

MEDIA UPDATE

TO : ALL MEDIA

DATE : 24 November 2011

ATTENTION : NEWS EDITORS/REPORTERS AND PR WIRE

MCHUNU WELCOMES THE ARREST OF ROAD ACCIDENT FUND FRAUDSTERS

KZN MEC for Transport, Community Safety and Liaison, Mr Willies Mchunu has welcomed the arrest of eight suspects who are accused of defrauding the Road Accident Fund of approximately R4million in false claims.

It is alleged that Percy Kali (47) of Unit 6 Chatsworth was arrested on Sunday, 20 November 2011 on suspicion of fraud involving claims that could result in a potential loss of R92 million to the Fund as well as an actual amount of R5million that had already been paid out.

According to reports, Kali operated as a middleman who went around encouraging people to lodge false claims against the Road Accident Fund. He is alleged to have submitted a total of 1395 false claims to the RAF.

On Wednesday, 23 November, police arrested seven other suspects aged between 32 and 52 who are related to each other, in Northdale, Pietermaritzburg. They are also alleged to have lodged false claims with the RAF, claiming to have been travelling in a mini bus taxi that was involved in an accident in Gumtree Road in Pietermaritzburg. Investigations revealed that none of the claimants had been involved in that accident.

MEC Mchunu welcomed the arrest and warned the community not to fraud the fund "It is unfortunate that people abuse the very fund that was established to compensate those who are affected by accidents or lose their loved ones. This fund is government's way of empathizing with those affected but people are

abusing that privilege. I welcome the arrest of the eight suspects after receiving a tip off, which shows that the community also wants to get rid of the fraudsters that roam among them. I want to appeal to anyone who may have thought of committing fraud against the fund to think twice. I want to also thank the police for the swift response in arresting the suspects", said Mchunu.

Kali appeared in the Durban Commercial Crimes Court on Monday (21 November 2011) this week and was released on bail of R15 000.

Ends

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