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Zondo Commission: Bosasa played a game of cat and mouse with SIU investigators

Angelo Agrizzi told the commission of inquiry on Tuesday afternoon how he and other directors of Bosasa had to destroy evidence when they first discovered that the Special Investigating Unit (SIU) was coming after the company. From a deliberate server crash, to the burning of documents, they were determined to save their skins. The SIU's target was four contracts that the company held with the Department of Correctional Services, and possible links to its then national commissioner, Linda Mti.

The SIU swooped on Bosasa in late 2007, but not before CEO Gavin Watson was pre-warned by trusted middle man and bribe distributor Sesinyi Seopela. According to Agrizzi, Watson called him on a Sunday afternoon, panicked, telling him of an imminent raid of their offices the next day. He instructed him to immediately come to the company offices in Johannesburg. Agrizzi was at the time entertaining associates of Bosasa who were visiting from the US.

Seopela is well connected politically and within the law enforcement field, and was trusted by Watson to always bring accurate intelligence to Bosasa.

Agrizzi and Andries van Tonder, Bosasa's CFO, had to go into every office and look for specific incriminating evidence in the form of documents that would interest investigators. "We were looking particularly for sale-of-shares information on Phezulu," said Agrizzi. Phezulu Fencing, which got a R471-million contract from the department, was a front established to evade detection of the contract's link to Bosasa. Watson's fear was that because there was already extensive negative publicity through the media on the company, it would not be good for it to get any more government tenders.

Playing the procurement game

At the time that the fencing tender was to come out, Bosasa did not have within its group a company with the capacity or expertise in the area of security fencing. A deal was then struck with several players in the field, who would play the roles of suppliers and maintainers, and be registered as sub-contractors of Phezulu.

The companies involved then all colluded to bid separately, so as to make Phezulu appear dominant. By the time the tender was advertised in October 2005, it was designed to compromise any new bidders who would not have the opportunity to do site assessments. Bosasa, through its various groups, had a lot more insight into how prison facilities are operated, and would have had the upper hand. Phezulu got the contract the following year.

Among documents found by Agrizzi was an agreement between Watson and then national commissioner of correctional services Linda Mti, detailing the ways in which Mti would be rewarded for his role in securing contracts for Bosasa. Agrizzi made a copy of the document, and both copies were put along with other documents in the boot of his car and taken away for safe storage at a farm.

No paper trail

Commission chairperson, Deputy Chief Justice Raymond Zondo, questioned the prudence of detailing a corrupt relationship between a senior public official and a contractor, as was the case with the document Agrizzi claimed to have found. He asked this because in previous testimony Agrizzi had told the commission that Watson was not in favour of the practice of signing any documentation, despite his many dealings with various government departments.

His fear, Agrizzi said Watson had told him, was leaving behind incriminating paper trails that could be traced back to him in the future. In response to Zondo, Agrizzi said: "Perhaps Mr Mti knew Gavin Watson better than the rest of us." Zondo further reasoned that even if that was the case, a senior government official would not put his name on a piece of paper detailing what corruption pact he was entering into. To this, Agrizzi said he did not remember seeing Mti's signature on the document, but remembered seeing those of Watson and Tony Perry, then company secretary of Bosasa.

Although the raid never happened, a meeting was subsequently held between officials of the SIU and Bosasa directors where the latter were informed of what the SIU required them to make available to investigators.

Investigating the investigators

IT specialists working for Bosasa were then instructed to monitor the movements of the cyber investigators using a connected server, created with the purpose of mirroring the information stored on the master server on the Bosasa premises. This was done with the intention of pre-empting the direction the investigators were to take in their probe.

Evidence found by SIU forensic cyber specialist Jay Malan during a probe on the laptop of the correctional services department's CFO Patrick Gillingham following a raid of his home, pointed to tender documents relating to the catering tender which Bosasa secured in 2004. He noted how there had been back-and-forth correspondence with the documents attached, via email with Bosasa, specifically Agrizzi.

As per Agrizzi's earlier testimony, the tender specifications were drawn up between himself, Gillingham and Danny Mansell, Watson's former business partner in Bosasa who was now associated with the company in a consultant capacity. This was done before the tender had even been advertised, and the information in the specifications was used to determine the tender requirements.

A number of department officials, including Mti and Gillingham, were rewarded monthly by Bosasa for enabling this arrangement.

SIU officials started a further probe into Mti's Bosasa benefits, and to evade trouble, Watson instructed Agrizzi and Van Tonder to destroy all documents found on Blake Travels, the agent of choice when booking flights and holidays for Mti and his family.

All documents with Mti's name on them were set alight and thrown in a hole dug for the purpose of concealing them. Invoices were then recreated to give the impression that the travels through Blake were business related and did not include Mti.

Agrizzi continues to testify on Wednesday.

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