

PRESS STATEMENT BY MAC MAHARAJ AT THE CONCLUSION OF THE FIRSTRAND INQUIRY

From the outset I have motivated for and fully cooperated with the FirstRand Inquiry.

I welcome the Board's decision which accepts that the investigative team did not find any evidence to substantiate allegations of corruption and did not find any evidence linking payments from Mr Shaik to Mr and Mrs Maharaj to the awards of the two contracts.

This was the most serious and primary allegation against me that was repeatedly insinuated by the Sunday Times and taken up by most of the media. I repeat that I have not been involved in any bribery and corruption.

The Board of FirstRand has not pronounced on the rest of the findings. I have many reservations about the findings of the investigation team. I, however, have no intention of quibbling over them.

I have decided to resign from all my positions in the FirstRand group because I believe that it is not necessary for FirstRand to have all the controversies around me hanging around the company. The entire matter arises from actions I took long before I joined FirstRand. I also believe that much of the controversy, misrepresentation and slander that have arisen are taking their toll on my family and me. In our own interest therefore it is also appropriate that I resign. This is an amicable parting with FirstRand.

In the course of the inquiry, each of the payments alleged to have been made to my wife and I had to be scrupulously examined. We went further and allowed the inquiry to examine the relevant bank accounts' statements from 1996 to 2000, and the inquiry has recorded that it is "reasonably satisfied that there are no other deposits from Nkobi [Holdings] or Mr Shaik ..."

With regard to payments received I would like to summarise the outcome. Firstly, the Sunday Times alleged 14 specific payments totaling just over R500 000. In this regard 5 of these were confirmed, there was no evidence to confirm another 5 and in 4 instances the payments were received but the amount involved in each instance was less than that alleged. Furthermore, the examination of the bank statements and with our cooperation, the investigation found record of two other payments that were received but did not feature in the Sunday Times allegations. This gives a total of R328 898 received by my wife for consultancy work done for Mr Shaik and his group of companies. Finally, included in the payments received is an amount of R15 642. being the cost of hotel accommodation in Orlando, USA that Mr Shaik paid to his business counterparts Brown & Roots.

My reservations fall into two categories. Firstly, I registered strong reservations about the inquiry process as it developed. But I do not wish to pursue the matter any further here. Secondly, I would draw attention to the finding of breach of Parliamentary protocol in relation to the one payment of R15 642 paid by Mr Shaik to Brown & Root for the four-day hotel accommodation in Orlando. To the best of my recollection I believe I paid the hotel. In this regard I also accept that Mr Shaik paid Brown & Root but I contend that I was not aware of this until the Inquiry was held and therefore did not declare it as a "gift" in the Parliamentary register for 1996. Accordingly I am of the view that I did not breach the Code.

I would like to conclude with some observations about the larger issues:

When the Sunday Times carried its story on 16 February 2003 the Scorpions were not prepared to state that they were carrying out an investigation about me.

- I motivated for and cooperated fully with the FirstRand Inquiry even when I began to hold reservations.
- The Inquiry was told by the Scorpions that they were conducting an investigation and that their interim report would be ready at the end of May and their final report by the end of June 2003.
- In the middle of June 2003 the Scorpions called on my wife and I to give evidence and we have cooperated with their investigation.
- On the 19 and 20 June 2003 when we gave evidence to the Scorpions, I was informed that they had commenced their investigation in April 2002 and that they were on target to complete the investigation by the end of June.
- On this occasion I recorded my concern with the Scorpions that the documents on which the Sunday Times based its report of the 16 February 2003 could only have come from the Scorpions and that I would hold the Scorpions responsible should any further leaks occur.
- Since then I have come across further indicators of leaks to the media by the Scorpions.
- I fully support the need for cooperation with the State investigating agencies, but I cannot accept that anyone in the Scorpions should be leaking information to the public and media.
- Such "leaks" seriously prejudice the persons being investigated and undermine the credibility of the investigating agency. The slander that has been visited upon me by such leaks has been harmful and deeply hurtful to my family and me. This is unacceptable in the democratic, just and constitutionally ordered society our country is building.
- I and my family now look forward to the conclusion of the Scorpions investigation. I remain firm in my view that there are no criminal charges that could be made and sustained against me.

Mac Maharaj
Johannesburg.
14 August 2003