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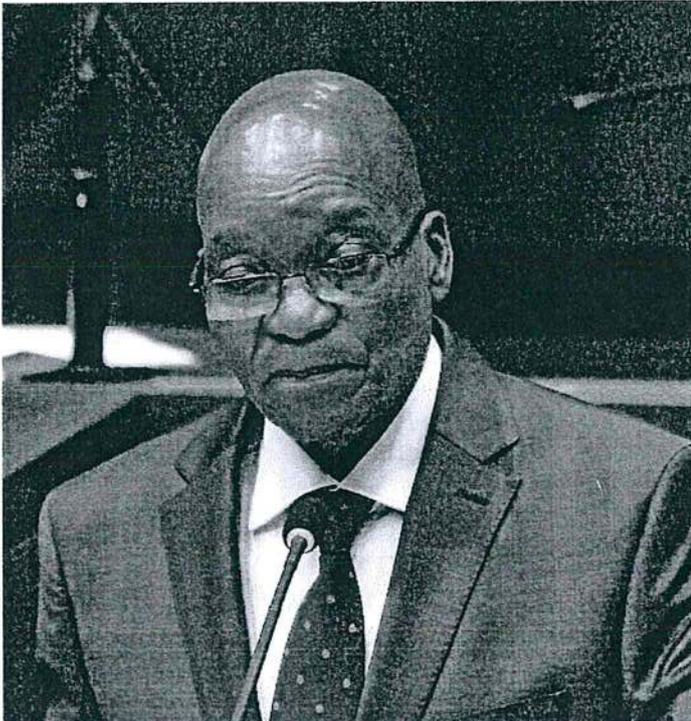


Investigations

EXPOSED: How arms dealer bankrolled Zuma

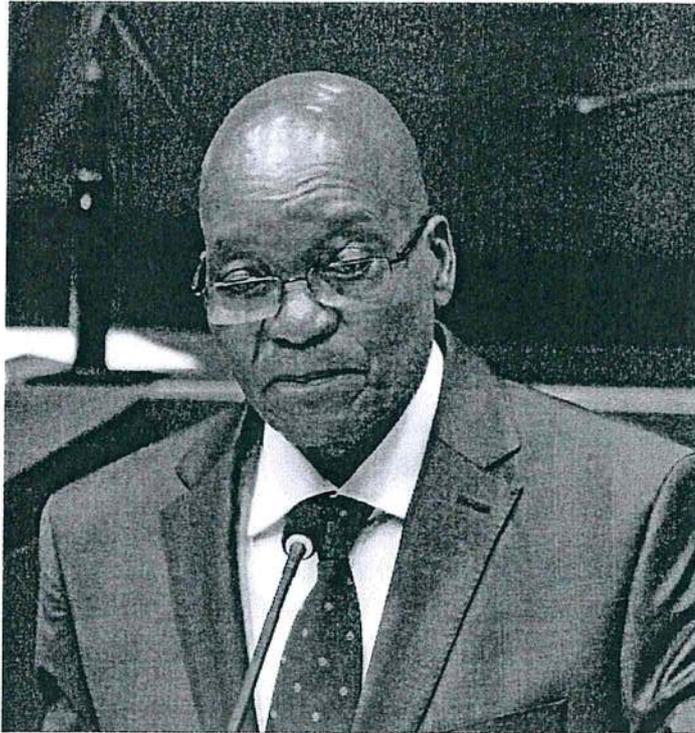
28 September 2014 - 02:07 By Stephan Hofstatter, Mzilikazi wa Afrika, Piet Rampedi and André Jurgens

President Jacob Zuma and the ANC were deep in the pockets of French arms giant Thales.



President Jacob Zuma delivers his State of the Nation Address on June 17, 2014 in Cape Town, South Africa. Image: Gallo Images Foto24 Yunus Mohamed

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President Jacob Zuma delivers his State of the Nation Address on June 17, 2014 in Cape Town, South Africa. Image: Gallo Images Foto24 Yunus Mohamed

This is according to explosive documents obtained exclusively by the Sunday Times that reveal how Thales fixer Ajay Sooklal allegedly arranged flights, fancy clothes, legal fees and lavish hotel stays in Europe for Zuma when he faced corruption charges linked to the arms deal.

Thales's South African subsidiary Thint won a R2.6-billion contract in 1997 to fit four new navy frigates with combat suites.

The documents are transcripts of testimony given under oath before retired Judge Phillip Levinsohn at confidential arbitration hearings held earlier this year in a fee dispute between Sooklal and Thales.

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The transcripts, totalling 1358 pages, provide a detailed account of Sooklal's work as a lawyer and secret fixer for Thales for six years.

Sooklal claims he is owed R70-million in outstanding fees. Thales has offered him R42-million.

Zuma declined to respond to detailed questions e-mailed to his spokesman Mac Maharaj this week.

"Anyone with information relating to the arms deal should bring it to the attention of the Seriti commission," Maharaj said. "The commission has been established specifically to deal with such allegations and rumours."

The commission resumes on October 6 with testimony from arms deal activist Terry Crawford-Browne.

The transcripts expose for the first time that:

- Zuma used the code words "Eiffel Tower" to accept a R500000-a-year bribe from Thales in return for political protection in the arms deal probe and to secure future business;
- Thales gave former ANC treasurer Mendi Msimang a cheque for €1-million (about R14-million at today's rates) in April 2006 to be paid from a secret Dubai account into an "ANC-aligned trust" shortly before the company was due to stand trial for corruption with Zuma;
- Thales was asked to bankroll the ANC conference at Polokwane in 2007, where Zuma was elected party president, but did not do so;
- Thales furiously lobbied ANC officials including former president Thabo Mbeki, former justice minister Penuell Maduna, former secretary-general Kgalema Motlanthe and Msimang to be let off the hook, even enlisting the help of French president Jacques Chirac; and
- Thales bankrolled Zuma and Sooklal to fly around the world and meet witnesses who could help the ANC president in his forthcoming corruption trial, even when they were unrelated to Thales.

As deputy president and head of government business at the time, Zuma was also expected to promote the French arms and electronic company's future business ventures in South Africa in return for his alleged bribe.

The arms company has since clinched several lucrative state contracts.

These include a R1.87-billion rail signalling contract in the Western Cape in 2013, a R100-million electronic ticketing system for the Gautrain in 2007 and a R95-million air traffic control maintenance contract in 2009 that did not go out to tender.

Despite a decade of court proceedings, Sooklal's is the first sworn testimony that Zuma personally signalled his acceptance of the bribe that led to Shaik's conviction. The code words used, "Eiffel Tower", has also never been revealed before.

The documents show Shaik proposed the bribe and code words to Alain Thetard, who headed Thint at the time. On March 11 2000 Shaik brought Thetard to see Zuma at King's House, his official residence in Durban, where he allegedly said: "I see the Eiffel Tower lights are shining today."

This was taken to mean Zuma had accepted the bribe offer. At the meeting Thetard jotted down the terms of the bribe agreement on a piece of paper he later gave to his personal assistant, who typed it up and sent it via encrypted fax to Thales's Paris and Mauritius offices. The fax became a crucial item of evidence and helped convict Shaik on corruption charges.

Two courts found that the King's House meeting in 2000 led to the first R250000 tranche of bribe money being released to Shaik.

The transcripts reveal the extent to which Thales had Zuma and the ANC in their pocket.

Sooklal, a politically connected former government official, was hired in 2003 to "make representations to the highest authorities in the land" to get corruption charges against Thales withdrawn and arrest warrants for its top executives uplifted soon after then-prosecutions boss Bulelani Ngcuka announced he would charge Shaik - and said there was a "prima facie" case of corruption against Zuma.

Sooklal was mandated by Thales to help Zuma beat his corruption charges. Zuma and Thint were only charged in November 2005, after Shaik was convicted of corruption.

Pierre Moynot, who replaced Thetard to head Thales's South African arm, allegedly told Zuma in Sooklal's presence: "Your clothes and your other outgoings anywhere in the world, I will pay for that."

Moynot allegedly handed the à1-million cheque to Msimang at his Waterkloof, Pretoria, home in Sooklal's presence. "Mr Msimang was quite happy with the cheque" and asked Moynot to thank his boss in Paris, said Sooklal.

Asked to comment on Sooklal's allegations, Moynot said Thales had hired him because he had "very good relations with the government" but accused him of "lying" in his testimony. "We realised very soon he was not a proper guy - he would do anything for money," Moynot said.

However, he confirmed that Thales had bankrolled Zuma's clothes, trips and legal fees and made a substantial donation to the ANC. "He had no money at the time. That's why we helped him," he said.

Thales wanted Zuma's prosecution "to be stopped as soon as possible. If he had lost, the company would have a lot of problems in his country and we would have had to leave."

There was nothing untoward in the ANC donation. "A lot of companies want to have good relations with the ANC and give them money from time to time." Asked to confirm the amount of à1-million, he said it was "something like that".

ANC spokesman Zizi Kodwa said "the ANC has got no record of such a donation. It's hearsay."

Sooklal's job with Thales ended after charges against Zuma and Thint were controversially withdrawn in April 2009 by prosecutions boss Mokotedi Mpshe, citing evidence of political interference contained in the so-called spy tapes.

Thales has declined to make any official comment, saying the arbitration matter was "sub judice at this stage". Sooklal said he would comment when the hearings ended. They are scheduled to continue this month.

Thetard and Msimang could not be reached for comment.

investigations@sundaytimes.co.za

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OF THE REPUBLIC OF SOUTH AFRICA

NATIONAL ASSEMBLY
MEMBER OF PARLIAMENT

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29 September 2014

Advocate Fanyana Mdumbe
Arms Procurement Commission
Private Bag X02
Pretoria
0126

Tel: (012) 358 3999
Fax: (012) 358 3969

Dear Advocate Mdumbe

**FORMER THALES EMPLOYEE MR AJAY SOOKLAL'S ALLEGATIONS
CONCERNING ARMS DEAL CORRUPTION**

I presume you are aware of the allegations concerning arms deal corruption published in this weekend's Sunday Times (*Exposed: How arms dealer bankrolled Zuma*, Sunday Times, 28 September 2014).

The allegations appear to originate from a Mr Ajay Sooklal who was reportedly employed for a period of six years by Thales.

It would seem that Mr Ajay Sooklal may have personnel knowledge of arms deal corruption and may be in a position to assist the Arms Procurement Commission.

I would therefore like to confirm that you are aware of the allegations made by Mr Ajay Sooklal and that you will consider summoning him to give evidence before the Arms Procurement Commission.

Should you require any further information, please do not hesitate to contact me directly on Tel: (021) 403 3337, Fax: (021) 460 0092 or Cell: 071 5346398.

Yours sincerely,

DAVID MAYNIER MP

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 ISIVUNO HOUSE
 North West
 Cnr of Madiba and
 Lilian Ngoyi Streets,
 Pretoria
 South Africa
 www.armscomm.org.za



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Transparency, Accountability and the Rule of Law

For attention: Mr David Maynier, MP
 National Assembly
 Parliament of the Republic of South Africa
 PO Box 15
 Cape Town
 8000

Tel: (021) 403 2911

BY ELECTRONIC MAIL

Dear Mr Maynier

RE: FORMER THALES EMPLOYEE MR AJAY SOOKLAL'S ALLEGATIONS CONCERNING ARMS DEAL
 CORRUPTION

Thank you for your letter dated 29 September 2014, the contents of which have been noted.

The Commission will endeavour to obtain the transcript of the arbitration proceedings, peruse it and decide on the course of action to take.

Yours sincerely


 Adv Fanyana Mdumbe

Arms Procurement Commission

Date: 29 September 2014

Commissioners: LW Seriti JA (Chairperson); HTM Musi JP;

Head of Secretariat: P.N Lufhondo

IN THE HIGH COURT OF SOUTH AFRICA

GAUTENG DIVISION, PRETORIA

Case No: 89671/16

In the matter between:

AJAY SOOKLAL

APPLICANT

and

THE PRESIDENT OF THE
REPUBLIC OF SOUTH AFRICA

FIRST RESPONDENT

JACOB GEDLEYIHLEKISA ZUMA

SECOND RESPONDENT

THE MINISTER OF JUSTICE AND
CONSTITUTIONAL DEVELOPMENT

THIRD RESPONDENT

COMMISSION OF INQUIRY INTO
ALLEGATIONS OF FRAUD,
CORRUPTION, IMPROPRIETY OR
IRREGULARITY IN THE STRATEGIC
DEFENCE PROCUREMENT PACKAGE

FOURTH RESPONDENT

THALES SOUTH AFRICA (PTY) LTD

FIFTH RESPONDENT

THALES S.A (SOCIÉTÉ ANONYME)

SIXTH RESPONDENT

THE MINISTER OF DEFENCE AND
MILITARY VETERANS

SEVENTH RESPONDENT

NOTICE OF MOTION

See 10

BE PLEASED to take notice that application will be made to this Honourable Court on the 13 day of December 2016 at 9h30 or so soon thereafter that the matter may be heard for an order in the following terms:-

1. An order declaring that a serious conflict of interest on the part of the First Respondent rendered his conduct in appointing a Commission of Inquiry into allegations of fraud, corruption, impropriety or irregularity in the Strategic Defence Procurement Package (SDPP) and which was promulgated in terms of Government Gazette No.GNR926 of 4th November 2011 unlawful invalid and accordingly unconstitutional;
2. An Order setting aside the findings of the Fourth Respondent, alternatively the Second and Third Respondents issued and published in a report released by the Fourth Respondent on 30 December 2015 and made available to the public on 21 April 2016;
3. Alternatively to paragraph 3 hereof the Fourth Respondent is ordered to reopen the Commission of Inquiry and to receive evidence of the Applicant and any other evidence which may become necessary pursuant thereto;
4. That the actions of the Second and Fifth and Sixth Respondents are declared to be corrupt as contemplated in the Prevention and

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Combatting of Corrupt Activities Act 12 of 2004 and the Foreign Corrupt Practices Act of 1977 15 USC;

- 5. An order directing that the costs of this application including the costs of two counsel be paid by the Second and Fifth Respondents on an attorney and client scale;

- 6. An order directing any other Respondent electing to oppose this application to pay the costs of this application jointly and severally with the Second and Fifth Respondents such cost to include the cost consequent upon the employment of three counsel.

TAKE NOTICE FURTHER that any ^{Respondent} ~~Applicant~~ opposing this application is required:-

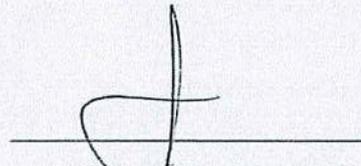
- (a) to notify the Applicant's attorneys in writing on or before the ²⁴ day of November 2016;
- (b) within 15 days of such notification file answering affidavits if any;
- (c) and further that you are required to appoint in such notification an address referred to in Rule 6(5)(b) at which you will accept notice and service of all documents in these proceedings such an address being one within 8km's of the office of the Registrar of this Court.

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If no such intention to oppose is given this application will be made on this
.....day of.....2016 at 9h30 or so soon thereafter as the matter
may be heard.

KINDLY place the matter on the roll for hearing accordingly.

DATED AT PRETORIA THIS 16 DAY OF November 2016



APPLICANT'S ATTORNEYS

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Cell: 084 880 6270

WMA

REF: Mr Alan Kissoon

E-Mail: alankissoon@aklaw.co.za

MP
End

IN THE HIGH COURT OF SOUTH AFRICA

GAUTENG DIVISION, PRETORIA

Case No:

In the matter between:

AJAY SOOKLAL

APPLICANT

and

THE PRESIDENT OF THE
REPUBLIC OF SOUTH AFRICA

FIRST RESPONDENT

JACOB GEDLEYIHLEKISA ZUMA

SECOND RESPONDENT

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CONSTITUTIONAL DEVELOPMENT

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COMMISSION OF INQUIRY INTO
ALLEGATIONS OF FRAUD,
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FIFTH RESPONDENT

THALES S.A (SOCIÉTÉ ANONYME)

SIXTH RESPONDENT

THE MINISTER OF DEFENCE AND
MILITARY VETERANS

SEVENTH RESPONDENT

FOUNDING AFFIDAVIT

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I, the undersigned

AJAY SOOKLAL

do hereby make oath and state;

1.

I am an attorney of this Honourable Court practising as such under the style and firm name: Ajay Sooklal Attorneys at 360 Bergkaree Avenue, Lynnwood, Pretoria.

2.

The First Respondent is the President of the Republic of South Africa whose seat of office is Union Buildings, Government Avenue, Pretoria.

3.

The Second Respondent is Jacob JACOB GEDLEYIHLEKISA ZUMA who is cited herein in his personal capacity of c/o Union Buildings, Government Avenue, Pretoria.

HEC. A

M
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4.

The Third Respondent is the Minister of Justice and Constitutional Development of c/o the State Attorney, Old Mutual Centre, 8th Floor, 167 Andries Street, Pretoria, 0001. No relief is sought against the Fourth Respondent who is joined herein merely as a party having an interest in the outcome of this application.

5.

The Fourth Respondent is the **ARMS PROCUREMENT COMMISSION**, the full name of which is Commission of Inquiry into allegations of Fraud, Corruption, Impropriety or Irregularity in the Strategic Defence Procurement Packages. The seat of the Commission is 21st Floor, Isivuno House, cnr Lilian Ngoyi (Van der Walt) and Madiba (Vermeulen) Streets, Pretoria. As the Commission is no longer operational, service will be effected through the Minister of Justice and Constitutional Development, whose Department was responsible for the administration of the Commission.

6.

The Fifth Respondent is Thales South Africa (Pty) Ltd a company duly incorporated and registered with limited liability according to the Company Laws of the Republic of South Africa, having its place of business situate at 55 Richards Drive, Midrand, Johannesburg.

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7.

The Sixth Respondent is Thales S.A. (Société Anonyme). A French company having its headquarters in Paris c/o the Ambassador of the Republic of France who is based at the French Embassy which is situated at Melk Street, Brooklyn, Pretoria.

8.

The Seventh Respondent is the Minister of Defence and Military Veterans who is based at Armscor Building, Nossob Street, Erasmuskloof, Pretoria.

9.

No relief is claimed against the Seventh Respondent. It is joined in this application by reason of its legal interest in the main relief sought herein namely an order declaring that the First Respondent has violated the provision of the Constitution and the setting aside of the findings of the Arms Procurement Commission.

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10.

The First and Third Respondents made the Regulations which governed the work of the Commission, which were published in Proc R4 in GG 35023 of 8 February 2012. They did so under the powers vested in them by section 1 of the Commissions Act 8 of 1947 ('the Act'). They declared that the provisions of the Act shall be applicable to the Commission, and made the regulations applicable to the Commission.

MY LOCUS STANDI IN JUDICIO

11.

I bring this application in the public interest as contemplated in Section 38 (d) of the Constitution in that I contend that success in this application would better enable the State and the First Respondent to respect, protect, promote and fulfil the rights in the Bill of Rights as envisaged in Section 7(2) of the Constitution.

12.

In particular I contend that as a result of a serious conflict of interest the exercise of constitutional power by the First Respondent acting in terms of Section 84(2)(f) of the Final Constitution (FC) was unlawful, invalid and offends the principle of legality.

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