture would involve about R100 million. Is that correct?

MR VIVIEN NATASEN: The initial thinking was there but the applications ended up much different. At the end the final business case was much different to that.

20 **ADV KATE HOFMEYR:** Right. So are we talking about as it was envisaged in October 2015?

MR VIVIEN NATASEN: Correct.

ADV KATE HOFMEYR: Right and as I understand you were going to get a loan for 80 percent and then each of you and Mr van Wyk were going to contribute 10 million. Is that correct?

MR VIVIEN NATASEN: Correct.

ADV KATE HOFMEYR: Right. Then we move from November when the funds come in to December when the funds start going out. I understood your evidence to be he called you in relation to the four million. That was the first tranche that went out and made reference to a property he was purchasing in Blue Valley. Is that correct?

MR VIVIEN NATASEN: Yes.

ADV KATE HOFMEYR: And then a few days later tell us what explanation he gave for the three million?

10 **MR VIVIEN NATASEN:** It was the same issue – the same – for the same property.

ADV KATE HOFMEYR: Did he specifically say that or was that an assumption you made?

MR VIVIEN NATASEN: That is an assumption I made.

ADV KATE HOFMEYR: So there was only one call in relation to 11 December in which he said I need some money because of a property acquisition. Is that right?

MR VIVIEN NATASEN: Yes for the property but I knew the property value. He indicated the property was close to nine million. So I made
20 the assumption then that the further three million was against the same property.

ADV KATE HOFMEYR: And what else about that property? Was it going to be a residential property for him? What did he tell you?

MR VIVIEN NATASEN: Ja. He said it was a residential property.

ADV KATE HOFMEYR: So he was buying a home for himself?

MR VIVIEN NATASEN: Correct. Upgrading – I believed he lived in Blue Valley already.

ADV KATE HOFMEYR: Right.

MR VIVIEN NATASEN: So he was – he had found another home that he wanted to acquire there.

ADV KATE HOFMEYR: I understand and so when he asked for the four million you assumed it was related to that. There was not a further conversation by 22 December but – about the property but there was a request for another three million?

10 **MR VIVIEN NATASEN:** Correct.

ADV KATE HOFMEYR: How did that request come through?

MR VIVIEN NATASEN: I cannot recall whether it was a phone call or a message.

ADV KATE HOFMEYR: So by 22 December seven million of the original 9.9 million has been moved out of Neo Solutions account. Correct?

MR VIVIEN NATASEN: Back to Van Wyk, yes.

ADV KATE HOFMEYR: Yes. Well let us ...

MR VIVIEN NATASEN: Well any entity he purported to have.

20 **ADV KATE HOFMEYR:** Okay. So Mr van Wyk wants to buy a property – a residential property Blue Valley but he does not want you to give the funds to him. Does he?

MR VIVIEN NATASEN: Well following from the reasoning he is putting it into a company. I – I assume the company that he used would have been his property investment company.

ADV KATE HOFMEYR: Did you ask him that?

MR VIVIEN NATASEN: No I did not. I did not ask him that. So if I can refer you to – I must find it in your bundle now.

ADV KATE HOFMEYR: Are we going to your statement of this morning?

MR VIVIEN NATASEN: Ja. My – my most – my statement of this morning.

ADV KATE HOFMEYR: Chair you will find that at 2-3-8.6-1.

CHAIRPERSON: 2-3-8.6-1?

10 **ADV KATE HOFMEYR:** Correct Chair thank you.

MR VIVIEN NATASEN: Sorry. I am just obviously trying to pick up the numbering.

ADV KATE HOFMEYR: You will find it I think Mr Natasen – I am jumping ahead of – but I think you will find it at 2-3-8.6-5 at paragraph 23.

MR VIVIEN NATASEN: No I know where my ...

ADV KATE HOFMEYR: Oh.

MR VIVIEN NATASEN: I am referring – I am looking an affidavit by one of

20 **ADV KATE HOFMEYR:** Apologies.

MR VIVIEN NATASEN: My accounting team. It was submitted this morning. It is just that ...

CHAIRPERSON: Well if you tell Ms Hofmeyr the name of the deponent to that affidavit. She might help you.

MR VIVIEN NATASEN: The affidavit from Jerome Jones.

ADV KATE HOFMEYR: Yes. You will find that at 2-3-8.1-3-8.

MR VIVIEN NATASEN: 1-3-8. Okay. So Jerome Jones is – is an accounting staff member in our office. The main accountant of our office at that point in time was – was a guy named Eugene Reuben and he was the one who had the – the banking account tags and did all of the accounting processing. Eugene sat alongside him doing other secretariat work and other bookkeeping.

So Eugene is no longer a part of the company. He was medically boarded in around June last year I think it was. So we – this
10 affidavit is from Jerome who was in the – obviously in the office at the time when Van Wyk engaged with Eugene in terms of effecting the payments. So when Van Wyk called me to say he wanted the money back he did not specify to me then that he was not returning Koreneka or going somewhere else.

He did not even give me the company name he was going to. So in the discussion with Eugene was when he specified that it must be paid to Batsamai's account.

ADV KATE HOFMEYR: So just let me get clear on that. The conversation he has with you is about Blue Valley and a property ...

20 **MR VIVIEN NATASEN:** And a property.

ADV KATE HOFMEYR: He wants to purchase.

MR VIVIEN NATASEN: Correct.

ADV KATE HOFMEYR: Right. That is the end of your conversations with him?

MR VIVIEN NATASEN: Yes.

ADV KATE HOFMEYR: On this topic?

MR VIVIEN NATASEN: Then I message Eugene to say Brian wants some of his money back and he must work with him.

ADV KATE HOFMEYR: Is that precisely what you said? Brian wants some of his money back ...

MR VIVIEN NATASEN: Yes.

ADV KATE HOFMEYR: And you must work with him?

MR VIVIEN NATASEN: Yes.

ADV KATE HOFMEYR: Why did not you say well his contribution is 10
10 million and now four million and maybe some more is going to come out
of the company?

MR VIVIEN NATASEN: Brian always gave the indication that there was going to be further funds that he was getting. He always led us to believe there was more money to that he was going to earn and that he will always top back his – his – to get to his investments there.

ADV KATE HOFMEYR: So at the point that they start being removed from the Neo Solutions account first on 11 December was your attitude well we are not holding them anymore for this farming venture because he is now using them for himself?

20 **MR VIVIEN NATASEN:** Well it was more the fact that the farming venture was already being assessed. There were business plans created. There was a specific team appointed. So we had four staff members from our – from Neo Solutions who were assisting. I even recruited a person specifically on farming internally. The other members who were there were if the deal turns on they would get a –

an appointment letter with it.

That is the specialist on the feedlots and the specialist on the meat distribution but Brian was working with that team. So there was a level of comfort that he was still in the deal and that he would bring his money back.

ADV KATE HOFMEYR: But then the money did not need to be there with you at that time for the deal?

MR VIVIEN NATASEN: Because we were still busy. As I said ...

ADV KATE HOFMEYR: If you could just answer that, yes or no.

10 **MR VIVIEN NATASEN:** It did not need to be there.

ADV KATE HOFMEYR: Thank you.

MR VIVIEN NATASEN: Right. The – the basis was that we needed to secure offtakes first. So the core part of the business case was to engage firstly with the understanding where we could secure off takes from and I mentioned retail chain stores. We had engagements with a few of them and then on – we were looking towards getting export to China.

It took us six to eight months from what I understand to secure a meeting with the Department of Agriculture where they
20 established that there was a quota system in place for export to China and therefore – and five companies had already been allocated their quotas. So therefore we could not get an opportunity to export to China.

So then we shifted the focus away from the – from export to China towards other international offtakes like the Middle East and then

as well as still focused on the local offtakes but that that took a lot of time to get that part of the business case going because it was pointless us buying a farm without having the end user in mind.

ADV KATE HOFMEYR: So there was no need in October or November 2015 for you to hold R10 million in relation to the business venture?

MR VIVIEN NATASEN: Specifically for farming there was no need to hold it for farming but the initial discussions spoke about other ventures too.

10 **ADV KATE HOFMEYR:** I am so sorry.

CHAIRPERSON: Was there any reason Mr Natasen ...?

MR VIVIEN NATASEN: Sorry.

CHAIRPERSON: Was there any reason for you to keep the money during that time? Was there any reason other than farming?

MR VIVIEN NATASEN: No, no.

CHAIRPERSON: Farming was not a reason.

MR VIVIEN NATASEN: There was no other tangible business.

CHAIRPERSON: Farming was not a reason for you to hold this money.

MR VIVIEN NATASEN: Hm.

20 **CHAIRPERSON:** Was there any other reason for (intention)?

MR VIVIEN NATASEN: No other direct opportunity was mentioned.

CHAIRPERSON: Yes.

MR VIVIEN NATASEN: The intention was to get something going but not specifics at that point.

ADV KATE HOFMEYR: Ja.

CHAIRPERSON: And he could – he could have kept the money himself?

MR VIVIEN NATASEN: Correct, yes I agree.

CHAIRPERSON: Until such time that it was required for whatever then he could pay it over?

MR VIVIEN NATASEN: Yes I agree.

CHAIRPERSON: So during that time you were holding millions of Rands from Mr van Wyk that he said did not want to touch his bank – bank account. Somebody that from what he told you was scared of
10 lifestyle audits and you kept that money?

MR VIVIEN NATASEN: Yes.

CHAIRPERSON: And somebody who was – who was scared of lifestyle audits should that not say to you there is something wrong with - with this person?

MR VIVIEN NATASEN: Chair as I said his undertakings were always that the money was clean.

CHAIRPERSON: No, no, no. Let us talk about lifestyle audits. From what you have told me he said to you about lifestyle audits. It seems that he was scared of a lifestyle audit being done on him by his
20 employer. Is that not so?

MR VIVIEN NATASEN: Well he made it look like it was based on the fact that he did not want them aware of what money he was making.

CHAIRPERSON: Okay.

MR VIVIEN NATASEN: Maybe he is scared – I do not know whether the scared is the right word.

CHAIRPERSON: *Ja*, maybe ...

MR VIVIEN NATASEN: But he did not want them aware. He
(intervenes).

CHAIRPERSON: *Ja*, but he did not want the lifestyle audits?

MR VIVIEN NATASEN: He mentioned jealousy, yes.

CHAIRPERSON: He did not want the lifestyle audit? Is it fair to say
that is what could be inferred from what he told you about lifestyle
audits?

MR VIVIEN NATASEN: Yes possibly.

10 **CHAIRPERSON:** *Ja*.

MR ANDRE PIENAAR: Chair – Chair sorry.

CHAIRPERSON: Yes.

MR ANDRE PIENAAR: May I just (intervenes)?

CHAIRPERSON: Come forward Mr Pienaar.

MR ANDRE PIENAAR: Sorry Chair. With respect ...

CHAIRPERSON: Yes.

MR ANDRE PIENAAR: I think a bit much has been made of the
lifestyle audit issue.

CHAIRPERSON: Yes.

20 **MR ANDRE PIENAAR:** Most people are concerned about lifestyle
audits primarily because of SARS.

CHAIRPERSON: *Ja* but Mr Pienaar what is your objection.

MR ANDRE PIENAAR: The objection is that we have now you have
asked the same question to my client several times.

CHAIRPERSON: Mr Pienaar ...

MR ANDRE PIENAAR: I do not understand why ...

CHAIRPERSON: Mr Pienaar ...

MR ANDRE PIENAAR: A lifestyle audit is such an issue. He has explained ...

CHAIRPERSON: What is the legal basis for your objection?

MR ANDRE PIENAAR: Well the basis for my objection Chair is the fact that this is the fourth or fifth time that you have revisited the lifestyle audit issue and speculated – asked my client to speculate regarding ...

CHAIRPERSON: Mr Pienaar ...

10 **MR ANDRE PIENAAR:** Yes.

CHAIRPERSON: Nobody has asked your client to speculate.

MR ANDRE PIENAAR: You have with all due respect you have.

CHAIRPERSON: Mr Pienaar what are your submissions?

MR ANDRE PIENAAR: My submission is that I think we should leave the lifestyle audit issue behind because it takes the matter no further. Once again I am trying to understand the relevance ...

CHAIRPERSON: Mr Pienaar ...

MR ANDRE PIENAAR: Of the questioning?

20 **CHAIRPERSON:** Is there anything else you want to say in support of your objection?

MR ANDRE PIENAAR: I would like to say that Mr van Wyk's intentions have to be explored with Mr van Wyk not with my client. My client understood that there was a certain business relationship in play ...

CHAIRPERSON: Mr Pienaar sit down. Sit down. You are overruled. Ms Hofmeyr continue.

MR ANDRE PIENAAR: Thank you. As long as my objection was noted.

CHAIRPERSON: Your objection is overruled. Mr Natasen I am asking you the question. A lifestyle audit is meant to see whether your lifestyle is in accordance with your means. Is it not?

MR VIVIEN NATASEN: Correct according to my understanding.

CHAIRPERSON: And anybody whose lifestyle is in accordance with their legitimate means should have no problems with a lifestyle audit. Is that correct?

MR VIVIEN NATASEN: Chair as I said he mentioned lifestyle audits but
10 he did not mention it from – that he was hiding from it.

CHAIRPERSON: Yes. Mr Natasen it will help if you answer the question first yes or no. If you want to elaborate then you can elaborate but let me know what the answer is first. Okay. I repeat. Do you agree that anybody whose lifestyle is in accordance with his legitimate means should have no problem with a lifestyle audit?

MR VIVIEN NATASEN: Agree.

CHAIRPERSON: But in this case from what Mr van Wyk told you is it fair to say he did not want a lifestyle audit to be conducted on him?

MR VIVIEN NATASEN: I cannot assume that he did not want one. All
20 he said to me was that he did not – he wanted the funds to be held for him.

CHAIRPERSON: Because one of the things he did not want was a lifestyle audit. That is my understanding.

MR VIVIEN NATASEN: But he used the word jealousy of ...

CHAIRPERSON: Hm.

MR VIVIEN NATASEN: Of fellow employees. That is all he used was jealousy. I cannot answer whether he wanted or did not want a lifestyle audit. I am assuming those were done as a matter of course.

CHAIRPERSON: What did he say about a lifestyle audit? Maybe I misunderstood you.

MR VIVIEN NATASEN: He said that if people are aware that he is making money from private ventures in his – obviously at SAA. He did not mind disclosure but it was preferable that he did not put it there because there is jealousy by fellow employees of the company. That is
10 what he said.

CHAIRPERSON: Thank you Ms Hofmeyr continue.

ADV KATE HOFMEYR: Thank you Chair. I would then like to go to how you have described the services that Neo Solutions was going to render on this farming venture but I have your evidence through this latest engagement to be as at the time you received them initially there was no need to hold them for the farming venture. Correct?

MR VIVIEN NATASEN: Correct.

ADV KATE HOFMEYR: And by the time they had left all of them by March 2016 I take it they were still not required to be with you
20 otherwise you have taken up the issue with Mr van Wyk. Would you not?

MR VIVIEN NATASEN: That is correct.

ADV KATE HOFMEYR: So in 9.9 million, out 9.9 million four months later. At no point in that period were the funds required to be in Neo Solutions for the purposes of the farming venture?

MR VIVIEN NATASEN: Not to that point no.

ADV KATE HOFMEYR: Let us go to page 59 of Annexure DD10A. You will see at paragraph 8.6 on that page as I understand it you list the advisory services that Neo Solutions was going to be performing in relation to the farming venture. Is that correct?

MR VIVIEN NATASEN: That is correct.

ADV KATE HOFMEYR: You talk there about a verbal agreement between what are referred to as the shareholders there. Who are they?

MR VIVIEN NATASEN: The shareholders of – you are talking about the
10 farming venture shareholders?

ADV KATE HOFMEYR: Yes. You have defined ...

MR VIVIEN NATASEN: So then ...

ADV KATE HOFMEYR: It as such.

MR VIVIEN NATASEN: So at this point in time it was – would have been Van Wyk, myself and Jose Mashele.

ADV KATE HOFMEYR: What point in time are we at?

MR VIVIEN NATASEN: This – at this point it is prior – when the business case started to become a reality ...

ADV KATE HOFMEYR: Hm.

20 **MR VIVIEN NATASEN:** It should have been timing wise around middle of 2017.

ADV KATE HOFMEYR: Yes.

MR VIVIEN NATASEN: If not a little bit earlier.

ADV KATE HOFMEYR: Yes. That accords with some of the documents that you provided to the Commission which we might look at in due

course. Then I do have a follow up question. Why are these services that were going to be performed in mid-2017 relevant at all to the funds received at the end of 2015 and paid out by March 2016?

MR VIVIEN NATASEN: I do not understand the question.

ADV KATE HOFMEYR: Okay. I will repeat it.

MR VIVIEN NATASEN: Why was the services related to the funds?

ADV KATE HOFMEYR: What are services that were going to be performed by Neo Solutions in mid-2017 relevant at all to Neo Solutions receipt of 9.9 million in November 2015 and paid out by March 2016?

10 **MR VIVIEN NATASEN:** No, I do not think that is the right picture. So Neo Solutions was conducting the feasibility anyway. We had made a decision as Neo Solution. Well, me made a decision as the shareholder of Neo to look at creating a new business in any event whether Mr Van Wyk or not came along for the ride. When he got wind of those discussions, he asked to be part of the project at that point. So Neo Solutions was always going to look at the farming venture respective of Mr Van Wyk's existence or not.

ADV KATE HOFYMEYER: When Judy asked to be part of the venture?

20 **MR VIVIEN NATASEN:** That is in October, toward the end of October 2015 as we were discussing it. So our modus operandi is Neo Solutions would perform these advisory services irrespective right. Then when the business unit is created, Neo Solutions would get its success fee which will then be paid back to itself for managing incubating this business as well as get contracts for support services, technology and so on going forward. That is our normal, that is how I normally do it.

ADV KATE HOFYMEYER: Mr Natasen, then you will just have to help me about paragraph 8.6.

MR VIVIEN NATASEN: Okay.

ADV KATE HOFYMEYER: Paragraph 8.6 talks about I understand it the services that Neo Solutions was going to perform in relation to these farming venture. Correct?

MR VIVIEN NATASEN: Correct.

ADV KATE HOFYMEYER: And you say those services were to be performed from May 2017. Correct?

10 **MR VIVIEN NATASEN:** No, the services had commenced earlier anyway but the fact that when more shareholders came on like Brian and José there was agreement that there would be a success fee paid to Neo Solutions once the enterprise got turned on.

ADV KATE HOFYMEYER: So the agreement refers to hear is an agreement in mid-2017?

MR VIVIEN NATASEN: The agreement when there were other shareholders at the table. However, there was always a condition from the start that if the venture became successful and got turned on that Neo Solutions would be entitled to a success fee even if I was the sole
20 shareholder of the business going forward; of the farming venture going forward.

ADV KATE HOFYMEYER: Mr Natasen, we have moved to success fees in a circumstance where I understand the original explanation was about Mr Van Wyk's pro rata contribution to the farming venture did not have anything to do with success fees unless I have misunderstood

your evidence.

MR VIVIEN NATASEN: Well, maybe a misunderstanding your question then because I thought we were talking about how Neo Solutions is going to be remunerated for its role in getting the project going.

ADV KATE HOFMEYER: Let me be absolutely precise so that we do not miss each other. How was Neo Solutions going to be remunerated for the services that are listed at paragraph 8.6 on the page?

MR VIVIEN NATASEN: So on successful execution of creating the farming venture, there would be a success fee build to the farming
10 venture from Neo Solutions to remunerate it for services performed.

ADV KATE HOFMEYER: But as a matter of fact I have your evidence to be those services as are generally described here. Let us go through them, necessary initial investigations into the feasibility, engagement with third party stakeholders about owners of required farmsteads, attending to preparation of necessary plans for the foundation and establishment of the farming venture and other advisory consultancy and ancillary services. Had those commenced earlier?

MR VIVIEN NATASEN: The services commenced but we were not entitled to invoice or bill for anything until we go to a successful
20 conclusion of a transaction.

ADV KATE HOFMEYER: And that was going to be around mid-2017 had come to fruition?

MR VIVIEN NATASEN: Had it come to fruition yes.

ADV KATE HOFMEYER: So, there was going to be services throughout for which Neo Solutions would not be remunerated?

MR VIVIEN NATASEN: No, not the other way. We were, okay there is staff, our business is in the business of selling time. So there is timesheets from all the people that are involved with doing work. So we then create a project code for the time relating to the investment into a particular project. That is certainly a working progress. So when we either land a project or we secure a business transaction then the success fee will be significantly more than is having invoiced a client just for time and profit. So it was a success fee driven assignment like I have done with many others. It is like corporate finance business. A
10 lot of deals get done where the entity advising the transaction would only earn a success fee as a percentage of the transaction but they would incur costs along the way which they carry on their own books. So I have structured it in exactly the same way.

ADV KATE HOFMEYER: So I think what might help us Mr Natasen is something you said earlier in your testimony a few moments ago. As I have not you said something like if the farming venture was to happen Mr Van Wyk wanted to participate in it. Is that a fair reflection of what he was saying in October 2015?

MR VIVIEN NATASEN: No Mr, ja well if.

20 **ADV KATE HOFMEYER:** Because at that point just to follow up in fairness to you Mr Natasen, there was not a farming venture yet. Was there?

MR VIVIEN NATASEN: No, there was a vision of creating one. Let us call it that. There was a bit of work done on supply-chain and logistics of what would be required to be able to service and give effect to it and

then we were at that point starting to understand what is the cost or what size of farming operation would be required to service this kind of operation. That is where we were in October 2015.

ADV KATE HOFMEYER: So.

MR VIVIEN NATASEN: The fleshing out of that we had indicative workings to get to the 100 million but there was obviously a lot of fleshing out that had to happen as well as securing offtakes to make the deal work.

ADV KATE HOFMEYER: Mr Natasen, I must say that explanation does
10 than accord with your letter of follow-up when Mr Van Wyk kept directing you to disburse these funds to various entities. Because at that point it was only if the farming venture came to bear fruit that he would be making a contribution. Is that correct?

MR VIVIEN NATASEN: That is correct.

ADV KATE HOFMEYER: Yes, so let's... (intervention).

MR VIVIEN NATASEN: At the time when a loan was approved is when our equity contribution needs to be raised. So if that was intended to be around June 2017 or even a little bit later because we lost time on the China issue then so be it but the intention was that his funds was
20 technically only needed at the point when we had the loan approval to be able to then reflect the equity on our side.

ADV KATE HOFMEYER: So between November 2015 and March 2016 you were just holding his money for him because he did not want to it to sit in his bank account?

MR VIVIEN NATASEN: Well, the intention was always to put it into the

investment at some point.

ADV KATE HOFMEYER: But Mr Natasen, you had no difficulty with him depleting all of those funds by March 2016. Correct?

MR VIVIEN NATASEN: When the transaction was not running as smoothly or as quickly as I thought it would then we had obviously then when he asked for his money I felt it was he is and I returned it.

ADV KATE HOFMEYER: Because at that stage Neo Solutions had no claim on it. Did they?

MR VIVIEN NATASEN: That is right.

10 **ADV KATE HOFMEYER:** That is actually what your, I think it is your accountant said as I have it from his affidavit.

MR VIVIEN NATASEN: Correct.

ADV KATE HOFMEYER: He said it is Van Wyk's funds. So he must get them back when he wants them. Correct?

MR VIVIEN NATASEN: Correct.

ADV KATE HOFMEYER: Let us talk about what he was told. He was told to pay them to Batsamai Investment Holdings. Were you aware of that at the time?

MR VIVIEN NATASEN: No, not at the time.

20 **ADV KATE HOFMEYER:** Did you follow up with your accountant as to where those funds were going to be paid?

MR VIVIEN NATASEN: No, I did not. Not at the time.

ADV KATE HOFMEYER: Why not?

MR VIVIEN NATASEN: I just got confirmation that he had given Brian his money

ADV KATE HOFMEYER: And in your mind did that mean he had paid them back into Brian's account was that your assumption?

MR VIVIEN NATASEN: I assumed it went back to Brian's account.

ADV KATE HOFMEYER: Would you have been surprised if you had heard it had been directed to some entity called Batsamai Investment Holdings?

MR VIVIEN NATASEN: I only found out it was paid to Batsamai when I, when Jodie approached me.

ADV KATE HOFMEYER: So we are now in September 2017?

10 **MR VIVIEN NATASEN:** That is right.

ADV KATE HOFMEYER: So you were relying on Mr Van Wyk's word at this point; he had called you; he said he wants to buy property in Blue Valley and got him to contact your accountant about getting his money back to him. Is that a fair summary?

MR VIVIEN NATASEN: That is right.

ADV KATE HOFMEYER: And you made no inquiries as to as a matter of fact to whom those funds were going to be paid?

MR VIVIEN NATASEN: No, I did not at the time no.

20 **ADV KATE HOFMEYER:** And nothing about the previous dealings with him where he was worried about lifestyle audits and the money not hitting his bank account. Did that not give you caution to make sure to him the monies are going to be paid?

MR VIVIEN NATASEN: It was his money so I took the view, I actually at that point thought it went back to him personally. I did not know it was going to what he purported to the accountant was a property

holding company.

ADV KATE HOFMEYER: Mr Natasen, if that had been your thought did you follow up with Mr Van Wyk why his position had moved from November of 2015 when he did not want it to hit his account to a new position a month later where he was happy for it to hit his account?

MR VIVIEN NATASEN: I was away on a project. I did not even think to ask it.

CHAIRPERSON: Well, Mr Natasen, you say you thought that the money was going into his account?

10 **MR VIVIEN NATASEN**: No, Chair, I did not think to ask any question around it. All we knew was he wanted his portion back urgently and that I said that is fine it is your money you can take it back.

CHAIRPERSON: Yes, no, no did not understand you correctly that you just said you thought the money was going to go into his account? That is what I want to check first.

MR VIVIEN NATASEN: Ja, I am not sure which account it would have gone to. All I said we reimbursed him.

CHAIRPERSON: No, Mr Natasen, all I am doing at this stage is trying to understand whether I heard you correctly. So my question is whether
20 a few minutes ago you said you thought the money was going to go into his bank account. That is what I want. Did you see that a few minutes ago or did you not say that?

MR VIVIEN NATASEN: No, I, maybe I thought it was his own account. I am not sure. The point is I only knew that he requested his money for an urgent acquisition of a property and I said go ahead. I did not think

as to which account. At that point in time it did not cross my mind.

CHAIRPERSON: Yes, okay let me repeat again. Is my understanding correct that a few minutes ago you said you thought the money was going to go into his account? Did I understand you correctly?

MR VIVIEN NATASEN: I am not sure.

CHAIRPERSON: Or you cannot remember?

MR VIVIEN NATASEN: Ja.

CHAIRPERSON: Okay, alright. Ms Hofmeyer I do not know whether you might have heard anything along the lines that I am saying.

10 **ADV KATE HOFMEYER**: I certainly heard it in the same way, Chair.

CHAIRPERSON: In the same way?

ADV KATE HOFMEYER: Yes.

CHAIRPERSON: How fast can we have a rewind? It cannot be too far back.

ADV KATE HOFMEYER: It cannot be too far back.

CHAIRPERSON: Ja.

ADV KATE HOFMEYER: We could maybe adjourn for five minutes.

MR VIVIEN NATASEN: Chair I concede.

CHAIRPERSON: Yes.

20 **MR VIVIEN NATASEN**: If I said that that is going to his own account.

CHAIRPERSON: Yes.

MR VIVIEN NATASEN: My understanding was it was his money. I did not think whether it is going to his personal account or anything else. All I said was it is your money you can have it back., right.

CHAIRPERSON: Yes.

MR VIVIEN NATASEN: So if I did say his own account now that is an error. I did not think it would go to his personal account.

CHAIRPERSON: Okay. Please repeat that I do not want to misunderstand anything.

MR VIVIEN NATASEN: There is.

CHAIRPERSON: Ja, the last part.

MR VIVIEN NATASEN: At that point in time when he requested his funds all I said was it is your money you can have it back. I did not contemplate at the time whether it goes to his personal account or back
10 to Coroneker or any other account because at that point I was not even aware of a dispute he was having at Coroneker.

CHAIRPERSON: Hm.

MR VIVIEN NATASEN: So in my mind it might have even gone back there.

CHAIRPERSON: But based on what he had told you before that he did not want the money to touch his bank account, is not there a position that you could not therefore have thought that the money was going to be paid to his account?

MR VIVIEN NATASEN: His personal account.

20 **CHAIRPERSON**: Because that would be touching his account.

MR VIVIEN NATASEN: It would be to an entity under his control but not these personal account.

CHAIRPERSON: Yes but should not that have heightened your suspicion about this money that never goes into the accounts of this person even after, is it about a month after you received it he wants it

but it will not go into his account? It has got to go somewhere else.

MR VIVIEN NATASEN: Chair, in the context of it there were previous discussions where he spoke about wanting to upgrade his home. So when he phoned me it was on the basis of upgrading his home. So I did not think that it was any issue with it because it correlated with previous discussions that he wanted the money to acquire that property.

CHAIRPERSON: And or is it later where you wanted a certain amount in cash?

10 **MR VIVIEN NATASEN**: Ja, that is later.

CHAIRPERSON: That is later?

MR VIVIEN NATASEN: That is later.

CHAIRPERSON: Okay.

ADV KATE HOFMEYER: Chair, will get to that in due course. If I may just one or two follow-up questions. Mr Natasen, he is indicating to you at the early, well 11th of December 2015 that he wants the funds back for a purchase of the property. Correct?

MR VIVIEN NATASEN: Yes.

ADV KATE HOFMEYER: At that stage you do not make inquiries as I
20 have it as to, to whom the funds are in fact going to be paid. Correct?

MR VIVIEN NATASEN: I did not at the time, no.

ADV KATE HOFMEYER: Is that not something that you should have been aware of given that these are transactions taking place in your company which are going to have to be accounted for in due course?

MR VIVIEN NATASEN: So with the way my accountant had posted the

transaction it was sitting in a loan account. Yes, incorrectly so it was sitting in my shareholder loan account. It should have been in a suspense account but to me when he, there was 9.9 million sitting in the suspense account of some sort, currently my loan account. When he requested funds it was then drawn off that to return to him. That is how I saw it from where I was sitting but my accountant obviously processed the payment because when I authorized him to go ahead he then processed the payment under Brian's direction.

ADV KATE HOFMEYER: Mr Natasen, let me just be clear. I know we
10 are talking about what accounting entry it was given and you seem to have made a concession that it should not have been entered against your loan account. We will come back to that. I am interested in whether is relevant for you to know as the sole director shareholder of Neo Solutions as well as the person who signed off on the financial statements relevant to this period. That you need to know to whom funds are paid by Neo Solutions.

MR VIVIEN NATASEN: Well my understanding was it was paid to Brian's company or to Brian.

ADV KATE HOFMEYER: Oh sorry. Mr Natasen, I understand your
20 previous evidence to have been you made no inquiries as to the identity of the person to whom it was paid. Did I understand that evidence incorrectly?

MR VIVIEN NATASEN: No, I did say that. I said Brian worked with my accountant to give them the details of where to pay it to.

ADV KATE HOFMEYER: So you yourself Mr Natasen made inquiries as

to, to what entity or person those funds were paid?

MR VIVIEN NATASEN: I did not myself asked my accountant where was it paid to, no.

ADV KATE HOFMEYER: Because as I understand your earlier evidence, you only discovered it was page to this entity Batsamai Investment Holdings much later?

MR VIVIEN NATASEN: That is right.

ADV KATE HOFMEYER: Mr Natasen as I have one of your previous versions, I will just have to remind myself as to which it is. You
10 indicated that Mr Van Wyk had told you that he owned Batsamai Investment Holdings. Do you remember having given that version?

MR VIVIEN NATASEN: I do not recall but I think it might be there.

ADV KATE HOFMEYER: So how did that conversation come about if you only heard about Batsamai Investment Holdings in September 2017?

MR VIVIEN NATASEN: No, that is not correct. I did not know about Batsamai until Jodie brought it to my attention.

ADV KATE HOFMEYER: So there had not been a discussion with Mr Van Wyk in which he said he is the owner of Batsamai Investment
20 holdings?

MR VIVIEN NATASEN: No.

ADV KATE HOFMEYER: Mr Van Wyk, if we can then go.

MR VIVIEN NATASEN: Natasen.

ADV KATE HOFMEYER: Apology. I do that. Chair, I do it regularly.

CHAIRPERSON: It is not the first time you do it.

ADV KATE HOFMEYER: And it generally happens at around three o'clock in the afternoon. There is actually some consistency.

CHAIRPERSON: I think I will allow the witnesses to fine now you if you do that again.

ADV KATE HOFMEYER: They must. Mr Natasen, I do apologize and if I do it again is a standing apology. Right Mr Natasen, let us then go to the financial treatment of this receipt of funds and disbursement of funds. As I have it, you are involved in preparing the financial statements of Neo solutions. Is that correct?

10 **MR VIVIEN NATASEN:** No, not me.

ADV KATE HOFMEYER: You are not?

MR VIVIEN NATASEN: Not me personally.

ADV KATE HOFMEYER: No, who does it?

MR VIVIEN NATASEN: At that point in time it was Eugene Ruben.

ADV KATE HOFMEYER: Right, so let us go in DD10 if we may A to page 205. Well, actually let us start a few pages earlier at the commencement of the annual financial statements at page 201. Chair if you may give me one moment.

CHAIRPERSON: Yes.

20 **ADV KATE HOFMEYER:** Okay. Are these the financial statements of Neo Solutions for the year ended 29 February 2016?

CHAIRPERSON: Have you found the right page Mr Natasen?

MR VIVIEN NATASEN: I am on page 201.

ADV KATE HOFMEYER: Yes, I am just asking if the documents that then follow are the 29 February 2016 annual financial statements of

Neo Solutions?

MR VIVIEN NATASEN: That is right yes.

ADV KATE HOFMEYER: And if we go over to page 205, is that your signature on the page?

MR VIVIEN NATASEN: Yes.

ADV KATE HOFMEYER: What does your signature signify on the page?

MR VIVIEN NATASEN: It is a director's responsibility and approval.

ADV KATE HOFMEYER: Right so let us start at the first paragraph. It reads as I have it, the director is required by the Company's Act of
10 South Africa to maintain adequate accounting records and is responsible for the content and integrity of the annual financial statements and related financial information included in this report. Do you see that?

MR VIVIEN NATASEN: Yes.

ADV KATE HOFMEYER: It is his responsibility to ensure that the actual financial statements fairly present the state of affairs of the company as at the end of the financial year end results of its operations and cash flows for the year then ended. In conformity with South African statements have generally accepted accounting practice.
20 Do you see that?

MR VIVIEN NATASEN: That is right.

ADV KATE HOFMEYER: Is it fair then to read your signature at the end of the page to mean you are the director who has given that confirmation?

MR VIVIEN NATASEN: That is right.

ADV KATE HOFMEYER: And amongst those confirmations is that the financial statement fairly present the state of affairs of the company at the end of the financial year. Correct?

MR VIVIEN NATASEN: That is right.

ADV KATE HOFMEYER: So just to return to the previous question. When I said that you were responsible for them, I understood your answer to be no. Is that right?

MR VIVIEN NATASEN: No, you said responsible for preparing.

ADV KATE HOFMEYER: Apologies. So the preparation was done by
10 someone within your company. Correct?

MR VIVIEN NATASEN: That is right.

ADV KATE HOFMEYER: But you would not have signed this page unless you had satisfied yourself as to the accuracy. Correct?

MR VIVIEN NATASEN: At this point, yes.

ADV KATE HOFMEYER: What does at this?

MR VIVIEN NATASEN: Yes.

ADV KATE HOFMEYER: Thank you. Just before we leave this page, can I ask about the conformity with the South African statements of generally accepted accounting practice in that first paragraph? Why did
20 you refer to them?

MR VIVIEN NATASEN: I think that is the standard, it is a standard template document.

ADV KATE HOFMEYER: Yes.

MR VIVIEN NATASEN: For financials.

ADV KATE HOFMEYER: And can I just confirm, when did you sign this

page?

MR VIVIEN NATASEN: It is not dated so I cannot recall when.

ADV KATE HOFMEYER: You might just see above your signature there is a date in that line.

MR VIVIEN NATASEN: 11th of August.

ADV KATE HOFMEYER: And what year?

MR VIVIEN NATASEN: 2016.

ADV KATE HOFMEYER: Are you aware that the South African statements of generally accepted accounting practice were not
10 applicable in August of 2016?

MR VIVIEN NATASEN: Well, as I said it was a template that we signed off.

ADV KATE HOFMEYER: My question Mr Natasen is, are you aware that they were not applicable in August 2016?

MR VIVIEN NATASEN: No, I do not recall when they were changed but yes I will concede it.

ADV KATE HOFMEYER: So when you signed this you did not satisfy yourself as to the standard that had been used in order to prepare these financial statements?

20 **MR VIVIEN NATASEN**: No, not at the time.

ADV KATE HOFMEYER: Do you know that that is a requirement of a chartered accountant in business?

MR VIVIEN NATASEN: Yes, so can I explain how these evolved. So the accounting team would prepare our pack at year end. Then that would be captured into pastel and then they would import them into templates

and then take them across to the accountants and auditors and then they would be checking them then finalizing the preparations and bring it back to me. So these templates actually come from the accounting firm that we had appointed to prepare the financials for us. So it was brought to me, yes I signed it and I am accountable for that signature. But to answer your question directly, I did not apply my mind to whether a GAP or a new standard was being applied.

ADV KATE HOFMEYER: Was that not something you should have been concerned about? Because the standards against which annual
10 financial statements are being prepared is fairly relevant. Is not it?

MR VIVIEN NATASEN: Yes, but we had obviously appointed a firm to do that for us. So I rely on the fact that they have done their homework on that.

ADV KATE HOFMEYER: So you were not aware that GAP as you call it was no longer operational from the 1st of December 2013?

MR VIVIEN NATASEN: Well, I did not check it. It was an oversight by me.

ADV KATE HOFMEYER: Did you know at the time that you signed this that GAP was no longer applicable as from the 1st of December 2013?

20 **MR VIVIEN NATASEN:** I did not know but it was an oversight.

ADV KATE HOFMEYER: Thank you. I then like to move within this document Mr Natasen to a few of its entries but before we get there I am interested in something that you said earlier in relation to the accounting treatment of these funds of 9.9 million. Mr Natasen your previous testimony was that this was a part contribution to a farming

venture that Mr Van Wyk was going to enter into with you. Is that correct?

MR VIVIEN NATASEN: Yes.

ADV KATE HOFMEYER: And for which Neo Solutions was going to be rendering certain services. Correct?

MR VIVIEN NATASEN: If the venture was successful we would be remunerated. We were rendering services anyway but if the venture was successful in turning on then we would be remunerated for it.

ADV KATE HOFMEYER: And if this money had then been paid into Neo
10 Solutions for services that it was going to render it would have qualified as revenue. Would it not?

MR VIVIEN NATASEN: The services we performing, yes.

ADV KATE HOFMEYER: Yes. Let me be clear again just so we are not at cross purposes. If 9.9 had been paid into Neo Solutions for services it was going to render in relation to the farming venture, that would have constituted revenue in the hands of Neo Solutions?

MR VIVIEN NATASEN: No.

ADV KATE HOFMEYER: Why not?

MR VIVIEN NATASEN: The 9.9 million would have been its capital
20 contribution to the shareholding of the business. The invoice that would have gone would have been from Neo Solutions to the new business Distal once it is established for services rendered. So there are two separate lines; the monies received from Van Wyk was not revenue. The monies received from Van Wyk was capital that would have gone into the shareholder.

ADV KATE HOFMEYER: Yes, Mr Natasen but then why not just ask them to keep them and put it into the new entity when that all took off?

MR VIVIEN NATASEN: Yes, that could have happened. I agree with what we know today is what ought to have happened.

ADV KATE HOFMEYER: But then I do not understand why it is to come through Neo Solutions at all.

MR VIVIEN NATASEN: It was, okay. Neo Solutions and I, Neo Solutions is my alter ego. You have asked me a few times now why did not I receive the funds. Now I would not, in my mind Neo Solutions is
10 my transacting entity. It is the one running with the business case to create this enterprise; to receive the monies and implement the enterprise as it happened, it is the entity that would have done it. It would not happen Vivien holding Brian's funds and then transferring it into is shareholding. That thought never crossed my mind to move it to myself. The, but I disagree with you that this is revenue to Neo Solutions. It is not revenue. It can only become revenue when there is a successful transaction that Neo Solutions would have been entitled to invoice the entity Distal for the services rendered in incubating it.

ADV KATE HOFMEYER: Mr Natasen, I do not think we are at cross
20 purposes. My question was, if the funds had been received by Neo Solutions for services it was rendering in relation to the farming activities it would have constituted revenue in the hands of Neo Solutions. Your answer as I understand it talks about what was actually going to happen but if we can just focus on my question. If it is money being paid to Neo Solutions for services that Neo Solutions is rendering

than it is revenue. Correct?

MR VIVIEN NATASEN: But we were not rendering the services... (intervention).

CHAIRPERSON: Hang on, hang on Mr Natasen. Okay take it easy. I think your answer to her question as to be yes because you made the point earlier a few minutes ago that it would only be revenue after services had been rendered if I understood you correctly. That is the same question she is putting. She is saying if that money, if Neo Solutions received that many for services it was rendering that would
10 have been revenue. So rendering already... (intervention).

MR VIVIEN NATASEN: Are you referring?

CHAIRPERSON: Or services it had rendered already or was rendering continuing to render. That is what she is talking about and my understanding is that your answer is likely to be yes.

MR VIVIEN NATASEN: Chair, maybe I am still missing the point.

CHAIRPERSON: Yes.

MR VIVIEN NATASEN: Are we referring to the 9 million, 9.9 million?

CHAIRPERSON: She is referring to that.

MR VIVIEN NATASEN: The 9.9 million was never received for services
20 rendered. It was never... (intervention).

CHAIRPERSON: No, she never said that. She said if. She said if it was received in respect of services that Neo Solutions was rendering.

MR VIVIEN NATASEN: Oh yes. Okay if it was received with the objective of it being for the services then yes.

CHAIRPERSON: Okay.

ADV KATE HOFMEYER: Thank you. Mr Natasen, if you go to page 157 in Exhibit DD10A. Do you see that page?

MR VIVIEN NATASEN: Hm.

ADV KATE HOFMEYER: Do you see about maybe a quarter of the way down there is an entry against the side that says on Wed, March 20th 2019 at 06h17 AM? And then in inverted commas it says Vivien Natasen and then your email address wrote. Do you see that?

MR VIVIEN NATASEN: That is right.

ADV KATE HOFMEYER: Is this ... (intervention).

10 **CHAIRPERSON**: I am sorry. I am at 157. Is that where you are?

ADV KATE HOFMEYER: Yes. I am Chair. It is about maybe more like eighth of the way down in bold towards the left-hand side. You will see the words on.

CHAIRPERSON: First email?

ADV KATE HOFMEYER: The first email ends with Outlook for IOS. Do you see that in blue, Chair towards the top?

MR VIVIEN NATASEN: It is about the fifth line.

CHAIRPERSON: In blue?

20 **ADV KATE HOFMEYER**: Apologies, you do not have a black and white version. That is not acceptable. Chair.

CHAIRPERSON: Well, there is the name Viv and the end of the email?

ADV KATE HOFMEYER: Yes if you go up to the top of the email. I'm just trying to orientate ...(intervention)

CHAIRPERSON: Oh on Wednesday, okay now I can see okay thank you.

ADV KATE HOFMEYR: Yes thank you Chair. Do you see that email Mr Natasen?

MR VIVIEN NATASEN: Yes.

ADV KATE HOFMEYR: Do you confirm that this is an email you sent to Mr Madlala on that date?

MR VIVIEN NATASEN: Yes.

ADV KATE HOFMEYR: If we go to paragraph 2 there I'm drawing your attention to this because as I have it it's very consistent with what you've just said in testimony. You say, this is the 20th of March Chair,
10 just to orientate ourselves, Mr Natasen had had his first meeting with the Commission on the 15th of March where the recording was made and now this is an email on the 20th of March as I have it.

MR VIVIEN NATASEN: That's right.

ADV KATE HOFMEYR: The second paragraph says:

“This serves to confirm our discussion where I confirm to you that we did not have invoices to and from Neo Solutions and Koreneka and Batsamai as the case may be for the flow of funds. When van Wyk had engaged with us with our accounting team they all agreed to use the loan account as
20 this was not for services rendered by us but was in fact the distribution of his share of return in effect his dividend.”

Do you see that?

MR VIVIEN NATASEN: That's correct.

ADV KATE HOFMEYR: Is that your evidence today?

MR VIVIEN NATASEN: Yes it was then and it is today.

ADV KATE HOFMEYR: Thank you, so any discussion of the services that Neo Solutions were going – was going to render in relation to this farming venture is irrelevant to these funds that you received from Mr van Wyk, correct?

MR VIVIEN NATASEN: Correct.

ADV KATE HOFMEYR: Despite the reference that is placed on it in your affidavit of the 13th of June and your statement of this morning?

MR VIVIEN NATASEN: No it is not inconsistent with that, my evidence has always been Neo Solutions was incubating the business case and it
10 was building up its costs along that so there were times when there were travel costs incurred, I was paying the salaries of the contractor, that was appointed to assist in creating the business case, there were costs being incurred by us, but it's in our books as a work-in-progress and we would only ever invoice for the services rendered as a success fee to the entity Dista, we were never going to invoice van Wyk for the services rendered relating to the farming venture.

ADV KATE HOFMEYR: So as between November 2015 and March 2016 the services that Neo Solutions may have been rendering or otherwise in the farming venture has now relevance to the treatment of the funds
20 that you received from Mr van Wyk or paid out on his instructions, correct?

MR VIVIEN NATASEN: Correct yes.

ADV KATE HOFMEYR: Let's go back to the financials then if we may, we were at page 205, and as I have it you've indicated your signature on that page indicates your confirmation that the statements fairly

present the state of affairs of the company as at the end of the financial year and here we're talking about February 2016, correct?

MR VIVIEN NATASEN: That's right.

ADV KATE HOFMEYR: Thank you. You are going to have to assist me a little bit if you don't mind with these financials, we're going to rely on your expertise for that purpose, if we may, as a chartered accountant. If we could go over to page 207, what document is this?

MR VIVIEN NATASEN: That's the balance sheet.

ADV KATE HOFMEYR: And can you just tell us there seem to be two
10 columns on the right hand side, there's one headed 2015 and there's one headed 2016, do you see that?

MR VIVIEN NATASEN: That's right.

ADV KATE HOFMEYR: What does the column headed 2015 reflect?

MR VIVIEN NATASEN: I don't understand, that's the balance sheet values for that year, that financial year.

ADV KATE HOFMEYR: Right so this will show us what the financial position of the business was in – at the end of February 2015, is that right?

MR VIVIEN NATASEN: That's right.

20 **ADV KATE HOFMEYR:** And would it then accord with whatever the financials for 2015 had reflected?

MR VIVIEN NATASEN: Yes.

ADV KATE HOFMEYR: So you could almost line them up side by side and they would be the same is that right?

MR VIVIEN NATASEN: Repeat the question.

ADV KATE HOFMEYR: So if we went and got the 2015 financials and we opened up ...(intervention)

MR VIVIEN NATASEN: The closing balances should reconcile to the opening balances yes.

ADV KATE HOFMEYR: Well no the line items.

MR VIVIEN NATASEN: Ja, ja.

ADV KATE HOFMEYR: All of the line items because as I understand the right hand column it's just helping the reader to see what the financial position was at the year end of the prior financial year,
10 correct?

MR VIVIEN NATASEN: Correct yes.

ADV KATE HOFMEYR: So that should be a reflection of what those financials had contained for this page, correct?

MR VIVIEN NATASEN: Correct.

ADV KATE HOFMEYR: Thank you. Then the other line item I'm interested in on this page is the line item just before the heading total assets, you will see there's a line item that says cash and cash equivalents, do you see that?

MR VIVIEN NATASEN: Yes.

20 **ADV KATE HOFMEYR:** What is that?

MR VIVIEN NATASEN: That should be the bank balances.

ADV KATE HOFMEYR: So is that money in the bank as at the end of February 2016.

MR VIVIEN NATASEN: Yes.

ADV KATE HOFMEYR: So the amount we have there is R384 168,

correct?

MR VIVIEN NATASEN: Yes but we operate on an overdraft, so there should be an amount under liabilities.

ADV KATE HOFMEYR: Well if you go down to bank overdraft there's a nil there.

MR VIVIEN NATASEN: Mmm.

ADV KATE HOFMEYR: Do you see that?

MR VIVIEN NATASEN: Yes, yes.

ADV KATE HOFMEYR: Okay, so just so I can understand the bank
10 overdraft is at nil so cash and cash equivalents is reflecting that in the
bank account of Neo Solutions as at the end of February 2016 there
was R384 168, correct?

MR VIVIEN NATASEN: Ja, but this doesn't appear to be right now.

ADV KATE HOFMEYR: Pardon?

MR VIVIEN NATASEN: This doesn't appear to be right now, there
should have been an overdraft amount. Okay carry on with your
question.

ADV KATE HOFMEYR: Are you concerned that R384 168 doesn't
reflect the position in the bank accounts of Neo Solutions as at
20 February 2016?

MR VIVIEN NATASEN: No that doesn't look right, that looks wrong.

ADV KATE HOFMEYR: So this incorrect?

MR VIVIEN NATASEN: That is incorrect.

ADV KATE HOFMEYR: What was it?

MR VIVIEN NATASEN: I don't have the exact number here.

ADV KATE HOFMEYR: Give me a sense?

MR VIVIEN NATASEN: In terms of – no I have no idea actually what it should be at that time.

ADV KATE HOFMEYR: How do you know it's wrong then?

MR VIVIEN NATASEN: It doesn't look right, from the understanding of the business.

ADV KATE HOFMEYR: So there should have been more in the overdraft?

10 **MR VIVIEN NATASEN:** There should have been, ja more in the overdraft.

ADV KATE HOFMEYR: So that number of cash and cash equivalent should be lower?

MR VIVIEN NATASEN: Yes, and then the overdraft should be there but we have obviously higher limits on that.

ADV KATE HOFMEYR: Okay so as I understand your evidence now there's some error on this page.

MR VIVIEN NATASEN: Mmm.

20 **ADV KATE HOFMEYR:** You can't tell me precisely what it is, but the upshot of it is that what's worrying you is that cash and cash equivalents line should be lower than it currently is reflected, correct?

MR VIVIEN NATASEN: Yes and then the overdraft balance is reflected there.

ADV KATE HOFMEYR: Yes. Okay let's work with that Mr Natasen if we may. I will come back to it in a moment, let's just go over to page 208.

MR VIVIEN NATASEN: That's the income statement.

ADV KATE HOFMEYR: Thank you. So this is an income statement, just tell me at the bottom of the line of 2016 do you see that there's taxation indicated there?

MR VIVIEN NATASEN: Yes.

ADV KATE HOFMEYR: Is that the tax that Neo Solutions paid on that day, sorry for that year.

MR VIVIEN NATASEN: There would be a tax recon but it should be in that region yes.

ADV KATE HOFMEYR: Ja, actually we can find the tax recon I think,
10 let me just see where I made a note of it, oh no we have to go to later financials for the tax recon, but that is indicative, can we leave it at that on page 208 of the tax liability of Neo Solutions for the year ending 2016, is that right?

MR VIVIEN NATASEN: Yes.

ADV KATE HOFMEYR: And we will go to the actual recon in a moment. Let's go over to page 210 if we may.

MR VIVIEN NATASEN: Yes.

ADV KATE HOFMEYR: There's a topic there eight taxation, do you see that?

20 **MR VIVIEN NATASEN:** Yes.

ADV KATE HOFMEYR: And then the second line item there is non-deductible expenses, donations, do you see that?

MR VIVIEN NATASEN: Yes.

ADV KATE HOFMEYR: What were those donations for, or related to?

MR VIVIEN NATASEN: I can't recall. It's 2016, it would have been

around 2015 sometime.

ADV KATE HOFMEYR: You would still have accounting records for that would you not?

MR VIVIEN NATASEN: We should do ja.

ADV KATE HOFMEYR: Yes the obligations keep them for five years correct?

MR VIVIEN NATASEN: Yes.

ADV KATE HOFMEYR: So if we wanted to explore with you what those donations were for you would be able to provide those records.

10 **MR VIVIEN NATASEN:** I'll be able to unpack them yes.

ADV KATE HOFMEYR: You are aware are you not that a summons, which required you to produce documents today included amongst other things these types of items, is that correct?

MR VIVIEN NATASEN: That's right.

ADV KATE HOFMEYR: Those documents haven't yet been provided to the Commission, correct?

MR VIVIEN NATASEN: I think – I don't know if I can deal with that now maybe, if it will help.

ADV KATE HOFMEYR: Sure.

20 **CHAIRPERSON:** Yes.

MR VIVIEN NATASEN: So Chair when we got the request for this information the – I obviously got it onto our accounting team to look at, then we started to assemble the documents and somewhere between us and the accounting firm we were unable to trade a lot of the electronic version of the record so although the hard copies are all there, what we

found after the auditors or the accounting firm got the summons we had a meeting on Wednesday and on Wednesday it transpired that there was a discrepancy between the sets of financials which we then said in that meeting we needed to then work towards reconciling so that we could provide an accurate set of financials, there were clearly discrepancies between the two sets, so I then requested the audit team or the accounting firm team to come in and assist us. The next morning they elected to resign as our auditors and then to highlight the discrepancies to the Commission, although we are now requiring the
10 information that they are sitting with on their side but ultimately we do have all the hard copy supporting documents. After that meeting that we had with the accounting firm on Wednesday we went back to the accounting unit and in there on Pastel the 2015/2016 accounting information that was captured was overridden by the 2016/17 information, so we then started the process of recapturing and then I was requesting from the accountants did they have a trial balance that they used to help prepare the pack, which was at that point they told us they are not engaging with us anymore.

So we do need to reconstruct, and if the Commission will bear
20 with us we will reconstruct that information and provide it across to you with accurate financial information, but we were only made aware of the discrepancies when the accounting firm pointed out that the financials, that we're out, that we handed over to you were actually in fact there were discrepancies with that, but we do wish to reconcile it and provide you with an updated set.

ADV KATE HOFMEYR: Mr Natasen as I understand Mr Patel's affidavit he takes no issue with the 2016 financials which are the ones we're working on, correct?

MR VIVIEN NATASEN: Yes but I think the situation exists that we need to ...(intervention)

ADV KATE HOFMEYR: No, no, my question is he does not take issue with the 2016 financial ...(intervention)

MR VIVIEN NATASEN: He doesn't take issue with it correct.

ADV KATE HOFMEYR: ...statements, correct?

10 **MR VIVIEN NATASEN:** Correct.

ADV KATE HOFMEYR: So we're in the 2016 financial statements at page 210 of Exhibit DD10 and I've asked about documents that will give us greater insight as to the donation on that page, correct?

MR VIVIEN NATASEN: Correct.

ADV KATE HOFMEYR: And as I understand your evidence you say you have hard copies of all of this in the possession of Neo Solutions?

MR VIVIEN NATASEN: Yes, they should be there.

ADV KATE HOFMEYR: So why have those not been provided?

20 **MR VIVIEN NATASEN:** Well we were intending to obviously, you requested the general ledgers and the trial balances, so we needed to reconstruct that, so that's why we kept the information with us in order to produce this.

ADV KATE HOFMEYR: Sorry, just help me with what had to be reconstructed. You said you had all the hard copy records.

MR VIVIEN NATASEN: We've got hard copies but in terms of the

information on our platform, on Pastel we found that when Eugene did the rollover into 2017 he did not do a close-out of 2016's financials, so then when he captured information it overrode our 2015/2016 information, so we needed to obviously reconstruct that and then provide it.

ADV KATE HOFMEYR: So the reconstruction relates to some electronic repository of this information, correct?

MR VIVIEN NATASEN: The general ledger.

ADV KATE HOFMEYR: Yes, but I thought you said you had hard copies
10 of everything.

MR VIVIEN NATASEN: We do have hard copies yes.

ADV KATE HOFMEYR: So those could be provided?

MR VIVIEN NATASEN: Those can be provided yes.

ADV KATE HOFMEYR: Yes, will they be provided?

MR VIVIEN NATASEN: Yes.

ADV KATE HOFMEYR: Thank you.

MR ANDRE PIENAAR: Chair sorry I am going to object at this point again because I just don't understand the relevance of donations taxation. The allegation around State Capture ...(intervention)

20 **CHAIRPERSON:** Come forward Mr Pienaar.

MR ANDRE PIENAAR: Chair the allegation around State Capture in this matter relates solely to the R9.9 that flowed into Neo Solutions account from Koreneka and that was paid out to Batsamai. What my client's financial statements have to do with anything is incomprehensible to me. If my learned colleague could maybe just

explain where this line of questioning is going, because once again we are dealing with – I mean donations what has the line item for donations got to do with the R9.9million ...(intervention)

CHAIRPERSON: I understand completely ...(intervention)

MR ANDRE PIENAAR: ...that was received and paid out.

CHAIRPERSON: I understand the questions completely Mr Pienaar, I think they are very relevant, I think they are very relevant and I think your client appreciates their relevance that's why he is being very helpful to say he will provide them here, he doesn't have any problem.

10 **MR ANDRE PIENAAR:** Well before he provides them, because I'm the one giving legal advice, I am not so sure that they are relevant, if ...(intervention)

CHAIRPERSON: Well if he wants to provide them are you going to say he should not provide them?

MR ANDRE PIENAAR: I might say that yes, and I might ask the Commission's legal representatives to explain the relevance.

CHAIRPERSON: Have you got anything else that you want to say about your objection?

MR ANDRE PIENAAR: Is my objection overruled?

20 **CHAIRPERSON:** Ja, it is overruled.

MR ANDRE PIENAAR: Once again.

CHAIRPERSON: Sit down ja.

MR ANDRE PIENAAR: Okay.

CHAIRPERSON: Thank you.

MR ANDRE PIENAAR: Noted.

MR VIVIEN NATASEN: Chair my legal representative's advice again I think I understand where he is coming from. We have currently and it is a matter of record already from Tlatsana's testimony, that the funds that we have received we have paid out to Batsamai, so I think my legal advisor is guiding me in that, yes maybe it is important to understand the relevance then of these further questions. We are happy to cooperate if the reasons given are adequate.

CHAIRPERSON: Well I have ruled that the questions that Ms Hofmeyr asked you is relevant, you have answered it, if after this you change
10 your mind about providing the documentation you must communicate that and that position will then be dealt with in the light of whatever you will communicate.

MR VIVIEN NATASEN: Okay.

CHAIRPERSON: Okay.

ADV KATE HOFMEYR: Thank you Mr Natasen if we can then go back to page 208, on 208 there's a line item under expenses there of accounting and audit fees, do you see that?

MR VIVIEN NATASEN: Yes.

ADV KATE HOFMEYR: Is that the line item related to Mr Patel's
20 services?

MR VIVIEN NATASEN: I'm assuming so yes.

ADV KATE HOFMEYR: You assumed, do you know that as a fact or as an assumption you're making.

MR VIVIEN NATASEN: The exact amount I don't know.

ADV KATE HOFMEYR: No, no my question was ...(intervention)

MR VIVIEN NATASEN: The line item would relate to him yes.

ADV KATE HOFMEYR: Did you have any other accountants that you were utilising for the purposes of the business?

MR VIVIEN NATASEN: Not for the books preparation but generally yes.

ADV KATE HOFMEYR: What does generally mean?

MR VIVIEN NATASEN: So there could be obviously any other support fees, sometimes we are hiring *ad hoc* people to do captures and so on, so he would have been posted to that same line item.

ADV KATE HOFMEYR: Right, and it says “and audit fees”, were your
10 financial statements audited?

MR VIVIEN NATASEN: No, no, it’s a compilation engagement.

ADV KATE HOFMEYR: Right so audit fees there is not accurate?

MR VIVIEN NATASEN: No.

ADV KATE HOFMEYR: So it should just be accounting fees, is that
right?

MR VIVIEN NATASEN: That’s right.

ADV KATE HOFMEYR: For the year ended ...(intervention)

MR VIVIEN NATASEN: Accounting and support fees.

ADV KATE HOFMEYR: And support fees, and you said some of it was
20 provided by Mr Patel, were there other accountants providing the support fees?

MR VIVIEN NATASEN: Not accounting firms, there would be, if we had to hire anybody to do any capture work etcetera then those costs of those contractors for capturing would be in that line item.

ADV KATE HOFMEYR: As a matter of fact at the end of 2016 do you

recall if there were those other services being provided?

MR VIVIEN NATASEN: I don't recall.

ADV KATE HOFMEYR: Thank you. Then if we can go just to the financial position of Neo Solutions at the end of 2016, right, specifically in relation to the 9.9million, okay as I have it 9.9million comes into Neo Solutions account in November 2015, correct?

MR VIVIEN NATASEN: Yes.

ADV KATE HOFMEYR: In December 2015 pursuant to two tranches R7million is paid out, correct?

10 **MR VIVIEN NATASEN:** Yes.

ADV KATE HOFMEYR: There is a further 300 000, Chair we will come back to the 300 000 cash paid out in January 2016, correct?

MR VIVIEN NATASEN: That's right.

ADV KATE HOFMEYR: So that is a total of 7.3million paid out by the end of February 2016, correct?

MR VIVIEN NATASEN: That's right.

ADV KATE HOFMEYR: Which leaves a balance of R2.6million of the 9.9million that was received in the previous year in November, correct?

MR VIVIEN NATASEN: Yes.

20 **ADV KATE HOFMEYR:** I understood your evidence earlier in relation to your Section 204 declaration to be that Neo Solutions made no use whatever of those funds, is that correct?

MR VIVIEN NATASEN: We do not utilise the funds, it was held for him.

ADV KATE HOFMEYR: Thank you. Let's go back to the page that reflects the cash and cash equivalents on page 207 if we may. Mr

Natassen I understand your evidence to be you made no use whatsoever of the R9.9million that was received from Mr van Wyk, correct?

MR VIVIEN NATASEN: Yes.

ADV KATE HOFMEYR: You held the funds for him, correct?

MR VIVIEN NATASEN: Yes.

ADV KATE HOFMEYR: So at the year ending February 2016 there should have been at least R2.6million sitting in the bank of Neo Solutions, correct?

MR VIVIEN NATASEN: That's why I'm saying the number looks wrong.

10 **ADV KATE HOFMEYR:** No Mr Natassen the reason you said the number looks wrong is because that figure was too high.

MR ANDRE PIENAAR: Chair I think my client has already said that there are issues with the financial statements.

CHAIRPERSON: Yes, your client is able to answer that, he has just said something, let's hear him.

MR VIVIEN NATASEN: So my statement was that that number looks wrong because it's sitting under cash and cash equivalents, there should have been an overdraft where we – we have facilities, we do not utilise our full overdraft, so that number of 300 looks wrong in that line
20 item, but there should have been a bank overdraft and the facility sits there where we can draw from this facility at any point in time, so I – that's why I'm saying that these look wrong.

ADV KATE HOFMEYR: Mr Natassen just to be clear about your evidence, because I took great care to understand from you in what respect it was wrong. Was your previous evidence that that line item

under cash and cash equivalents was wrong because it was too big, too high, it needed to be lower?

MR VIVIEN NATASEN: No, no, what I said was the cash – that number on the 384 that you pointed out on cash equivalents at the top doesn't look right from the start, that there should have been a balance on the overdraft and we have a facility so if Mr van Wyk arrive tomorrow, well during this financial year and asked for his further cash back it would have been drawn from our facility and given back to him.

CHAIRPERSON: Mr Natasen just reflect properly in terms of what you
10 said, my understanding too was that you said what was wrong about that amount was that it was too high, that's my understanding ... (intervention)

MR VIVIEN NATASEN: Yes, in the context that the number should not be ... (intervention)

CHAIRPERSON: Hang on, hang on, hang on, that's my understanding which seems to coincide with Ms Hofmeyr's understanding so – but we must just get that right. Did you say that or are you saying you did not say that.

MR VIVIEN NATASEN: I said it looks high, because the number should
20 be zero there.

CHAIRPERSON: Okay. Ms Hofmeyr?

ADV KATE HOFMEYR: Thank you Chair. It seems to me there will be a simple way to resolve this. We will just go to the bank statements of Neo Solutions for the year ending February 2016.

MR VIVIEN NATASEN: That's right.

ADV KATE HOFMEYR: And we will be able to assess what the financial position was.

MR VIVIEN NATASEN: Correct, from the overdraft facility, that's correct.

ADV KATE HOFMEYR: Indeed, so let's work on a hypothetical now. Mr Natasen if those bank statements reflect that there is – that the 2.6million that's the difference between what was received in November and paid out by the end of February 2016 does not show available funds of 2.6million, then these statements incorrectly reflect the
10 financial position?

MR VIVIEN NATASEN: Correct, that was ...(intervention)

ADV KATE HOFMEYR: And moreover then that 2.6million had been utilised by Neo Solutions in the period before the end of February 2016.

MR VIVIEN NATASEN: We will check that but in theory yes, in theory yes.

ADV KATE HOFMEYR: Now the question is if they would have been utilised then within the business.

CHAIRPERSON: I think you are nodding, that means yes.

20 **MR VIVIEN NATASEN:** I said in theory yes.

ADV KATE HOFMEYR: Sorry, for the record apologies we just sometimes need to ...(intervention)

MR ANDRE PIENAAR: Sorry Chair can we just take one step further, if the monies had been utilised as part of the business that means what? So can I just ask Ms Hofmeyr to address that.

CHAIRPERSON: Mr Pienaar we need to have a smooth running of the hearing, quite frankly a lot of the objections that you have been making really don't assist anywhere. This witness is able to deal with matters very well, I have observed that. He is dealing with matters and he gives answers. Allow Ms Hofmeyr to proceed with her questioning, there isn't anything wrong with the questions she put forward. Wait, maybe later on you will understand what it is that she was driving to.

MR ANDRE PIENAAR: Chair I am the legal representative for Mr Natasen, he is entitled to legal representation, yes? Yes?

10 **CHAIRPERSON:** Mr Pienaar ...(intervention)

MR ANDRE PIENAAR: Is Mr Natasen entitled to legal representation?

CHAIRPERSON: Mr Pienaar have you got any other objection?

MR ANDRE PIENAAR: It's not an objection I would like an explanation...(intervention)

CHAIRPERSON: Sorry?

MR ANDRE PIENAAR: ...it's not an objection, I would like an explanation ...(intervention)

CHAIRPERSON: Mr Pienaar ...(intervention)

20 **MR ANDRE PIENAAR:** ...the submission has been made been, the submission has been made that the monies were utilised by Neo Solutions. If the monies were utilised by Neo Solutions it's because the monies were ...(intervention)

CHAIRPERSON: Wait Mr Pienaar ...(intervention)

MR ANDRE PIENAAR: ...held in Neo Solutions banking account.

CHAIRPERSON: ...I will allow you to re-examine if you want to.

MR ANDRE PIENAAR: I am not examining, I put, I'm making
...(intervention)

CHAIRPERSON: No, wait for your turn, I will allow you to clarify that
with your client later on in re-examination.

MR ANDRE PIENAAR: How am I to clarify it with my client if I'm not
even certain as to why Ms Hofmeyr has asked the question.

CHAIRPERSON: Your objection is overruled. Ms Hofmeyr please
proceed.

ADV KATE HOFMEYR: Thank you Chair. Mr Natasen, oh, I've just lost
10 my file. The accounting treatment that was given in these 2016
financial statements to the 9.9million was that they were reflected as a
loan from directors or shareholders, correct?

MR VIVIEN NATASEN: Yes.

ADV KATE HOFMEYR: So we will find that as I understand it at page
207.

MR VIVIEN NATASEN: In the shareholders loan.

ADV KATE HOFMEYR: In the shareholders loan, correct, let's just find
that on the page, so under the section indicating liabilities, do you see
that?

20 **MR VIVIEN NATASEN:** Yes.

ADV KATE HOFMEYR: And there's a line item there ...(intervention)

CHAIRPERSON: I'm sorry, what page are you now on?

ADV KATE HOFMEYR: Apologies Chair, we are at 207.

CHAIRPERSON: Oh, okay.

ADV KATE HOFMEYR: We are back in the financial statements ending

February 2016.

CHAIRPERSON: Okay I've got that.

ADV KATE HOFMEYR: Oh Mr Natasen just – sorry before I get there, you mentioned earlier that there had been a loan application in relation to the farming venture, is that right?

MR VIVIEN NATASEN: Well I don't think we got to the final loan application, but we prepared the business case, and we did valuations with Nedbank which I have submitted in my revised application, our revised document of today, but a formal loan application hadn't been
10 submitted at the time.

ADV KATE HOFMEYR: So the financials that we are looking at now were they ever submitted for the purposes of a loan application?

MR VIVIEN NATASEN: I don't think they were.

ADV KATE HOFMEYR: And for any other loan applications of the business?

MR VIVIEN NATASEN: I'm not sure, I don't think so.

ADV KATE HOFMEYR: Could you come back to us on that if we needed it.

MR VIVIEN NATASEN: Yes.

20 **ADV KATE HOFMEYR:** Thank you. Right, so we're now on page 207 and you will see a bold heading sort of middle of the page that says liabilities, do you see that?

MR VIVIEN NATASEN: Yes.

ADV KATE HOFMEYR: And then below that non-current liabilities and then the line item after that is loans from shareholders/other parties.

MR VIVIEN NATASEN: Right.

ADV KATE HOFMEYR: Do you see that?

MR VIVIEN NATASEN: Yes.

ADV KATE HOFMEYR: And that's in an amount of about R65million, correct?

MR VIVIEN NATASEN: Yes.

ADV KATE HOFMEYR: As I understand it from your evidence a portion of that is the R9.9million received from Mr van Wyk through Koreneka is that correct?

10 **MR VIVIEN NATASEN:** Yes, in my line item of the Vivien Natasen's shareholder loan.

ADV KATE HOFMEYR: Yes because if you go to the notes, I think that's made clear, let's just go there, yes if you go to 214 there's – remember there was a note 5 on that page we were looking at, so then we go further in the financial statements as I understand them to page 214 and under item 5 there it says "loan from directors, shareholders or other parties" and what you've indicated there is V Natasen.

MR VIVIEN NATASEN: Yes.

ADV KATE HOFMEYR: These loans bear no interest and has no fixed
20 terms of payment, correct?

MR VIVIEN NATASEN: That's correct.

ADV KATE HOFMEYR: So it identifies that it is a loan from you to the company, correct?

MR VIVIEN NATASEN: Yes.

ADV KATE HOFMEYR: Mr Natasen why reflect monies you'd received

from a third party into Neo Solutions to be taken out at his instruction as a loan from you to the company?

MR VIVIEN NATASEN: As I said that was an oversight by accountant, he should have put it to a separate suspense account.

ADV KATE HOFMEYR: You did sign off on these financials did you not?

MR VIVIEN NATASEN: I did but I didn't go into the specifics of every single transaction, but I agree I did sign off, but there are omissions, it is a liability anyway so the issue is whether it should have been
10 separately disclosed or whether it's been lumped up into loans.

ADV KATE HOFMEYR: Mr Natasen ...(intervention)

MR ANDRE PIENAAR: Chair sorry I am going to interrupt here. Mr Natasen don't answer any further questions regarding the financials, because at the end of the day no explanation has been given as to the relevance ...(intervention)

CHAIRPERSON: Mr Pienaar ...(intervention)

MR ANDRE PIENAAR: ...and number two ...(intervention)

CHAIRPERSON: Mr Pienaar ...(intervention)

MR ANDRE PIENAAR: ...unfortunately you have made it clear that
20 there are discrepancies in the financials and you're now testifying as regards incorrect financials and incorrect financial accounting. It doesn't take the matter any further, so please don't answer any further questions on this matter and we will continue with the other line of questioning and we will come back to this once the accounting records have been rectified.

CHAIRPERSON: Mr Pienaar?

MR ANDRE PIENAAR: Yes?

CHAIRPERSON: Are you an admitted attorney or are you counsel?

MR ANDRE PIENAAR: I am an admitted attorney with rights of appearance.

CHAIRPERSON: Where do you practice?

MR ANDRE PIENAAR: Johannesburg.

CHAIRPERSON: What is the address where you practice?

MR ANDRE PIENAAR: Melrose Arch.

10 **CHAIRPERSON:** Sorry?

MR ANDRE PIENAAR: In Melrose Arch.

CHAIRPERSON: You don't have a right to tell a witness who is giving evidence whether to answer or not to answer a question.

MR ANDRE PIENAAR: I have every right.

CHAIRPERSON: If you think there is a problem with a question you make submissions to me, I make a ruling, if you don't like the ruling you know what your remedies are but I make a ruling as to what questions the witness answers and what questions he may not answer, you can advise but you can't direct him.

20 **MR ANDRE PIENAAR:** I've just advised.

CHAIRPERSON: Okay, Ms Hofmeyr please continue with your questions.

ADV KATE HOFMEYR: Thank you Chair.

CHAIRPERSON: And there is no restriction at this stage, if there is any question that I think is irrelevant you're asking I will intervene or

that I think is unfair, okay.

ADV KATE HOFMEYR: Thank you Chair. Mr Natasen we began your testimony this morning looking at the Code of Practice of Chartered Accountants, do you recall that?

MR VIVIEN NATASEN: Yes.

ADV KATE HOFMEYR: One of the obligations of a chartered accountant in business is to ensure that the information for which he is responsible describes clearly the true nature of the business transactions assets or liabilities, do you recall that?

10 **MR VIVIEN NATASEN:** Yes.

ADV KATE HOFMEYR: And that it represents facts accurately and completely in all material respects, do you accept that?

MR VIVIEN NATASEN: Yes.

ADV KATE HOFMEYR: So when you signed off on the financial statements for the year ending February 2016 did you satisfy yourself that you had met those requirements?

MR VIVIEN NATASEN: I think – Chair well the answer is no. The – on the basis that I think the assumptions being made is that I am being acting as the CA preparing the books of the company

20 **CHAIRPERSON:** Yes.

MR VIVIEN NATASEN: Chair my role in the company I am CEO, I am in the field delivering projects. I have got an appointed accounting team and an external accounting firm that is responsible to prepare the books for me. So am I not entitled to ...

CHAIRPERSON: You trust them?

MR VIVIEN NATASEN: I trusted their judgement.

CHAIRPERSON: You trust them to do the job.

MR VIVIEN NATASEN: That when they bring me books to sign I am no longer engaged in the day to day operations of the business. Requests are made to me where it is material they have got delegations where they can approve certain expenses without even consulting with me. Anything above that where it is material they will contact me for a decision. And I am – I spend if you look at the affidavits from my PA and other staff I spend three days a week outside the office generally.

10 **CHAIRPERSON:** Yes.

MR VIVIEN NATASEN: So from that perspective yes I should be satisfying myself I agree but I am also entitled to make reasonable assumptions that since we have got staff that are supposedly competent, that we have got contractors that are supposedly competent in helping me prepare the books that by the time I get the books to sign off I do not have to go and look into every single line item.

ADV KATE HOFMEYR: Mr Natasen you did accept earlier in your testimony that your signature on page 205 did signify that you had confirmed that the statements fairly represented the financial position
20 of Neo Solutions at the end of February 2016, do you recall that?

MR VIVIEN NATASEN: Yes based on exactly the assumptions I have just explained it is exactly – that is my actual signature and when we come to the other financial I will actually explain that my electronic signature was used without me. So this one I definitely signed myself that you can see in the way I signed every other document. That is my

actual physical signature.

ADV KATE HOFMEYR: But you now reflect – apologies yes thank you. You now reflect at 207 there is an error. 9.9 million should not have been allocated to loans from shareholders or directors, correct?

MR VIVIEN NATASEN: Ja it can be an error but it is of no significance even from a materiality perspective.

ADV KATE HOFMEYR: No.

MR VIVIEN NATASEN: It is not 9.9 million

ADV KATE HOFMEYR: Mr Natasen sorry my...

10 **MR VIVIEN NATASEN:** The nett balance at year end would have been 2.6 million.

ADV KATE HOFMEYR: Mr Natasen my question was not about the nett effect. My question is, I understood your evidence earlier to be there is an error on page 207. The item under loans from shareholders or parties should be reduced by 9.9 million because it was an incorrect accounting entry to have put it in that figure.

MR VIVIEN NATASEN: No, no, no. That is not what I said.

ADV KATE HOFMEYR: Oh.

20 **MR VIVIEN NATASEN:** I said he posted the 9.9 million to my shareholders account – loan account incorrectly. At – this is a financial statement on a balance sheet. At year end 7 million plus 300 was taken off so the nett balance here at year end at 2016 would have been the 2.6 million.

ADV KATE HOFMEYR: Oh we were completely at cross purposes then. Are you saying the accounting treatment of these funds as a directors'

loan to the company is correct?

MR VIVIEN NATASEN: No I am not saying that at all.

ADV KATE HOFMEYR: Oh.

MR VIVIEN NATASEN: What I am saying is my accountant erroneously processed it to my loan account. The full

ADV KATE HOFMEYR: Could we just stop there.

MR VIVIEN NATASEN: The full 9.9 right. Then I said that obviously they were drawings there he has taken off it so at year end the final balance at year end is not out by 9.9 million it is out by 2.6 million
10 where there should have been a different line item as a liability for 2.6million somewhere else.

ADV KATE HOFMEYR: Okay we dealing with two things there Mr Natasen. I really want to be clear about your evidence because I do not want in any way to have misunderstood it. Your evidence earlier was that if we look at page 207 there is a line item there loans from shareholders or other parties which we have clarified is a directors' loan from you to the company, correct?

MR VIVIEN NATASEN: Yes.

ADV KATE HOFMEYR: It is in the amount of 65 million. As I have your
20 evidence you said the 9.9 the funds that had been received in November form part of that 65 million on this page, correct?

MR VIVIEN NATASEN: Ja no I did not – 9.9 million flows through that account. So there is – the financials are prepared based on a general ledger. There is an account in the general ledger with my loan account on it – reflected there. So when the transaction happened of receiving

the funds, the 9.9 million will hit that account. Yes he erroneously posted it to my directors' loan account instead of creating a suspense account. Right. At year end the debits to that account would have happened which is the payments that he took out. The 7 million and the 300 000,00. So that would have come off. At this point in time at the end of the financial year there is only 2.6 million that affects this account.

ADV KATE HOFMEYR: Hm. So 2. – it should not have been 9.9 in line item it should have been 2.6, correct?

10 **MR VIVIEN NATASEN:** Inside the 65 million.

ADV KATE HOFMEYR: As a proper – exactly.

MR VIVIEN NATASEN: Ja, ja that is right.

ADV KATE HOFMEYR: We are then at – on the same page. Why was it reflected as a directors' loan when it was not money you gave to the company?

MR VIVIEN NATASEN: As I said my accountant had erroneously posted it there. He ought to have created a suspense account and placed it in that suspense account. He did not do that he put it into my loan account.

20 **ADV KATE HOFMEYR:** When did you first detect that error?

MR VIVIEN NATASEN: I cannot recall when it came about. I think it is – it would have been only towards the end of the year, the financial year.

ADV KATE HOFMEYR: No, no sorry when did you identify your accountant's error in attributing it to your directors' loan account?

MR VIVIEN NATASEN: I cannot recall when it came about. I think it came about just before the end of the financial year. I cannot recall the exact...

ADV KATE HOFMEYR: Sorry which financial year?

MR VIVIEN NATASEN: The 2016 financial year.

ADV KATE HOFMEYR: Sorry so you picked up the error before?

MR VIVIEN NATASEN: No we picked up the error when we were preparing the books. Right. Then at that point in time it was found that well remember we prepared the books later so we prepared Chair. We
10 prepare a pack towards the end of the financial year.

CHAIRPERSON: Yes.

MR VIVIEN NATASEN: So we do not capture Pastel monthly. We capture Pastel at the end of the year.

CHAIRPERSON: Yes.

MR VIVIEN NATASEN: Almost like a shoe box order.

CHAIRPERSON: Yes.

MR VIVIEN NATASEN: So we have – we invoice five to six clients a month. We do not have more invoices than that.

CHAIRPERSON: Yes.

20 **MR VIVIEN NATASEN:** We got no cash business coming in. So our revenue line is easy to monitor. On our cost line we have vouchers. So every payment that goes out of the company there is a voucher which determines where it is supposed to go. Eugene had incorrectly posted – wrote on the voucher he posted it to my shareholders loan account because he did not know where else to post it. He should have

ideally motivated to create a new line item for the suspense account for that. So I cannot recall off hand exactly when it was detected. All I know it I was informed later it was detected that it was posted to the wrong place but by that point in time there had – he had already drawn off his March payments. Because our pack was produced then. So we felt it was of no consequence that the funds we received and already paid out and leaving it in that line item then became a formality as opposed to let us create an account and run it through there when the monies were actually reimbursed over time.

- 10 **ADV KATE HOFMEYR:** Mr Natasen in fairness to you I am not asking for a specific date what I am really interested in is did you pick up the error before you signed off on these financial statements for February 2016?

MR VIVIEN NATASEN: I – before I signed off definitely because it was signed off many months later.

ADV KATE HOFMEYR: In August 2016 you will recall that?

MR VIVIEN NATASEN: Yes.

ADV KATE HOFMEYR: Right.

MR VIVIEN NATASEN: Correct.

- 20 **ADV KATE HOFMEYR:** Then why in your first interview with the commission which is transcribed and in the statement that you signed did you indicate that it had been allocated to your directors' loan account and not raise any concerns about that?

MR VIVIEN NATASEN: Like I said it was because by the time the pack was prepared Van Wyk was already returned his money so they treated

it as it flowed through already what is the point of creating a new account and then closing it off immediately anyway.

ADV KATE HOFMEYR: So let us go to page 24 of DD10[a] if we may? And I am interested in paragraph 11 there. That is where you deal with the – how you treated the transaction in your books, do you see that?

MR VIVIEN NATASEN: Yes.

ADV KATE HOFMEYR: And from about the fourth line you state there:

10 “The funds came as Mr Van Wyk’s dividend
distribution from Koreneka. We had accounted for
these funds as a pass through using my directors’
loan account at Neo Solutions as the funds were to
be held for a short while by us until Mr Van Wyk
required them.”

Do you see that?

MR VIVIEN NATASEN: Yes.

ADV KATE HOFMEYR: Is that consistent with what you told the investigators at the first meeting?

MR VIVIEN NATASEN: Yes.

20 **ADV KATE HOFMEYR:** Why did you not include here that there had
been an erroneous accounting entry reflecting that?

MR VIVIEN NATASEN: I did not go into that level of specifics. It was – it was how it was treated. So it was treated exactly like that. I did not say it was correct or not it is how it happened.

ADV KATE HOFMEYR: Do you recall the investigators raising with you their concerns about its treatment as a directors’ loan?

MR VIVIEN NATASEN: Yes.

ADV KATE HOFMEYR: So when you – and that was on the 15 March 2016, correct?

MR VIVIEN NATASEN: Yes.

ADV KATE HOFMEYR: And you provided this statement signed on the 3 May 2016, do you recall that?

MR VIVIEN NATASEN: Yes.

ADV KATE HOFMEYR: So by that stage why did you not seek to clarify the position?

10 **MR VIVIEN NATASEN:** I had reflected it as it had happened there. So obviously the – when the – when the commission required further details is when we went and got that further details to provide it to you. But at that point it was true to what I believed.

ADV KATE HOFMEYR: Mr Natasen in the course of that engagement with the investigators on the 15 March this specific concern about the treatment of this money and the accounting records of Neo Solutions was raised, correct?

MR VIVIEN NATASEN: Yes.

20 **ADV KATE HOFMEYR:** And in particular I can take you to the relevant page of the transcript there was a concern raised by one of the investigators that this was all used as a diversion to legitimise the funds, do you recall that?

MR VIVIEN NATASEN: Yes.

ADV KATE HOFMEYR: Thank you. I would then like to just spend a...

MR VIVIEN NATASEN: Just – can I also clarify there?

CHAIRPERSON: Yes.

MR VIVIEN NATASEN: In that same session in response to that – that assertion made by the investigators I then said to them they needed to contextualise what had happened because at that point I started feeling like I was the one being now analysed as to whether I was complicit with the transaction.

CHAIRPERSON: Yes.

MR VIVIEN NATASEN: And I then said – I in fact I think straight after that I asked to play the recording of a conversation I had with Van Wyk
10 much later on after having this Section 204 affidavit. Just to put that into perspective. So that was not that I accepted what was said.

CHAIRPERSON: Yes.

MR VIVIEN NATASEN: By the investigators I said you guys are not believing me here is the proof that I was not aware that this was SA Express' money here is proof that Van Wyk had given unequivocal confirmation that this was not SA Express money and it related to a North West project that he had earned income from. So on that basis I was trying to show them that it was a wrong train of thought to try and say I am washing this money for him deliberately or knowingly so.

20 **CHAIRPERSON:** Yes thank you.

ADV KATE HOFMEYR: If we can just spend a little bit of time on the farming venture. I think we have advanced in your evidence today and clarified some of the aspects of what is contained in your previous affidavits but I just want to be certain that I have the version accurately. Mr Natassen you aware that the commission has asked for

all documents that Neo Solutions has in its possession in relation to the services it rendered insofar as it was involved in the farming venture.

MR VIVIEN NATASEN: Yes.

ADV KATE HOFMEYR: And we not today been provided with any invoices that Neo Solutions ever rendered in relation to those farming activities, is that correct?

MR VIVIEN NATASEN: Like I explained there cannot be an invoice until the entity is established and successfully implemented. So
10 technically all the work that we did in the farming venture was written off because it could not realise revenue. If we never got to the farm there is no entity to bill.

ADV KATE HOFMEYR: I understand and I – as I understand your evidence earlier you were doing this on a success fee basis.

MR VIVIEN NATASEN: That is correct.

ADV KATE HOFMEYR: So you were not intending...

MR VIVIEN NATASEN: So there will not be an invoice.

ADV KATE HOFMEYR: There will not be an invoice?

MR VIVIEN NATASEN: Because we would never have gotten to a
20 position of an entity to recover funds from for the work that we had performed.

ADV KATE HOFMEYR: I understand that Mr Natasen as – and I understand your evidence earlier to have accepted that at least between November 2015 and March 2016 the funds that you were holding were not going to be deployed for the farming venture, correct?

MR VIVIEN NATASEN: Repeat the question?

ADV KATE HOFMEYR: In the period November 2015 to March 2016 those R9.9 million of funds were not going to be utilised in the farming venture.

MR VIVIEN NATASEN: Yes.

ADV KATE HOFMEYR: Correct?

MR VIVIEN NATASEN: Correct.

ADV KATE HOFMEYR: Thank you. That does speed things up a bit. I would then like to go to certain of the observations in relation to the
10 evidence that we have traversed thus far because it is appropriate in fairness to you Mr Natasen that I indicate to you what certainly my understanding of your evidence has been thus far. And then to ask you for your comment. Mr Natasen is it correct that you never regarded the 9.9 million that you received from Mr Van Wyk via Koreneka to be revenue in the hands of Neo Solutions?

MR VIVIEN NATASEN: That is correct.

ADV KATE HOFMEYR: And is it correct that if it had been that would have had tax implications for Neo Solutions?

MR VIVIEN NATASEN: Well it would have been revenue which meant it
20 would have come into our income statement and then definitely a tax implication.

ADV KATE HOFMEYR: And the tax implication as the company tax rate would have been 28% of that amount, correct?

MR VIVIEN NATASEN: Correct.

ADV KATE HOFMEYR: You also accept I understand it in your

evidence today that it was not correct to reflect that money as a directors' loan to the company, correct?

MR VIVIEN NATASEN: Correct.

ADV KATE HOFMEYR: And you also accept today that if we go and look at the bank statements of Neo Solutions in February 2016 and it does not show an available R2.6 million in the hands of Neo Solutions then Neo Solutions made use of R2. Or whatever portion was not available at year end of those monies it had received from Mr Van Wyk?

MR VIVIEN NATASEN: In terms of the funds yes. I said in theory yes.

10 **ADV KATE HOFMEYR:** Yes it – of course this is hypothetical we do not have those statements yet but if we get them and they confirm that your answer will be they were put to financial use within the company, correct? And if that is to be the case then paragraph 14 of your 204 declaration would be incorrect because you recall paragraph 14 said that Neo Solutions had received no financial benefit whatsoever of the 9.9 million that you had received from Mr Van Wyk, correct?

MR VIVIEN NATASEN: I think on the basis that the liability is still there of returning his money to him that – then I would say no. We have not – ultimately obviously we have got to look at the financial
20 statements or the bank statements but we would have had facilities available to settle him should he require his money earlier.

ADV KATE HOFMEYR: But you would have utilised the funds in the interim?

MR VIVIEN NATASEN: It was sitting in the same bank account. It is a rolling bank account. So I would see it as incidental. We did not move

to any separate trust account it was kept in our main operational account.

ADV KATE HOFMEYR: Mr Natasen with everything you know now about the transactions that Neo Solutions engaged in with Mr Van Wyk I am going to ask you a few questions about your knowledge of money laundering. Do you know what money laundering is?

MR VIVIEN NATASEN: Yes.

ADV KATE HOFMEYR: Just for our purposes it may be useful just to look at the definition because there are aspects of it that I would like to
10 put to Mr Natasen.

CHAIRPERSON: Yes

ADV KATE HOFMEYR: You will find them in the file in front of you containing the aviation legislation. Chair you should have that available to you. I requested that it be put in the box next to you.

CHAIRPERSON: Yes.

ADV KATE HOFMEYR: And if we turn that up the first item there of legislation is the Prevention of Organised Crime Act and you will pick it up at page 17 within that act there is a definition provided of money laundering. Do you have that Mr Natasen?

20 **MR VIVIEN NATASEN:** Yes.

ADV KATE HOFMEYR: So Section 4 there gives us a definition of money laundering it says:

“Any person who knows or ought reasonably to have known that the property and just to assist you property is defined to include monies, forms part – is or forms parts of

the proceeds of unlawful activities and

- a. Enters into any agreement or engages in any arrangement or transaction with anyone in connection with that property whether such agreement arrangement or transaction is legally enforceable or not or
- b. Performs any other act in connection with such property whether it is performed independently or in concert with any other person.”

10 And now it qualifies what that arrangement must do. It says:

“It is an arrangement which has or is likely to have the effect of concealing or disguising the nature, source, location, disposition or movement of the said property or ownership thereof or any interest which anyone may have in respect thereof.”

I would like to stop there. Sub 2 is not relevant and it indicates that a person who does that shall be guilty of an offence, do you see that?

MR VIVIEN NATASEN: Yes.

ADV KATE HOFMEYR: Mr Natasen we have probed with you today the
20 steps that you took to interrogate what Mr Van Wyk was telling you about why he wanted to put these funds into Neo Solutions. You have had questions from the Chair and from myself as to what to make and what you did make of the explanations given by Mr Van Wyk. Mr Natasen if I put it to you that in the light of what he said, what you did ask and what you did not ask you ought reasonably to have known that

those proceeds were the proceeds of unlawful activities and that you facilitated an arrangement in which the source, location, movement or distribution of those funds would be disguised or concealed, what would your comment be?

MR VIVIEN NATASEN: I disagree with that Chair. The point is Van Wyk is a CA himself. Right. He became a friend. He was and maybe to an extent I dropped my guard with the extent of questions I should have asked but within the context that his – he is a chartered accountant as well. He is obviously bound by similar standards. He
 10 has given me undertakings that the money is from a reputable source and I did ask that question several times so on the basis of that I do not believe that I acted unreasonably in these circumstances. When it came to my attention from Udiel that the transaction was not appropriate I immediately cooperated to say but I have not done anything wrong here is the evidence to support what has happened and I immediately cooperated with the authorities to share that. So it was at that point in time in the circumstances as at October 2015 I felt I acted reasonably. I asked the questions to confirm that the monies would not bring any risk to my company or myself. And he gave me
 20 undertakings to that effect using a similar set of standards that I am being measured on now. So on that basis I do not believe that I violated POKA. Okay and that is the honest truth that what happened at that point in time.

CHAIRPERSON: Yes.

ADV KATE HOFMEYR: Mr Natasen there is also on that same page the

crime of assisting another to benefit from the proceeds of unlawful activities that is Section 5, do you see that?

MR VIVIEN NATASEN: Yes.

ADV KATE HOFMEYR: And Mr Natasen that occurs I am going to paraphrase just the purposes of expedition. But if there is an aspect you want to look at in particular you must let me know. A person is guilty of a crime under Section 5 if that person knows or ought reasonably to have known that another person has obtained the proceeds of unlawful activities and who then enters into an
10 arrangement whereby the retention of the money is facilitated or the proceeds are used to make funds available to that person. And your comment on whether you participated in the commission of that offence?

MR VIVIEN NATASEN: At that point in time no. Obviously now with the benefit of hindsight there is a lot of things that I have been mis-lead on that I was not privy to at the time. He had said specifically it was a dividend coming in as an investment into where he was going. So I relied on his assertions around that. So I did not willingly create – there was no illegal activity anywhere in my mind at that point in time.

20 **ADV KATE HOFMEYR:** And ought you reasonably to have known?

MR VIVIEN NATASEN: The question is then what – what are the steps could I have taken to verify that at that point in time? I am – I do not have access to verify is this a dividend? You understand. So from the questions I asked him I relied on his verbal assertions. There is no other means I have got to say show me the proof of your dividend. I

mean I did not know I had an obligation in that regard. But ultimately just taking what we are calling a reasonable test today or just from a moral compass today did you earn these funds legitimately is what I asked and he said it was a dividend from an enterprise. And also bear in mind Van Wyk never dropped names. Like we have been hearing from the other evidence he has never dropped names of people he is engaging with in government and so on. So from all the scenarios put together all he told me was he was a government employee not happy being in government going to private sector. Going back to private

10 sector to be honest.

ADV KATE HOFMEYR: Mr Natasen the other option available to you I suggest is that you could have said there is enough about your story Mr Van Wyk that is not stacking up and I decline to allow you to use my company to house your funds, do you agree that that was available to you?

MR VIVIEN NATASEN: I agree that was a possibility but I never saw it as illegal funds that he was getting because I never got that impression at that point in time.

ADV KATE HOFMEYR: I am focussing now on not necessarily your

20 knowledge of illegality because we are not in the knowledge sector we are in the sector of what a reasonable person in your position would have done. Do you accept that a reasonable person in your position would have said, I am worried about his reference to lifestyle audits. I am worried about the fact that he does not want it to hit his bank account. I am worried about my company being used to move proceeds

that really should sit with him. Do you accept a reasonable person would have come to that view on the basis of what he said?

MR VIVIEN NATASEN: I do not agree with that. Because the questions I asked he had answered.

ADV KATE HOFMEYR: Maybe that there were other

CHAIRPERSON: Yes.

ADV KATE HOFMEYR: Questions that may have been asked. But you have given us your answer on your version that those questions would not have been asked by a reasonable person in the circumstances.

10 **MR VIVIEN NATASEN**: As I said Chair my guard was dropped because he was operating I am assuming on similar standards to me. So on that basis maybe then I let him through because if I was dealing with a person who has never had that kind of background or history yes then I would have asked the questions you talking about. But he is a chartered accountant. He was private sector trained so on that basis I am working that he has done the homework.

ADV KATE HOFMEYR: And your knowledge of him being a chartered accountant how do you know that Mr Natasen?

MR VIVIEN NATASEN: He told me that.

20 **ADV KATE HOFMEYR**: Did you ever verify it?

MR VIVIEN NATASEN: I did not verify it but he told me he gave specifics that he was BMW trained, he was not an auditor accountant he was trained outside public practice so not an auditor style one but he did say that he served his articles top style through BMW.

ADV KATE HOFMEYR: And were you aware whether he was a member

of SICA at all?

MR VIVIEN NATASEN: I did not verify that I took it on face value that he was.

ADV KATE HOFMEYR: Thank you.

CHAIRPERSON: Did – would you accept that from what he told you he wanted to hide this money? Do you accept that on what he told you...

MR VIVIEN NATASEN: I think...

CHAIRPERSON: He wanted to hide the money?

MR VIVIEN NATASEN: As I said the benefit of hindsight now is that
10 that has been proven true he wanted to hide the money. At that point in time the thought did not cross my mind.

CHAIRPERSON: Well I wonder why it did not cross your mind when he said he did not want his employer to know about it. That should have told you he was hiding the money from his employer at least?

MR VIVIEN NATASEN: At least from his employer yes. That I understood to be true but not for SARS or anything else I assumed that he has done all his other disclosures relating to this.

CHAIRPERSON: Yes but once – once you accepted that he was – he wanted to hide the money that should – should that not have
20 heightened your suspicion to say I do not want to have anything to do with monies – money that is being hidden.

MR VIVIEN NATASEN: No Chair I think the point is the monies he – he always gave the undertakings that the monies were clean and it was from a source not related. Yes he hid from his employer because he was leaving. He always said he had served his notice he is on his way

out and he has informed his employer he is on his way out. And he mentioned the jealousy thing so I took it on that face value.

CHAIRPERSON: Thank you.

ADV KATE HOFMEYR: Mr Natasen did he specifically say to you he had informed his employers that he was on his way out and he was in the midst of serving his notice period?

MR VIVIEN NATASEN: Yes that is what he said.

ADV KATE HOFMEYR: In...

MR VIVIEN NATASEN: There was always the view.

10 **ADV KATE HOFMEYR**: October of 2015?

MR VIVIEN NATASEN: Ja that was his plan. I am not sure he said he had informed them that he did not wish to renew and that he was planning to exit at the end of June.

ADV KATE HOFMEYR: Thank you. Mr Natasen we – I would now like to deal with the R300 000,00 cash which I have consistently promised today we would get to and I would like to now go there. Mr Natasen as I understand your evidence on that let us maybe go to your Section 204 declaration if we may and pick it up at page 8.

CHAIRPERSON: Are we changing the volumes?

20 **ADV KATE HOFMEYR**: Oh we are. We are changing the point and I see it is four o'clock Chair.

CHAIRPERSON: Yes how long do you think you will need to take?

ADV KATE HOFMEYR: Chair I have three topics.

CHAIRPERSON: Ja.

ADV KATE HOFMEYR: I expect no more than an hour at maximum.

CHAIRPERSON: Hm. Mr Pienaar please come forward. We want to proceed until we finish if that is convenient to everybody, is that fine with you?

MR ANDRE PIENAAR: Chair I would have to...

MEETING ADJOURNS

HEARING RESUMES

CHAIRPERSON: Are we changing the volumes?

ADV KATE HOFMEYR: Oh we are. We are changing the point and I see it is four o'clock Chair.

10 **CHAIRPERSON**: Yes how long do you think you will need to take?

ADV KATE HOFMEYR: Chair I have three topics.

CHAIRPERSON: Ja.

ADV KATE HOFMEYR: I expect no more than an hour at maximum.

CHAIRPERSON: Hm. Mr Pienaar please come forward. We want to proceed until we finish if that is convenient to everybody, is that fine with you?

MR ANDRE PIENAAR: Chair I would have to say it is not convenient for various personal reasons.

CHAIRPERSON: Yes.

20 **MR ANDRE PIENAAR**: I assumed that this inquiry was going to finish at four. If we have to stay we have to stay.

CHAIRPERSON: Yes four is our normal time but sometimes we extend but I always check with everybody that is involved whether that is convenient so that is why I am asking you whether it is convenient?

MR ANDRE PIENAAR: Would it not be convenient to pick this up when we continue?

CHAIRPERSON: I am sorry.

MR ANDRE PIENAAR: Would it not be convenient to pick this up when we continue the next time?

CHAIRPERSON: Well the problem is that Monday we have other witnesses so it might take quite a long time before we do that and we try to avoid that where we can. If the amount of time...

MR ANDRE PIENAAR: The reason I ask – sorry Chair.

10 **CHAIRPERSON:** Yes.

MR ANDRE PIENAAR: The reason I ask is that this is a new issue the R300 000,00 unrelated to the inquiry that has just taken place regarding the financials and POKA and FICA so it would make sense to in fact start with a new chapter when we commence.

CHAIRPERSON: No, no it may in terms of just dividing but I am just wondering whether one bearing in mind it is only a short amount of evidence relatively speaking that is left and two maybe the course and inconvenience of you and your client having to come back some other time when we could otherwise finish.

20 **MR ANDRE PIENAAR:** I think we are going to have to come back anyway by the sounds.

CHAIRPERSON: Sorry.

MR ANDRE PIENAAR: I think we are going to have to come back anyway by the looks of things.

CHAIRPERSON: It may be if so – so what is your – you would prefer to ...

MR ANDRE PIENAAR: Our recommendation is we have just finished the inquiry on the legislation and on the financials this is a brand new issue that we commence with it next time. We know where we leaving it off. We know that there are three subjects to be dealt with in relation to the 300 we can pick that up when we start next time.

CHAIRPERSON: Let me hear what Ms Hofmeyr has to say?

ADV KATE HOFMEYR: Just to correct one aspect. It is not three
10 topics in relation to the 300 there are at least three further topics.

CHAIRPERSON: Yes.

ADV KATE HOFMEYR: I would like to explore in the evidence.

CHAIRPERSON: Yes.

ADV KATE HOFMEYR: Just so that what I have stated is not
misinterpreted.

CHAIRPERSON: Yes.

ADV KATE HOFMEYR: Chair we really are in your hands. We as the
legal team and assistants we are able to stay on but I do understand
my learned friend if he has made other arrangements. We did not
20 traverse with him in advance the possibility of staying later. My
assumption had in fact been that we would finish at four but it has
taken a bit longer.

CHAIRPERSON: Yes.

ADV KATE HOFMEYR: In the course of the day.

CHAIRPERSON: Yes.

ADV KATE HOFMEYR: Chair the challenge would be when we would return given this tight timetable of the commission.

CHAIRPERSON: Yes.

ADV KATE HOFMEYR: We could approach you on that. The only other thing that occurs to me is that there are numerous other documents that Mr Natasen has not yet provided to the commission.

CHAIRPERSON: Yes.

MR VIVIEN NATASEN: And it may in fact facilitate the conclusion of his evidence if those are provided in the interim and then he can return
10 after those documents have been received to complete his evidence.

CHAIRPERSON: Yes. No that is fine. I think we may adjourn not to a specific date. A date will be determined, will be fixed but in the meantime whatever documents that Mr Natasen may be owing to send to the commission may do so and then he will come back and then finish the evidence. Probably because it is evidence that might take about an hour probably we might – I might hear his evidence maybe from nine up to ten on a particular morning before the witness for the day starts at ten. So those arrangements – that is what we may have to do. Alright we – Mr Natasen obviously you have been hearing
20 everything that has been said. We are going to adjourn now because your legal representatives had made other plans on the basis that we finish at four and the legal team had not had a chance to speak to him in advance about the possibility that we could go beyond four o'clock. Arrangements will be made and the date will be fixed when you can come back and complete your evidence.

MR VIVIEN NATASEN: Thank you Chair.

CHAIRPERSON: Thank you, you are excused for today. That is all for the day.

ADV KATE HOFMEYR: Indeed Chair.

CHAIRPERSON: We are going to adjourn now. We adjourn.

REGISTRAR: All rise.

INQUIRY ADJOURNS TO 15 JULY 2019