

LETTER OF ENGAGEMENT IS-02d

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1. PURPOSE OF LETTER OF ENGAGEMENT

The Letter of Engagement serves multiple purposes. It provides the Measured Entity with a document which can be sent out to the Client's of the Measured Entity informing them that the Measured Entity is engaging **INTEGRA SCORES** to determine their B-BBEE rating. The Measured Entity may also wish to post the letter on their website.

The document could also be provided to stakeholders on request. In instances such as tenders, when the official rating has not as yet been completed, this letter of engagement can be attached to the tender application to indicate that the Measured Entity is undertaking a B-BBEE verification of their status.

2. EXPLANATIONS AND DEFINITIONS

The verification process is a detailed and lengthy one. Very often Measured Entities require some form of proof, besides contracts, which shows that the Measured Entity has engaged in the B-BBEE process. The **INTEGRA SCORES** letter of engagement serves this purpose. It is valid for two months only from date of issue but may be re-issued on a month by month basis as a result of reasonable delays at the sole discretion of **INTEGRA SCORES**.

The Measured Entity must be aware at all times, that the Letter of Engagement is not a substitute for a verification certificate. The verification certificate is the **only** authoritative indication of the company's B-BBEE status.

The letter of engagement includes the following terms of reference:

- Association of BEE Verification Agencies – ABVA is a professional association made up of BEE verification agencies who have applied for accreditation as Verification Agencies through SANAS and the Department of Trade and Industry.
- SANAS – South African National Accreditation System, a professional accreditation body aligned with global accreditation standards who has been tasked with accrediting BEE verification agencies on behalf of the Department of Trade and Industry.
- Level of Contribution – this is the level of compliance which the Measured Entity achieves when measured against the various BEE scorecards.

3. THE USE OF THE LETTER OF ENGAGEMENT

The **INTEGRA SCORES** letter of engagement (IS – 06) may be used for the following purposes:

- As a letter sent to the Client's of the Measured Entity to indicate that the Measured Entity has engaged **INTEGRA SCORES** to conduct a BEE verification.
- As a letter to be sent to the Measured Entity's suppliers which indicates that the Measured Entity has engaged **INTEGRA SCORES** to conduct a BEE verification.
- Proof that the Measured Entity has engaged in a BEE Verification for the purposes of external enquiries from stakeholders.
- As proof of the Measured Entity's engagement in the BEE verification process for tender purposes.
- Other circumstances, as and when they arise, provided that written permission has been requested and granted by **INTEGRA SCORES**.

4. CONDITIONS FOR THE USE OF THE LETTER OF ENGAGEMENT

The **INTEGRA SCORES** Letter of Engagement (IS – 02d) may be used under the following conditions:

- In a manner in which the meaning and spirit of the Letter of Engagement remains,
- as it was intended by **INTEGRA SCORES**, as a precursor to the verification certificate,
- provided the Measured Entity in no way implies, explicitly or in any other manner, that the Letter of Engagement indicates an actual level of compliance for the Measured Entity.
- Provided the Measured Entity in no way tampers with the Letter of Engagement.

5. CIRCUMSTANCES WHERE THE LETTER OF ENGAGEMENT MAY NOT BE USED

The **INTEGRA SCORES** Letter of Engagement (IS – 02d) may not be used under the following conditions:

- Where the Service Agreement or Non-Disclosure Agreement have been breached in any manner or form.
- Where **INTEGRA SCORES** has informed the Measured Entity, verbally or in writing, that they should suspend use of the Letter of Engagement.
- Where **INTEGRA SCORES** has suspended the Verification Audit for any reason.
- Where a legislative body or organisation to which **INTEGRA SCORES** is legally bound, decrees that such a tool may no longer be used.
- Where its use implies that the Measured Entity has already achieved a BEE contribution level prior to the completion of the verification audit.
- After the release of the Final Verification Report.
- Any other circumstances as deemed necessary by **INTEGRA SCORES** from time to time.

6. INFORMATION WHICH THE LETTER OF ENGAGEMENT DOES NOT CONVEY

The **INTEGRA SCORES** letter of engagement does not convey the following information:

- Information related to the level of contribution of the measured enterprise in relation to the codes of good practice.
- The BEE status of the Measured Entity.
- That the Measured Entity complies in any way with the Codes of Good Practice as gazetted by the Department of Trade and Industry from time to time.
- That **INTEGRA SCORES** has issued a Final Verification Report for the Measured Entity as yet.
- That **INTEGRA SCORES** is obliged to issue a Final Verification Report for the Measured Entity.

7. LETTER OF ENGAGEMENT IS-02d

Day, Month Date.

TO WHOM IT MAY CONCERN

Dear Sirs

This communication serves to confirm that **NAME OF COMPANY** has engaged the services of **INTEGRA SCORES** (Pty) Ltd – a B-BBEE Verification Agency to complete a B-BBEE Verification. **INTEGRA SCORES** is a full member of the Association of BEE Verification Agencies (ABVA) and is currently undergoing accreditation by SANAS and the DTI. **INTEGRA SCORES** (Pty) Ltd is currently analysing the records, policies and procedures of **NAME OF COMPANY** in order to provide a verified BEE Scorecard illustrating the level of their contribution to Broad-Based Black Economic Empowerment.

The areas that are being verified, in line with the Qualifying Small Enterprise scorecard, are four of the following and in line with the Generic scorecard seven of the following:

- Ownership Equity
- Management Control
- Employment Equity
- Skills Development
- Preferential Procurement
- Enterprise Development
- Socio Economic Development

NAME OF COMPANY has embraced the targets set within the scorecard. **INTEGRA SCORES** is committed to providing **NAME OF COMPANY** with an accurate, authentic and valid verification.

The period of validity for the Letter of Engagement is two months from the above date, after which the Measured Entity should be verified and if there is a reasonable delay a new Letter of Engagement will be issued at that point.

Please contact me on 031 309 2178 should you require further information.

Thank you.

Yours faithfully



Shirlee Caffyn-Parsons
BEE Director,
INTEGRA SCORES (PTY) LTD