

Media Statement



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TO: ALL MEDIA

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RE: THE NPA's INVESTIGATING DIRECTORATE SECURES A RESTRAINT ORDER AGAINST REGIMENTS CAPITAL'S ASSETS IN CORRUPTION RELATED TO TRANSNET

On 31 July 2019 the Head of the Investigating Directorate (ID), Advocate Hermione Cronje authorised a wide-ranging investigation into offences of fraud and corruption perpetrated in relation to the award of tenders and/or contracts in the acquisition of locomotives and rail maintenance by Transnet, in the period 2010 to 2019.

She acted in terms of Section 28(1) of the National Prosecuting Authority Act,

On Wednesday 20 November 2019, the Johannesburg High Court granted the ID a restraint order against the directors of the Regiments Group of companies, and the companies themselves, on the basis that the individuals and entities listed in the order either derived a benefit from the above offence, or hold property on behalf of those who benefited.

The order authorises the *curator bonis* to take control of assets in excess of R1 billion.

Seizing the ill-gotten gains of those responsible for the looting of the state coffers is a vital part of the NPA's strategy to address the rampant corruption in our country.

The order relates to charges of fraud, corruption and money laundering perpetrated when Regiments acted as transaction advisers to Transnet, and performed investment services for the Transnet Second Defined Benefit Fund (**TSDBF**)

The timing of the application by the ID, filed in court on 14 November, was necessitated by the fact that the defendants' assets were due to be released from a private anti-dissipation order that had been obtained by the TSDBF some time ago.

The likely consequence of such release was that the defendants' most valuable liquid assets, shares and cash, would have been dissipated. The restraint order ensures that the pensioners who depend on the TSDBF will have access to the shares to which they are entitled.

In addition, the curator has restrained about R600 million in cash.

The criminal investigation into the conduct of the Regiments Group is at an advanced stage.

In addition, the ID can now obtain access to the Regiments server, that had previously been seized through an Anton Piller order by Transnet, and which is now in possession of the State Capture Commission.

This means that the NPA can now access and analyse evidence on the server.

Bulelwa Makeke
Head of Communications
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