

**SUMMARIES OF THE THREE (3) WITNESSES IN THE EMPLOYMENT OF ARMAMENTS CORPORATION OF SOUTH AFRICA LTD "ARMSCOR" WHO WILL BE TESTIFYING FROM 3 OCTOBER 2013 TO 18 OCTOBER 2013**

**1. ROBERT MAXWELL VERMEULEN**

- Was employed by Armscor before, during and after the Strategic Defence Procurement Packages "SDPP's" as a Programme Manager.
- Will testify about the rationale relating to the submarine acquisition for the "SDPP's".
- Will testify about the adjudication process insofar as it relates to:
  - The scoring of the technical value system;
  - The integrated logistic support "ILS" element of the RFO value system carrying the weight factor of 67,5%;
  - The negotiation phase from the technical point of view;
  - Overseeing of the production of submarines;
  - Will testify that the 3 (three) submarines were subjected to an intensive regime of acceptance test procedures hence they were delivered as qualified products;
  - Will testify to a limited extent about the DIP component of the SDPPs by giving illustrative examples;
  - Milestones both payment and non-payment ones including major milestones event completion dates;
  - The submarine product system was delivered according to the prescribed specification and within budget.

**2. BYRALL SMITH**

- Was also employed by Armscor before, during and after the SDPP acquisition as a Programme Manager with the cut off date of November 1998 insofar as involvement in the combat suite systems are concerned.
- Will testify about the patrol corvette platforms in the SDPP in the context of:
  - (i) The rationale;

- (ii) The specifications;
  - (iii) Request for offers ; and
  - (iv) The value system.
- Will testify about his role in the compilation of the main RFO document together with annexures which were submitted to Armscor Procurement Secretariat
  - Will testify about his involvement in the extraction of relevant acquisition costs from the offers;
  - Will testify about the scores (rankings) from the Military Evaluation Report including the performance / cost ratio of the evaluated offers.
  - Will testify to a limited extent about the DIP component of the SDPPs by also giving illustrative examples thereof.

### 3. **FRITS NORTJÉ**

- Was employed by Armscor at different capacities including before, during and after the SDPP's acquisition as a Programme manager.
- During the period 1991 – 1994 he was employed elsewhere and only returned to Armscor during 1994.
- Will testify about:
  - (i) The rationale relating to the corvette acquisition for the SDPP;
  - (ii) The negotiation phase after the selection of German Frigate Consortium "GFC" as a preferred bidder which phase included:
    - (a) The production of the corvettes; and
    - (b) The rationale for the local combat suite elements.
- Will testify about cost saving and risk share;
- Will testify about the integrated logistic systems deliverables "ILS" that constitute 67,5% of the RFO value system;

- Will testify about delays and liquidated damages "penalties" that were exacted on the main contractor and certain part C delays.