

22 March 2019

Pieter-Louis Myburgh

Daily Maverick

Per email: plm@dailymaverick.co.za

Dear Sir

Woodlands House, Bloemfontein enquiry

1. We refer to your e-mail dated 20 March 2019.
2. We proceed to answer your questions *seriatim*. I have had the opportunity to peruse Mr Mulla's response and to the extent that I do not specifically address any issues, kindly refer to his response.

Ad paragraphs 1; 2 & 5

3. The Dockrat family and/or any of its associates have played no role whatsoever in the above project.

In addition, I categorically state that there hasn't been any financial and/or material contribution made by Sedtrade or any associated company, to the said project.

Ad paragraph 3

4. It is surprising that you ask about former Premier Magashule frequenting Sedgars. There are many other politicians, including those from the DA and EFF, who frequent Sedgars. Members of COSATU also frequent Sedgars. The fact that Sedgars supplies sought-after products at very competitive prices is perhaps the most obvious explanation. As to why it is that members of the press always look for something

suspicious, is something that always eludes me. In fact, I would invite you to visit Sedgars and decide whether or not it is a worthwhile shopping experience.

5. It is absolute nonsense that there are allegations that deals are done behind closed doors at Sedgars. These allegations are so far-fetched that I would be surprised if you were to believe them. No doubt, in order to believe them, you would have to have, as the law requires of you, a factual basis upon which such an inference can be drawn. If you have such factual inferences, please publish the articles as you see fit. I can assure you that you will have no such factual basis because the allegations are mischievous and devoid of any truth.

Ad paragraph 4

6. Sedtrade and its affiliated companies are not "*favoured to get contracts because of their alleged close proximity to Mr Magashule and provincial departmental officials*". It is difficult, within the time constraints, for us to highlight the factual scenario of each tender that was awarded to Sedtrade. However, we can assure you that the tenders that were awarded were in compliance with the relevant legislation and regulations and were successful because of Sedtrade's excellent history of performance with government departments.

It is also significant to note that Sedtrade is a Level 1 BBEE company. In addition, apart from holding the highest BEE credentials, it has the highest CIDB grading, which includes CIDB9GB; 9CE and 9SE. The combination of the highest-level BEE together with the highest level of grading competence is rare to find in the South African construction and civils industry. Our country has been held backwards as far as transformation is concerned. Our country, as you know, has been prevented from advancing the interests of those that were previously disadvantaged. I might point out to you that I personally do not know of any company in the industry that enjoys a combination of the highest BEE level and the grading competence level which Sedtrade enjoys. It is therefore not surprising that Sedtrade and its affiliated companies are preferred in the award of contracts. After all, the government, in favouring a Level 1 BEE

company, is giving effect to its constitutional obligation to transformation. Please don't be used as a pawn to advance the hidden agenda of our non-BEE competitors.

7. Apart from the exceptional credentials and highest BEE rating, Sedtrade, through its efficient administration, and bearing in mind the interest of the fiscus, has mostly submitted prices that was far more competitive than other competing tenders. It is not surprising then that the tender bodies who award the tenders to Sedtrade would do so if they have the fiscus' best interests at heart. Despite all of that, we point out that the success rate of the tender awards to Sedtrade, when compared to the other tender applicants is less than 5%. These are hard facts which you must publish if you are fair.
8. Former Premier Ace Magashule, I would imagine has no influence over the Department of Police, Road and Transport. I suggest that you investigate and understand the internal workings of the tender committee, including its department and the heads of department after which you will grasp the appreciation that former Premier Magashule would not have had any influence over them.

Conclusion

9. We trust that you will be responsible and in the spirit of honest and ethical journalism not follow the trend of bad-mouthing Sedtrade without giving us a proper opportunity to respond, as you have done in this case.
10. Should you have any further queries, we are happy to assist you.

Yours faithfully

Zaid Dockrat

Letter unsigned as electronically sent



Sedtrade (Pty) Ltd

Company Registration No. 2004/014721/07
VAT No. 4520249592

The company's principal place of business is at 2 Leeuwenhoek Street, Vereeniging, where a list of the director's names is available for inspection