


ENSAfrica Forensics

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/ 0436062 our ref
 your ref

11 December 2017 date

EOH

Block D EOH Business Park
 Gilloolly's View
 1 Osborne Lane
 Bedfordview
 Gauteng

By email:

PRIVATE AND CONFIDENTIAL: LEGALLY PRIVILEGED DOCUMENT

Attention:

RE: LETTER OF ENGAGEMENT / ALLEGED IRREGULARITIES

1. We refer to the meeting on 5 December 2017 between our _____ with _____ of EOH as well as our advice to you dated 6 December 2017.
2. In this Letter of Engagement, we detail the specifics of, *inter-alia*, our understanding of your needs, our proposed approach, our team and our fees. Should EOH accept this Letter of Engagement, it will appoint Edward Nathan Sonnenbergs Incorporated ("**ENSAfrica**") to act on its behalf in respect of the contemplated forensic support and to furnish it with appropriate legal advice in respect thereof.
3. The process conducted by ENS will be subject to legal professional privilege (as well as litigation privilege, to the extent that such privilege may be regarded as a separate and independent form of privilege).
4. An important aspect of the approach that will be adopted by us is collaboration between our Forensic Team and the appropriate litigation experts from our Dispute Resolution Department. This collaborative approach will ensure that we provide EOH with the right resources to ensure that we are able to effectively achieve the desired project outcomes.

5. **Background**

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5.5. EOH has already initiated a project to review contracts that were entered into between
..... various public bodies
including the €

5.6. EOH is concerned by the serious allegations that have been made regarding
which we understand he has denied. EOH have approached ENS to provide forensic and
litigation support on this matter.

6. Our Proposed Approach

- 6.1. Given the very serious nature of the allegations, and in order to mitigate the risks to EOH, it is essential to establish the facts in this matter in order to understand whether there is any substance to these allegations.
- 6.2. This will be critical to EOH in the event that the SA authorities pursue criminal action against EOH or any of its directors. It is also critical to understand exactly what happened in the event of enforcement action by a global regulator like the US department of justice or the United Kingdom Serious Fraud Office.
- 6.3. This fact finding investigation is critical to demonstrating EOH's commitment to anti-bribery as well as in terms of guiding the company in its actions to mitigate its risks in terms of its responses to regulators, the media, its shareholders and the public at large.
- 6.4. In order to accomplish this, we propose a structured approach to gather and analyse all available factual information and evidence. This approach will include the preservation of documents and electronic data, review of contracts between EOH, entities and clients, interviews with key role-players and other witnesses, a review of relevant books and records as well as identification of control breakdowns, remediation and enhancements to the EOH compliance programme. will provide strategic litigation support and guidance on an ad hoc basis throughout this process. Our proposed approach is set out in more detail below:
- 6.5.
- 6.6. **Electronic Data Preservation** – We will identify the relevant custodians and proceed to collect electronic data sources, including images/extracts of user hard drives, mailboxes, and My Documents folders. We will focus on email correspondence / communication between EOH and as well as I
- 6.7. This collection will be performed in accordance with standard forensic procedures and guidelines. The collection will include the preservation of metadata and deleted documents. The EOH IT Department will need to compile a list of physical inventory, including laptops, mobile phones, flash drives etc. in the possession of identified custodians.

- 6.8. Besides EOH records and servers we will further require access to the records and servers of [REDACTED]. We understand that [REDACTED] EOH will be corresponding with [REDACTED] and requesting his cooperating in this matter going forward as well as access to the data of [REDACTED].
- 6.9. **Data Review** – all relevant electronic data secured from the custodians including emails, created documents and attachments will be processed using our eDiscovery and review platform, NUIX¹. We will draft a keyword list in order to identify key communications and documents.
- 6.10. NUIX will provide analytic capabilities including the de-duplication and near de-duplication of documents which reduces review time significantly and will allow us to search specific key words and phrases across large sets of data and to review the returned results.
- 6.11. **Document Preservation – Hold “Do Not Delete or Alter” Notice.** We will serve Hold Notices on all identified custodians in order to preserve critical documents and other potential evidence relating to these alleged irregularities.
- 6.12. **Review of Contracts** – We understand that EOH has already initiated a project to review contracts that were entered into between [REDACTED] with various public bodies including the [REDACTED], [REDACTED] and various others. We will review the findings of this project.
- 6.13. **Interviews** – Once we have secured, imaged, processed and reviewed the electronic data we will be in a position to identify the witnesses that need to be interviewed. These will be role-players from EOH who were responsible for interacting with [REDACTED] as well as [REDACTED].
- 6.14. **Books and Records Review** – We will conduct a review the books and records of [REDACTED] in [REDACTED] order to understand whether any irregular payments have been made to any of the officials at the State entities how these irregular payments have been recorded in the books of the entities. In order to perform this review we will require access to the books and records of these entities.

¹ NUIX is one of the market leading eDiscovery tools. It specialises in the acquisition, processing, indexing and presentation of data in a reviewable format for multiple reviewers to access at once

- 6.15. **Identification of control breakdowns and Remediation** – We will identify any relevant control breakdown during our review which may have contributed to the alleged irregularities and provide EOH with suggestions on how to remediate these in order to mitigate this type of risk going forward. Remediation steps may include:
- 6.15.1. Corporate governance changes;
 - 6.15.2. Personnel changes;
 - 6.15.3. Compliance program/training;
- 6.16. **Enhancements to the EOH ABC compliance programme** – We will provide EOH with suggested enhancements for their ABC compliance programme which may include, a review of relevant policies and procedures for gifts and entertainment, enhanced due diligence on business partners, ABC training for business partners, review of ABC contract clauses for business partners and the exercising of audit rights on business partners.
- 6.17. **Ad Hoc Litigation Support** – We will look to () on an ad hoc basis to provide the necessary litigation support and guidance to EOH in respect of any challenges they may face from shareholders, regulators, law enforcement agencies or any other potential reputational threatening risks. .

7. **Our Team**

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8. **Our fees**

8.1. Kindly note that we have provided discounted rates to EOH for this assignment. For example, [redacted] s normal rate is R4,900.00 per hour, but we will charge him out to EOH at R4,000.00 per hour. Our hourly rates are set out below:

<u>Team member</u>	<u>Rate</u>
	4,000.00
	4,500.00
	3,500.00
	3,500.00
	2,250.00
	2,000.00

8.2. Note that disbursements such as travel, telephone and printing will be charged as incurred. Should we incur travel expenses, these will be billed at a rate of R4.50 per kilometre. You will only be billed for actual expenses incurred.

8.3. Our fee structure for imaging and processing of data is as follows:

Description	Fee
Onsite imaging of digital data	R2,000.00 per hour
Offsite imaging of digital data	R4,500.00 per device
Processing of digital data retrieved from Computers laptops	R500.00 per GB
Processing of emails retrieved from servers	R500.00 per GB

9. **Standard terms and conditions**

This proposal is subject to our standard terms and conditions, which are set out in Annexure “A” (a copy of which is attached hereto).

10. **Conclusion**

10.1. The Forensics and Dispute Resolution Department of ENS are leaders in their fields. We pride ourselves on the ability to field highly qualified professionals with specific and unique expertise for each and every engagement. Furthermore, the integrated approach between Forensics and our Dispute Resolution Department will place us in an inherently favourable position to ensure that the interests of EOH are properly protected in the process.

10.2. We will be available to commence with the assignment on Monday 11 December 2016. We would be grateful if you could sign and return to us a duplicate copy of this letter indicating your understanding, agreement and approval of the scope and terms of engagement set out above.

11. Kindly contact § should you have any queries and/or would like to discuss our proposal further.

Yours sincerely,

(unsigned due to electronic submission)

ENSAfrica

**Director: ENSAfrica Forensics (Pty) Ltd
Forensic Services Division of ENSAfrica Inc.**

I hereby understand and accept the terms of appointment set out in the above letter of engagement.

Signed for and on behalf of EOH.

Signature

Name:

Designation:

Date
