

Ms Thabang Mampane

Commissioner

National Lotteries Commission

By email: Thabang@nlcsa.org.za

Dear Commissioner Mampane

National Lotteries Commission and Minister of Trade, Industry & Competition

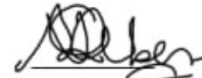
- 1 We refer to the above matter and the letter dated 11 November 2020 from Maluks Attorneys sent to the Minister of the Department of Trade, Industry & Competition.
- 2 We note that the above-mentioned attorneys claim to be acting on behalf of the National Lotteries Commission represented by the board. In the letter, the attorneys are purportedly instructed to demand several undertakings from the Minister failing which they threaten to approach the court to interdict the Minister.
- 3 Your attention is brought to the letter dated 4 March 2020 wherein the Minister informed the board of his intention to appoint an independent forensic investigation to investigate any matter relating to pro-active funding to which no positive response was received.
- 4 You are advised that in terms of section 35 of the Lotteries Act, read together with section 195 of the Constitution and the Public Finance Management Act, you are required to strictly ensure efficient, economic and effective use of resources of the public entity not to protect and promote personal interests.
- 5 We view the appointment of attorneys and expense incurred in the litigation process against the Minister as the Executive Authority assigned by law to oversee the Commission as not in line with the principle of efficient and effective use of financial resources as it is not to the protection or promotion of

Lelapha la Dikqweliso, Dintsebeti le Tholoso • Lelapha la Kqwelo Indantel le Phadlthano • Ukhayiso vesithwalo naZintsoi kanye nokhuphiswano • Muhsho wa zwa Mbambazo, Malweho na Mubekano • Die Departement van Handel, Nywerheid en Mededinging • Kgoro ya Kqwelo Indantel le Kqaliso • Nibavulo ya Vuzavuzi, Matindzu na Mphikizano • Likho laTokuvela (Mboni neLuncolwano) • Sibhe leedPhwelo noDlathiso kanye nokhuphiswano • UmNyango vesakufhwebelana, amabululo nama Phaliso

the NLC's interest but that of individuals who might be implicated in wrongdoing. Therefore, the resources of the NLC may not be used to pay legal costs to protect individuals' personal interests.

- 6 In the circumstances, you are requested to provide my office with the minutes of the board meeting and resolution where a decision to appoint attorneys to institute legal proceedings against the Minister was taken. Secondly, ensure that individuals who instructed attorneys to litigate against the Minister pay legal costs but not the NLC.
- 7 We wait for your urgent response.

Yours faithfully



Lionel October
Director-General
18 November 2020

Lelapha la Dikqweliso, Dintsebeti le Tholoso • Lelapha la Kqwelo Indantel le Phadlthano • Ukhayiso vesithwalo naZintsoi kanye nokhuphiswano • Muhsho wa zwa Mbambazo, Malweho na Mubekano • Die Departement van Handel, Nywerheid en Mededinging • Kgoro ya Kqwelo Indantel le Kqaliso • Nibavulo ya Vuzavuzi, Matindzu na Mphikizano • Likho laTokuvela (Mboni neLuncolwano) • Sibhe leedPhwelo noDlathiso kanye nokhuphiswano • UmNyango vesakufhwebelana, amabululo nama Phaliso