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Ferlio

Group of Investigators

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NEWSLETTER

Volume 06 – May 2021

In this newsletter, you will find an article about Netflix's former VP convicted of fraud. Managing effective modern slavery and an article about the seizing of R1.4Bn worth of assets from the former Eskom Exec Hlakudi. We make special mention to Pug Rescue SA and include "The 4 Pillars for the Protection of Intellectual Property" by the investigator of the month, Riaan Bellingan.

FORMER NETFLIX VP CONVICTED OF FRAUD, MONEY LAUNDERING

BY FOXBUSINESS

<https://www.foxbusiness.com/markets/jury-ex-netflix-vp-guilty-bribery-kickback-scheme>

A federal jury found a former Netflix executive guilty Friday of receiving lucrative stock options and more than a half-million dollars in bribes and kickbacks from tech companies to approve contracts with the streaming giant.

Michael Kail, 49, is a former Netflix vice president who oversaw the company's internet technology department.

"We are very disappointed in the jury's verdict," defense attorney Julia Jayne said. "It goes to show that an innocent person can be convicted when there are so many counts stacked against them and there is a powerful corporation, Netflix, driving the investigation and prosecution.

Jayne said Kail helped drive the success of Netflix as a cutting-edge technology company. He intends to appeal, she said.

Kail was indicted in 2018 on 19 counts of wire fraud, three counts of mail fraud, and seven counts of money laundering. He had pleaded not guilty to the offenses.

The trial began April 19 in federal court in San Jose, California. The jury found him guilty on 28 of the 29 counts.

Prosecutors alleged that Kail had accepted more than \$500,000 in kickbacks — as well as valuable stock options — in exchange for approving millions of dollars in contracts for nine tech companies seeking to do business with Netflix between February 2012 and July 2014.

Kail created and controlled a limited liability company, Unix Mercenary LLC, to receive the bribes, fund personal expenses and buy a home in Los Gatos, California, prosecutors said.

Netflix prohibits its employees from having conflicts of interest and requires them to disclose actual or apparent conflicts of interest and to report gifts from people or entities seeking to sell to the company, authorities said. Kail worked at Netflix from 2011 until July 2014.

HOW TO MANAGE EFFECTIVE MODERN SLAVERY STRATEGIES AMONG HIGH-RISK SUPPLIERS

BY THE ETHIXBASE - [HTTPS://ETHIXBASE.COM/MODERN-SLAVERY-HIGH-RISK-VENDORS](https://ethixbase.com/modern-slavery-high-risk-vendors)

Every business has suppliers that are high risk for modern slavery in their supply chain – even if that risk is deep within their supply chains. Some businesses, however, need to manage known, inherent modern slavery risk in their supply chains. These high risk suppliers are often located in high risk locations and undertake high risk activities utilising a low skilled workforce.

An increasing number of businesses that work in industries with high rates of modern slavery are being required to publish modern slavery and human rights statements. These statements are becoming increasingly sophisticated, to align with expectations of customers, investors and other stakeholders. One of the key differentiators in these statements is the maturity of the response to risks of impacts to human rights, including modern slavery. Developing a human rights impact or modern slavery risk mitigation program starts with a risk assessment of your business and supply chain.

Take our Modern Slavery Questionnaire to help your business identify, mitigate, and manage modern slavery risk and human rights abuses across your supply and manufacturing chains.

With your risk assessment underway, what should you do if you uncover questionable practices or modern slavery as part of the process? How can you tell if the actions you're taking are really working?

Both are challenging. The key is to plan ahead and put the appropriate systems in place.

PLAN YOUR RESPONSE

When assessing potential risks in your business and supply chain, you may end up identifying actual cases of modern slavery. What should you do? Establishing a high-level policy to cover this will allow you to respond in a calm, considerate way.

The policy should include who should be told, who should lead the response, and how the communications, both internal and external, should be managed. Bad news travels fast and you should assume that the media will hear about your supply

chain problems sooner or later, so having a plan and a draft statement can help enormously.

A policy is ineffective unless it is shared and understood by the relevant parties within your business. Training is also a good idea so that everyone knows the procedure to follow if modern slavery is identified.

PRIORITIZE VICTIM SAFETY

After you've assessed modern slavery within your organisation, your priority should be to address any harm that may have been done while keeping the victim or victims safe.

Every situation is unique, and you'll need to assess the most appropriate course of action based on what you find, but don't be afraid to get expert advice if you need it. If your organization has caused or contributed to the violation, taking steps to address it is paramount.

If the issue has occurred within your first tier supply chain, consider whether it is possible to engage with the supplier concerned to assess the impact and their willingness to address the root cause. Even if they agree to take action, you'll need to monitor them closely to ensure that sufficient change has been made for you to maintain a relationship with them.

MONITOR AND MEASURE

Now that you've taken steps to identify and address the risks of modern slavery, how can you ascertain if your strategies are actually working? This is something you'll need to be able to communicate in your Australian modern slavery statement, which requires reporting entities to describe how they're assessing the effectiveness of their actions. Similarly, the UK government has announced that mandatory reporting criteria will also be imposed upon larger businesses carrying on business in the UK.

Finding meaningful ways to evaluate your progress can be challenging and requires careful thought. One approach is to set a KPI for each control you've put in place. That might be the number of supplier audits or on-site visits you've carried out, the number of supplier training sessions completed, or the results of

supplier due diligence questionnaires, which you could compare year-on-year. If you are issuing questionnaires to suppliers annually, you can compare responses as part of your effectiveness assessment.

If a strategy you've adopted is making a tangible difference, your statement is an opportunity to highlight it. Equally, if a strategy hasn't been as effective as you'd hoped, your statement is the place to explain any lessons learned and what you're doing to change or replace it. This is all part of demonstrating that your risk program is living, breathing, and evolving.

Engaging with your internal stakeholders as well as your suppliers and asking for their periodic feedback on strategies, policies, and training programs can also help you measure success. It's a chance to find out what's working and what isn't and to gather new ideas. This all helps to ensure that your risk program stays current, relevant, and is as effective as it can be.



ORDER GRANTED TO SEIZE R1.4BN WORTH OF ASSETS BELONGING TO FORMER ESKOM EXEC HLAKUDI AND OTHER KUSILE

BY JEANETTE CHABALALA (FIN24)

The Gauteng High Court in Johannesburg has granted the Investigating Directorate an order to seize assets worth R1.4bn belonging to accused allegedly implicated in the corruption scandal involving the construction of Eskom's Kusile power station.

The preservation order, which was granted in terms of the Prevention of Organised Crimes Act, was served and enforced on all the accused in Mpumalanga, Gauteng, Limpopo on Tuesday morning, spokesperson for the Investigating Directorate Sindisiwe Seboka told Fin24.

This news comes a day after the launch of The Eskom Files an investigation by News24's award-winning team of investigative journalists, revealing the enormity of corruption at the state-owned power utility, including at its Kusile plant.

The accused in the case are former Eskom senior manager for Capital Contracts France Hlakudi, the

company's former group executive for Group Capital Abram Masango, former Tubular Construction Projects CEO Antonio Trindade, businessman Maphoko Kgomoeswana, former Tubular Holdings Executive Advisor, Michael Lomas and six companies owned by these individuals.

The accused face charges of fraud and corruption. Kgomoeswana faces an additional charge of money laundering. They are accused of committing these offences between 2014 and 2017, and are expected back in court on 1 June.

"In addition, their spouses' assets and their family trusts were included in the restraint order," Seboka said.

"This freezing order prohibits them from dealing in any manner with any of their realizable property. The curator, Trevor Hill, who was appointed by the court in terms of the order, did an inventory of all the affected assets which have been restrained pending the outcome of the criminal trial.

Lomas, who is a UK citizen was arrested on 15 April in London. "The process of his extradition back to South Africa started last month, and this matter will return to the London Westminster Magistrate's Court on the 20 May 2021 for case management."

Among Hlakudi's assets are 50% of a property in Moreleta Park, Pretoria, currently values a R2.1 Million and four vehicles including a 2012 Renault Koleos and a 2017 Nissan bakkie. An amount of R1.97 million, deposited by the Eskom Pension and Provident Fund into his account in 2017, is also described as "realizable property".

Trindade's assets include five vehicles, including 2008 Audi Q7 and a Renault Clio, as well as two properties in Sheffield Beak, Kwa Dukuza (valued at R2.2 million) and in Fourways (R940000) He is also director of a company that owns various other properties and assets. In total, his assets are estimated to be worth more than R18 million.

Masango, with his wife, owns a property in Emahlaleni, valued at R1.4 million and a stake in a Lichtenburg property, as well as three vehicles, including a Toyota Land Cruiser. A benefit of almost R12.4 million from Eskom Pension and Provident Fund is also listed in the affidavit.

One of the companies targeted by the NPA, Abeyla Trading, owns ten vehicles, including a tractor, worth almost R1.5 million.

<https://www.news24.com/fin24/economy/eskom/order-granted-to-seize-r14bn-worth-of-assets-belonging-to-former-eskom-exec-hlakudi-and-other-kusile-accused-20210504>

FERLIO NOTIFICATION BOARD

Applying For Sace Or NCR Membership? Or Need Pre-Employment Checks Done For New Employees? Contact Ferlio Today On 0860 Ferlio (337546) Or Whatsapp Us On 0722601966



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MOTIVATION FOR THE MONTH:



Stay
positive,
work hard,
make it
happen.

BIRTHDAYS

We here at Ferlio wish you have a wonderful birthday and a prosperous year ahead.

Andre Oosthuizen – 20 May 2021

Michaela Kirsten – 29 May 2021

Kiewiet Brendenhan – 30 May 2021

Kobus van Rensburg – 02 June 2021

Johan Lotteriet – 06 June 2021

Niel van Heerden – 10 June 2021

Paul Pretorius – 12 June 2021



CHARITY OF THE MONTH



The purpose of Pug Rescue South Africa is to rescue, rehabilitate and re-home Pugs in need, irrespective of their age, breed standard or health. The organization also offers sanctuary to Pugs who are not adopted and to many aged Pugs in their care. Pug Rescue South Africa rescues in excess of 210 Pugs a year.

Pug Rescue South Africa currently have three Pugs in ICU recovering from numerous surgeries. Precious Bailey has had to have his airway corrected due to his severe respiratory problems affecting his every day life. He also had challenges with his legs which were surgically corrected. Their big hunk of love O'Malley had a knee cap in the wrong place which was affecting his mobility and causing him constant pain. He has just had this surgically corrected. Last but certainly not least is Maya who was a more complicated case as she has serious and multiple problems with her legs and she will need to have the other leg done in 3 weeks. It's heartbreaking to think that so many Pugs are bred with so many defects and the worst part is that some of the people who purchase them never have these painful problems fixed. It's so sad to think that they only get the specialist veterinary interventions they so badly need for every day life from a rescue organization.

Here they are!

The 3 pugateers

MAYA: 1st luxating patella surgery. 2nd knee to be done in 3 weeks

BAILEY: Dynamic airway syndrome and luxating patella

O'MALLEY: Luxating patella

“A kind gesture can reach a wound that only compassion can heal”
- Steve Maraboli

PUG RESCUE NEEDS A HELPING HAND ...
R24 000!

ACCOUNT NAME: Pug Rescue SA **BANK:** Nedbank
BRANCH: Eastgate / **BRANCH CODE:** 192405
ACCOUNT NO: 1001907396 / **SWIFT CODE:** NEDSZAJJ
PAYPAL/PAY FAST: info@pugrescue.co.za / **REF:** pugateers

SLIPPER DAY – 07 MAY 2021

The office personnel from Ferlio Group of Investigators proudly supported Slipper Day held on 07 May 2021. Slipper Day is Reach For A Dream's most celebrated fundraiser. Not All Heroes Wear Capes is the running theme of the campaign and is a fitting reminder that our brave children and all our doctors, nurses and their families are the true heroes of this time. This Slipper Day promises to echo the hearts of all these heroes and why all of us need to come together to believe in the magic of a dream come true.



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- Cyber

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- Profiling / Lifestyle audit of individuals
- Business profiling
- Strategic audits on business
- Fingerprint screening
- Financial Audit Investigations
- Employee Background Screening
 - Identification documents
 - Driver's License & PDP
 - Criminal record
 - Educational background & qualifications
 - Prior employment records
 - Credit status
 - Integrity testing
 - Identification photos
 - Fingerprint verification

Undercover agents

- Standard level agents
- High level agents
 - Strategic level agents

Surveillance

- Physical
- Static
- Electronic
- Counter
- Covert escorting

Close Protection

- Executive protection
- Executive Support
- Asset in transit protection

Handwriting Specialist & Fingerprint Specialist

Polygraphs

Fraud Detection Initiatives

Security Risk Assessments

Transcripts / Translations

Pre-employment Psychometric Assessments

Truck & Driver Inspections

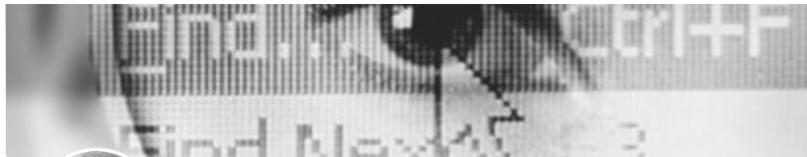
Security Vulnerability Assessment

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INVESTIGATOR OF THE MONTH:

Riaan Bellingan - The 4 Pillars for the Protection of Intellectual Property

TSCM "Debugging" Specialists

South Africa

The 4 Pillars for the Protection of Intellectual Property



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- Cyber Forensics Investigations
- Mobile Device Analysis – Malware and Spyware

- Information Security Risk Assessments
- Penetration Testing
- Vulnerability Assessments
- Working from Home – Residential Information Security and Wi-Fi Security Assessments
- Information Security Management Systems – ISO27001:2013

- Corporate Buildings
- Office Parks
- Home Environments
- Residential Estates

Advanced Corporate Solutions (ACS) are experienced practitioners in the field of Technical Surveillance Counter Measures (TSCM) and carry out searches for a broad-based clientele worldwide.

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