APPARENT COLLUSION BETWEEN DISCOVERY'S ATTORNEY GEORGE VAN NIEKERK OF ENS CAPE TOWN AND THE NATIONAL PROSECUTING AUTHORITY

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We have been informed by extremely reliable sources that Discovery's attorney George van Niekerk of Edward Nathan, has been colluding with the National Prosecuting Authority in attempting to concoct trumped up allegations against Ronald and Darren Bobroff.

Bizarrely these include the allegation that because the Practice of Ronald Bobroff and Partners Inc., in common with 74% of all the Law Society's members agreed to assist clients in terms of common law contingency fee agreements, the fees charged in terms thereof of between 25-30% plus VAT, in accordance with Law Society rulings, in good faith and in the genuine belief that such agreements which were permitted and promoted by the Law Society, suddenly became theft and fraud because a Civil Court finally ruled, that such agreements were invalid in 2014.

The fact that these absurd allegations have only been against Darren and Ronald, and not a single other of the 20 000 plus attorneys who entered into millions * of such agreements for more than a decade, creates an obvious inference as to what is really going on. * Page 17 paragraph 7.12.4 "Some two hundred thousand claims are lodged against the Road Accident Fund annually, primarily by attorneys and that from 1999 to date in excess of one million claims would have been lodged by attorneys on behalf of their clients".

The wild allegations by the NPA that lawful after tax money which emanated from various lawful sources, and held in offshore accounts by Ronald and Darren are the proceeds of crime, are based on a series of contrived fictions.

The NPA had to find some formula to link the US Dollar values of the offshore funds to fees charged by RBP Inc. Given that the Practices trust account was correctly reported by the court appointed curator to have balanced to the cent i.e. no client funds misappropriated/stolen, and that the curator further reported that not a single one of the Practices thousands of former clients had lodged any claims of theft against the

Attorneys Fidelity Fund, The National Prosecuting Authority had a problem because no monies whatsoever were misappropriated or stolen from clients by RBP Inc.'s directors Stephen Bezuidenhout and Ronald and Darren Bobroff.

So the NPA's P.Biseswaar together with the RAF's Marius Werner obviously decided that they would have to somehow concoct a scenario, no matter how absurd that some of the money which the RAF had paid to RBP Inc. in respect of client settlements was stolen, and of course only by Ronald and Darren and not Bezuidnhout, who dealt with far more clients than Darren did and that such amount should then equal in rands the US dollar amount of Ronald and Darrens offshore funds in Israel.

Undeterred by the fact that there was no theft whatsoever, they must have by trial and error, and probably assisted by one of the RAF's actuaries worked out that if they took 10% of all the money paid to the Practice by the RAF in respect of client settlements from December 2006 up to March 2016 i.e. 10% of R96 911 828.911 = R9 691 181.89, and only at a specific time, on a specific day given that the exchange rate fluctuates from minute to minute, they had a bingo moment when the figure equalled the dollar amount.

Their next challenge was how to somehow concoct a basis on which to allege that the amount R96 911 828.91 had been stolen from RBP clients, and of course again only by Ronald and Darren. Astonishingly what is supposed to be South Africa's "elite" criminal investigation unit - the Hawks , and its National Prosecuting Authority embarrassingly stated that Ronald and Darren had overcharged - unnamed clients, in respect of unnamed settlement or judgement amounts, a blanket 10% of the total amounts paid to the Practice by the RAF during the period December 2006 - March 2016 of R96 911 828.91.

Minor details such as the fact that RBP 25% shareholder Bezuidenhout would have received 25% of the fictitious 10% overcharge , that the overcharged fees would have been used to cover the Practices 30 - 40% annual overheads, the VAT of 14% would have to have been paid, that company tax of 38% would have to have been paid and so on; were conveniently ignored.

Numerous senior and experienced lawyers including retired judges who had read the NPA's preservation (freezing) application have expressed their concern that a High Court Judge should have been prepared to grant the NPZ the preservation/freezing order based on such obvious nonsense, and to add insult to injury to have done so ex parte i.e. without Ronald or Darren being afforded an opportunity of filing affidavits exposing the NPA's application on the grounds on which it was based, as embarrassing and wholly without merit!.

The only response in Biseswaars replying affidavit was that the reference to the NPA's complete failure to have regard to all the deductions which should have been made off the concocted theft amount of R96 911 828.91, was that it was "creative" accounting.

Further it is alleged that "Ronald and Darren" convinced clients to enter into multiple fee agreements so as to defraud clients, and avoid income tax and a string of other absurd allegations. Of course this conveniently ignores the fact that the Law Society advised its members to enter into alternative fallback agreements, in case a court should ever rule that common law fee agreements were invalid. **Click here to read the Law Society's first advisory dated 1 February 2011, as also the 2nd advisory dated 15 April 2011.Click here to read the letter from Law Society to the deputy Judge President D J P van der Merwe dated 12 October 2011**

One awaits with interest to see whether the NPA and the Asset forfeiture unit, launch a similar attack against the substantial local and offshore assets of Attorney Michael de Broglio who emigrated to the United States in 2016, he having advertised extensively that he accepted instructions at a fee of 33.3% plus VAT of the damages recovered for clients.

It is public knowledge that he built up a very extensive Practice comprising thousands of clients, and would consequently have earned hundreds of millions of Rands fees in terms of such agreements. I do not criticise Mr de Broglio in any way, as he was simply doing the same that tens of thousands of other attorneys were also doing, in good faith.

It is common knowledge in the plaintiff injury fraternity and in particular amongst Mr de Broglio's erstwhile colleagues that he was able to amass tens of millions of dollars in offshore assets and resides in a palatial home in Florida in the U.S.A

In fact we await with interest to see whether, the NPA will allege that any other of the thousands of attorneys who also utilised common law contingency fee agreements, and who charged fees between 25-35%, entered into multiple fee agreements with their clients as recommended by the Law Society are also guilty of theft and fraud, and that any savings and funds that they may hold locally or abroad, are also the proceeds of crime. The Law Society has the responses of the many firms of attorneys to a survey conducted by it, and in which these firms confirmed utilising such agreements. Presumably the Hawks have obtained the names of these firms, and are impartially also seeking to prosecute the owners of these firms, and to also attempt to seize their assets as the proceeds of crime.

This would include personal injury firms Flowers & Vermaak, Josephs, Natasha Kelly, Levin van Zyl and Hirschowitz Flionis, Clive Unsworth,

Israel Goldberg, Gert Nel, Attorney Kroukamp, a number of whom are Katz's panel attorneys, and all of whom routinely utilised the same common law contingency fee agreements as RBP did.

We find the "excellent cooperation" referred to by the NPA with the Israeli authorities unsurprising, given that Discovery's attorneys Edward Nathan represents the Government of Israel in South Africa, and that senior director Mr Michael Katz, and some of his partners ,who are members of the executive committee of the South African Jewish Board of deputies, have close contacts with many Israeli politicians and highly placed functionaries in Israeli government departments.