Cerebra
ACCOUNTING • AUDIT • ADVISORY

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TELL ME WHO YOU WORK WITH AND I'LL TELL YOU WHO YOU ARE!

Third party risks from the perspective of corruption and fraud

You must have heard the saying "Tell me who you go with, and I'll tell you who you are." It is an impressive proverb that means if one's circle of friends is made of bad people, these bad people will eventually make you do bad things. Looking into the root causes of the "worst things" that can happen to a company including corruption, bribery, and other fraud schemes, we mostly find third parties, which shows us that this proverb easily applies to companies.

The leading actors of the bribery scandals that cost Siemens USD 1.6 billion and GlaxoSmithKline USD 490 million are "third parties." Because of a number of corruption and bribery cases caused by the failure to manage third party risks, anti-bribery laws that have recently come into effect including FCPA and UK Bribery Act give extra importance to this issue.

Who are these third parties? It would not be wrong to define the universe of third parties as all the stakeholders who are not the company's employees and shareholders. Customers; suppliers who purchase goods; service providers from whom service is purchased including consultants, travel agencies, and accountants; distributors; agencies; contractors; subsidiaries and joint ventures are some examples of third parties.

2016 Report of Association of Certified Fraud Examiners (ACFE) reveals a striking statistic. In 21% of corruption (bribery and conflict of interest) cases, the fraudster commits a fraud alone, whereas the rate of corruption cases that several people within a company are colluding is 37.4%. 72.9% of corruption cases occurred when fraudsters within a company partner up with third parties (customers and suppliers) of the company. These rates are generated from real 2.410 cases in the study. Even this percentage alone shows the extent of risks that may occur due to third parties.

The 2016 Third Party Risk Management Benchmark Report by Navex Global asks companies which areas related to third parties they consider the most risky in terms of their codes of conduct and compliance. The top three areas identified are Conflict of Interest, Bribery and Fraud, in order! Another question asks companies what their three objectives are in terms of third party risk management. The answers, in the order of importance, are: (a) Protecting the company against risks and damages (b) Obeying laws (c) Creating a transparent and accountable business culture.

Contents:

The Most Common Third Party Fraud Risks

a) Third parties in creating slush funds (bribe money) and giving bribe to officials: Third parties are frequently used as a tool for creating bribe money and bribing officials. We hear such news as "The company bribed officials with the amount of ……" Do you think this bribe goes out of the pockets of company managers? Of course not. In corporate firms, in order to bribe someone bribe money or slush fund needs to be created. Here take the stage third parties who tend to fraud and with compromised business ethics. As per this method, third parties chosen as service providers generally submit fictitious invoices for services that have not really been purchased by the company. The company executives pay these invoices and thereby, a slush fund is created at third parties. Naturally, third parties with compromised business ethics receive commissions for the services rendered. Now the bribe money is available and this money can reach to anywhere bribe may be given via the third parties.

It is also important to bear in mind that bribe is not only given by money, but also by gifts, trips, entertainment and in several other forms.

b) Third parties in commercial bribery: Bribery occurring between two private companies is called commercial bribery. This form of bribery is engaged via a very commonly encountered method in the world of business: kickbacks. In this method, the →

perpetrator working for the victim company conspires with the supplier of the said company. The supplier issues invoices at the inflated amounts than they should be to the victim company or submits fictitious invoices for goods not sold or services never rendered. The perpetrator abuses his position at the company for his personal interests and enables these invoices to be paid to the supplier. The supplier that collects the money pays a commission to the perpetrator. Here, the supplier (in other words, third party) plays a critical role in realizing a fraud.

c) Third parties in conflicts of interest: As per the ACFE Report, a conflict of interest occurs "when the professional role of an employee (deputy) in a company that is authorized to act on behalf of the employer (actual) is impacted by an undisclosed (confidential) personal or economic benefit against the employer." A conflict of interest has a different scenario than bribery. In bribery, the perpetrator abuses his position for the benefit of a third party in exchange for a commission. Whereas in a conflict of interest, the employee that commits the fraud works for his own benefit, not a third party. Although the result is the same as bribery, now the "third party" is someone the employee has a direct interest from (e.g. a partner, a relative).

As you see, third parties act in different points of fraud.

GlaxoSmithKline Case

The British pharmaceutical company GlaxoSmithKline (GSK) was blamed to bribe Chinese officials and doctors via travel agencies to increase its sales. The report states that GSK transferred a bribe of Yuans 3 million (USD 489 million) via 700 travel agencies and consulting companies (namely, took the company's money out) for 6 years starting from 2007. The scheme used is the following: GSK signed secret contracts with travel agencies to purchase fake "conference services." These travel agencies issued invoices to GSK for such fake services. GSK paid the travel agencies and recorded the respective amounts as expenses in the profit and loss accounts. The travel agencies transferred the slush fund created to doctors and government officials as per the instructions of the GSK executives.

Liang Hong, one of the executives who were blamed, said something quite interesting: Travel agencies were used more and more frequently in creating slush funds and travel agencies started to compete each other to work with GSK due to the appeal of the commission to be earned.

How To Manage Third Party Risks?

Anti-corruption and anti-bribery laws consider third party risks as the company's own risk and expect companies to take precautions against such risks. On the other hand, we see a number of cases of fraud that occur in private companies involving third parties. At this point, what actions can minimize (even if not eliminate) such risks come to minds. This article will dwell on the two most effective anti-fraud controls: Due diligence and tips.

a) Due diligence against fraud and corruption risks involving third parties

Due diligence is conducted to assess the risks of fraud and corruption by third parties to be formed a partnership with. It would not be favorable to conduct the same scope of due diligence for all parties in terms of using resources efficiently. Therefore, a risk-based due diligence is of critical significance. In other words, a more detailed due diligence is inevitable for third parties that pose a relatively higher risk of fraud and corruption. Due diligence can be conducted in four phases as detailed below. According to the risk assessment carried out in the first phase, the scope of the remaining phases may be determined.

Phase I- Risk assessment

- General understanding of the operations of the third party
- Understanding the anti-corruption policies and procedures of the third party
- Background check using the open souce data related to the third party
  - Company's shareholders and senior executives
  - Affiliates and subsidiaries
  - News search on the internet
  - Lawsuits opened against the third party and bankruptcy/ suspension of bankruptcy
  - Reputation analysis on company's shareholders and executives
- Meetings with the company's executives
  - Details of operations
  - All kinds of connections with public companies and government officials
  - Third parties used
  - Culture of giving gifts
  - Cash resources, trade payables, reporting of expenses by employees and paying for these expenses, payroll, gifts or donations to political and charity causes
  - FCPA, other anti-bribery laws compliance programs and procedures
- Identification of red flags. The followings can be given as examples to red flags:
  - Ties to public companies and government officials
  - Request to work without a contract
  - Reluctance to sign certifications on compliance with anti-bribery and anti-corruption laws
  - Using a high amount from petty cash
  - Requesting a high amount of advance money at the start as a working condition
  - Lack of transparency in certain processes
  - Unexplained turnover and profit increases
  - Collections from abroad or payments to overseas bank accounts
  - Expenses without a commercial basis paid to clients, especially government officials
  - Donations to institutions that have ties to the government
  - Indirect or unusual payment or billing requests

Phase II- Due diligence procedures

- Detailed meetings with the third party executives
- Detailed review on high risk areas (by using forensic accounting techniques)
  - Inspecting client/supplier files and respective accounting records
  - Transactions with public companies
  - Transactions / business relations with the customs, taxation and regulatory authorities

  - Petty cash and bank activities
  - Travel, gifts and entertainment expenses
  - Donations
  - Control environment regarding the payment from petty cash and bank

Phase III- Approval process and post-approval risk management

- Deciding on approving the candidate as a third party to work with
- Documenting the process
- Approval process
- Post-approval risk management and minimization (items to be added in the contract)

Phase IV- Actions to take, once you start working with a third party

- Supervision measures

b) Tips

One of the most effective methods of detecting corruption and fraud committed via third parties is tips. ACFE's 2016 Report states that the rate of detecting fraud throughs tips is approximately 40%, while the rate by the second most effective method, internal audit, is 16%. This difference in percentage shows how effective tips are. Bear in mind that tips can be done in various ways (hotline, e-mails or other communication media). However, when a company has a systematic tips mechanism in place, detection of fraud becomes much easier. ACFE Report shows that in institutions with a tips mechanism in place, 47% of fraud is detected via tips, while in institutions without a tips mechanism, this rate decreases to 28%. In short, an environment that is created with a tips mechanism and respective policies and procedures encourages employees to report fraud.

In order to minimize the risk of fraud and corruption in our company, we need to consider the third party risks as our own due to changing legal obligations, which requires us to know very well the companies we do business with.

However, I want to know you… Could you tell me who you work with?

Fikret Sebilcioğlu, CFE, CPA, TRACE Anti-Bribery Specialist

HIDDEN FIGURES – THE KEY TO A SUCCESFULL VALUATION

"Hidden Figures" is the title of a very pleasant Oscar nominated movie but it also may be an important factor in the valuation of a business.

We at Cerebra believe that the key to a successful valuation is a solid business understanding. Let's fast forward an acquisition process that has been made. One of the first issues that will become relevant with this acquisition for the acquirer will be the "Purchase Price Allocation" (PPA) work. While doing this work the first question that will be asked is "for what did we pay this specific purchase price?". The answer will probably lie in the valuation work that was done before the acquisition was made.

There are certain geographic locations and certain sectors in which a valuation is quite simple due to two simple reasons:

- Sufficient public data to benchmark for a financial multiple,
- Sufficient data for using a generally accepted multiple methodology such as purchase price/m2, purchase price/room, purchase price/MW, purchase price/capacity tons etc.

The Turkish market is not one of those geographies with sufficient public data as the Istanbul Stock Exchange usually does not yield enough number of quoted companies in each sector to derive a solid multiple approach. Thus, if you are in the process of valuing a potential acquisition target in Turkey, there are two ways for you to move forward;

- Apply a generic multiple methodology if the sector of the target company is suitable,
- Prepare a detailed discounted cash flow.

A discounted cash flow does have its technical details. But in essence it all comes down to the forecasting capabilities of the following items;

- Income statement in general
- Working capital
- Future investments

Forecasting of a company's future income statements (for at least 3-5 years) is no easy task in the Turkish Market in which most of the companies are family owned and the value created by these companies depends as much on hidden figures as they do on historic sales or profitability levels. Some examples for these hidden figures may be;

- The credibility and connections of the shareholders (family members in certain instances), and the importance of these people for the future of the business,
- Existence or lack of long term contract both on the sale and vendor sides, as Turkish Companies prefer to rely on promises or they tend not to sign such contracts to avoid stamp taxes,
- The level of corporate governance in the target company which may have an effect on the calculation of the discount factor,

In order to incorporate such impacts in the valuation, one must have a solid business and local market understanding. They also would need to have the experience to analyze and digest these cor-

nerstone dynamics of the target in a short period of time in order to derive conclusions for assumptions that are used in the forecast. In such cases the valuation work may yield the best results if done by a team that puts together line experience, modeling capabilities and local know how.

Ömer Tunabaş

ARE YOU SO RICH THAT YOU DO NOT BOTHER FIGHTING AGAINST FRAUD?

Cost of occupational fraud

In an institution, in order for a risk to be included in the agenda of the board of directors, that particular risk naturally needs to be "significant." In other words, if a risk is highly likely to happen and has a potential to cause a major loss, the respective risk is considered "significant." Is occupational fraud a significant risk for companies?

In terms of understanding the magnitude of the risk of fraud, it is critical to measure the potential losses they may result. On the other hand, the damage of a sneaky virus such as fraud is rather hard to be quantitatively measured. Nevertheless, the 2016 ACFE (Association of Certified Fraud Examiners) Report to the Nations on Occupational Fraud and Abuse provides us with crystal clear messages on the subject. The Report reveals that companies lose about 5% of their turnover to fraud. This rate is reliable because it has been

calculated about 5% in this research for years. Considering that the global GNP of 2014 is USD 78 trillion, the loss incurred by fraud is estimated to be USD 3.9 trillion. Note that this amount is only the tip of the iceberg, as fraud has an unmeasurable and a major extent. The other findings of the Report regarding the cost of fraud include:

- The region with the highest loss per case that is USD 275,000 is the Middle East (including Turkey) - North Africa. The most occurring type of fraud is "bribery and corruption."
- The average loss is USD 975,000 in cases of fraudulent financial statements, USD 200,000 in bribery and corruption, and USD 125,000 in the most frequently occurring type of fraud by employees that is the misappropriation of assets.
- When the person committing the fraud is a shareholder or a senior executive, the loss incurred is 10 times higher compared to that is incurred as a result of a fraud committed by an average company employee.
- As the number of employees committing the crime increases, the loss incurred increases incrementally. For instance, the average loss caused by a fraud by an individual is USD 65,000, whereas the minimum loss caused by fraud involving 5 and more employees is USD 633,000.
- The loss incurred by companies that do not have anti-fraud controls in place is twice the loss incurred by companies that do.

The above-listed findings surely do not include the loss of reputation – which is critical to a company and very hard to measure.

Let us proportion the total loss caused by fraud calculated for the entire world to Turkey. Considering Turkey's GNP is approximately USD 800 billion, the loss would be USD 40 billion, which means every citizen of Turkey loses about USD 500 from their own pockets to fund the fraud.

Despite all these, we should not give way to despair, since although it is not possible to cancel out the losses incurred by fraud, it is still fairly possible to minimise the loss. The research conducted reveals that losses significantly decrease in companies with an effective internal control system.

I remember that when I was a kid, my father would not buy things that are too cheap and when I asked why, he answered: "I am not rich enough to buy cheap." These words did not mean much to me then, but they inspired me to title of this article which I am writing at the age of 46.

Could you guess the answer to my upcoming question?

Are you rich enough to not bother fighting against a sneaky enemy that has a high cost both qualitatively and quantitatively?

Fikret Sebilcioğlu, CFE, CPA, TRACE Anti-Bribery Specialist

THE SMALLER THE DEAL THE MORE CHAOTIC THE PROCESS

Medium and small sized M&As are on the rise in the Turkish market. What does this mean for the related transaction services that is carried out during the M&A process?

According to the "Annual Turkish M&A Report" prepared by Deloitte for 2016, the average size of M&A deals fell from USD 67 million in 2015 to USD 31 million in 2016. Again according to the same report, 211 deals out of the total 248 deals were below USD 50 million in volume in 2016. Moreover 78 of the deals were done by venture capital firms and/or angel investors.

What does this mean in terms of the profile of the acquired entities looking from a transaction services rendering point of view? We can only generalize an answer to this question from our past experiences;

- These companies in general are smaller in size,
- Some of these companies are at the start-up or growth stage,
- Most of these companies are family owned businesses and lack a sufficient level of corporate governance culture,
- Their available internal resources for going through due diligence process are limited,
- Their statutory operating profit may vary from their actual operating profit due to certain policies,
- The risk of contingent liabilities including past tax related risks may be higher or harder to quantify when compared with bigger corporations,
- Most of these companies have never been through an independent audit, let alone a due diligence process.

The points above tend to suggest that the number of skeletons in the closet may be more for the small and medium sized companies when compared with bigger corporations. It is needless to say that the magnitude of a headache changes in line with the size of the company that you are acquiring but sometimes the number of issues that triggers headaches may be even more overwhelming than the magnitude.

A preventive general approach to such situations is for sure having the basic due diligence work carried out before an acquisition. However, when it comes to medium and small sized target companies in Turkey, the effectiveness of these due diligences is also a critical success factor. The effectiveness of due diligence work (such as financial and tax) may be optimized by service providers which have accumulated experience in target companies of this size, as the shareholders / management of these targets usually tend to;

- Be very defensive,
- Be easily turned off from the due diligence processes, thus

from the transaction,
- Have a hard time understanding the purpose of work done,
- Be focused on the sales, production or technical aspects of their company rather than the financial data that traditionally have been treated as a stepchild.

In such an environment the service provider that you engage to perform the due diligence work becomes more than a mechanical team that carries out the fieldwork and reporting. At times they become the potential acquirer's ambassadors in front of the target company's eager shareholders with whom they interact on a daily basis for weeks, at other times they become therapists to the target companies shareholders and/or management who easily become wary from the due diligence work as they have never been through such a process before (not even an independent audit). In short, we believe that satisfying the need of an effective buy side due diligence process in medium and small sized Turkish target companies begins with a thorough selection of the service providers for these tasks.

Ömer Tunabaş

WHAT IS YOUR MOST EFFECTIVE METHOD OF DETECTING FRAUD?

"There is no such thing as a perfect fraud. There is always a trace left behind..."

Do you recall the title? Yes, I was inspired from the statement "There is no such thing as a perfect crime. There is always a trace left behind..." Would you say that this statement is too ambitious? There are of course cases of fraud that could not be detected or were revealed years and years later. However, our experience shows that unless there is an exceptional genius or an intricate collusion behind the method of fraud, every fraud leaves traces behind that are possible to identify. This trace might be a colleague accidentally catching another colleague that commits a fraud forging a document, an internal auditor identifying a deleted journal entry through data analysis or looking into the reason why a bank reconciliation does not add up correctly.

Most individuals do not commit a fraud where they think they might be caught. An employee that plans to commit a fraud in a workplace is very well aware that he is risking his career, reputation, and freedom. Therefore, the main pillar of avoiding fraud is increasing the chances of detecting fraud.

The 2016 ACFE (Association of Certified Fraud Examiners) Report to the Nations on Occupational Fraud and Abuse examines 2,410 cases. The way these cases were brought to light is striking. Here are the top 5 most effective detection methods:

- Tips (39%)
- Internal audit (17%)
- Management reviews / reports (13%)
- Coincidence (6%)
- Account reconciliations (6%)

The results show that the message is crystal clear. "Tips" is by far the most effective detection method (as shown in the previous researches conducted by ACFE). "Internal audit" is still important, even more so compared to the previous periods. Management reviews and account reconciliations are also undeniably effective. "Independent external audit" which is not even included in the top 5 helped organisations detect only 4% of the cases under review. That when even coincidence reveals 6% of cases, independent external audit is only 4% raises questions as to the profession of independent audit from the perspectives of fraud detection. Moreover, many company owners and executives get independent audit service, are assured that their financial statements do not have a significant fraud risk by the auditor and sleep soundly. I guess the above-mentioned finding creates a serious potential for nightmare in their sound sleep.

Considering the detection methods, there are variations based on the size of the company (with above or below 100 employees). For example; in big companies tips and internal audit are more effective in proportion, while management reviews / reports and account reconciliations prove to be more effective in small companies.

I would like to draw your attention to a couple of research findings regarding tips. 52% of tips come from employees, while 48% mainly from third parties. Of such third parties, customers account for 18% and suppliers 10%. This finding is a striking indication that tips are also made from external sources.

On the other hand, when companies have a hotline mechanism, it is easier to detect a fraud by tips. The ACFE Report reveals that in institutions with a hotline mechanism, 47% of frauds is detected by tips, while in institutions without a proper hotline mechanism, the rate decreases to 28%. In short, a medium that is created via a hotline mechanism and naturally resulting in policies and procedures (which can be named the "speak up" culture) encourages or reinforces employees to report fraud.

Employees that trust their companies, adopt the codes of ethics and are encouraged to report any conduct that violates the code seems to be the most cost-effective and the most reasonable method of detecting fraud in the medium/long run. Supported by other anti-fraud controls such as internal audit, the effective controls will make employees having the potential to commit a fraud think twice before actually committing it.

The best medicine against the risk of fraud is early detection and fast action… Do not be late!

Fikret Sebilcioğlu, CFE, CPA, TRACE Anti-Bribery Specialist

GENERATION X HAND IN HAND WITH GENERATION Y

Why should generations clash when they can compromise?

From a demographic point of view, the top management of Cerebra (like many other companies at their growth stage) stands right in the heart of the generation that is being labeled as "X".

According to Wikipedia; "Generation X, or Gen X, is the demographic cohort following the baby boomers. There are no precise dates for when this cohort starts or ends; demographers and researchers typically use starting birth years ranging from the early-to-mid 1960s and ending birth years ranging from the late 1970s to early 1980s. Generation X is a relatively smaller demographic cohort sandwiched between two larger demographic cohorts, the baby boomers and the millennials."

In the United Kingdom, a 2016 study of over 2,500 office workers conducted by "Workfront" found that survey respondents of all ages selected those from Generation X as the hardest-working employees in today's workforce (chosen by 60%). Gen X was also ranked highest among fellow workers for having the strongest work ethic (chosen by 59.5%), being the most helpful (55.4%), the most skilled (54.5%), and the best troubleshooters/problem solvers (41.6%).

Being a service provider founded in 2009, the characteristics mentioned above have always been the main pillars of the Cerebra Corporate Culture that we are trying to inject into everyone in the Cerebra family who are predominantly millennials (generation Y). This interaction is not always a one-way street. Everybody in Cerebra benefits a lot from this interaction between two generations. The main reason for this is that these are two generations that are one after another, there is no major gap and we try to minimize the one that there is.

We try to be old school about the basic principles of hard work, ethics and problem solving. But at the same time we try to be contemporary regarding our social skills that may even extend as far as the social media. We love the idea of still printing our newsletter but at the same enjoy posting pictures of company social events on the social media.

Some of the work we do such as accounting compliance and reporting, fraud investigations and financial due diligences all require people that are good at:

- Team work,
- Field work,
- Working with deadlines,
- Social skills.

We always prioritize to have a group of people in the Cerebra family that have the above mentioned characteristics and can combine the future with the past to create a service level that is just about right for our clients.

Ömer Tunabaş

CEREBRA CONTINUES TO SUPPORT AND PROMOTE GOOD ETHICS & COMPLIANCE CULTURE IN ORGANISATIONS IN TURKEY

As part of this endeavour, our managing partner, Fikret Sebilcioğlu, has been elected as a Board Member of Ethics and Reputation Society of Turkey (TEID) in the Annual General Meeting held on 28 March 2017.

TEID is a non-profit organisation aiming to develop and encourage adherence to universally recognised business ethics principles and disseminating those in the Turkish Business environment. TEID does not only act as a point of reference for the private sector companies assisting them in implanting the principles of business ethics, but also works closely with the legislator in the pursuit of a socio-economic environment where companies act in compliance with those principles do not lose their competitiveness, but gain advantages.

CEREBRA'S ANTI-BRIBERY COMPLIANCE EXPERTISE GROWING

Our Partner, Fikret Sebilcioğlu, has successfully completed the "TASA: TRACE Anti-Bribery Specialist Accreditation®" programme and has been accredited as a TRACE Anti-Bribery Specialist. The accreditation is awarded by TRACE, the internationally respected anti-bribery standard setting organisation.

TASA: TRACE Anti-Bribery Specialist Accreditation® is a comprehensive and rigorous training and accreditation programme that is dedicated to anti-bribery compliance and features more than 100 courses taught by world-renowned faculty. This accreditation puts Cerebra in a distinguished position with demonstrated anti-bribery compliance expertise.

TASA Accredited 2017-2018

THE SECOND ETHICS AND COMPLIANCE MANAGERS CERTIFICATION PROGRAMME STARTS

The Turkey's first Ethics and Compliance Manager Certification Programme organised by The Ethics and Reputation Society (TEID) in association with Istanbul Bilgi University has been completed successfully and now the second programme is about to start. Cerebra has contributed to the first programme on various topics and again will make presentations on topics such as conflict of interests and internal investigations. The second programme starts on 29 April 2017 at the same location in Istanbul Bilgi University's santral campus. You can find more details about the programme at the website of TEID.

About Cerebra

Cerebra is an independent accounting, audit and advisory firm based in İstanbul, Turkey. Combining years of international expertise with practical Turkish experience and knowledge, Cerebra serves to companies from all over the world. Our clients and working partners in general are multinational firms, funds and other entities based especially in Western Europe, Scandinavia and USA as well as firms, funds, law firms and investment banks established in Turkey.

Cerebra defines itself as a platform providing value added services with a customized approach. The firm is led by a group of professionals with over two decades of experience in the local and international markets. Since its inception in 2009, Cerebra's vision has always been to be your continuous trusted business partner in Turkey.

Our professionals provide the following services to its international and local clients:

- Forensic Accounting & Fraud Investigation
- Accounting Compliance and Reporting (Outsourcing)
- Internal Controls & Internal Audit
- Post Merger & Acquisition Integration
- Buy Side and Sell Side Due Diligence including Vendor Assistance
- Company Valuation
- Audit and Assurance

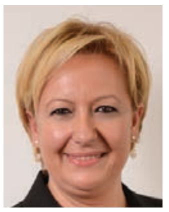
Cerebra

Fikret Sebilcioğlu
Partner
CPA, CFE

More than 20 years of experience in accounting, financial statement audit, financial reporting, internal controls, fraud investigations and compliance initiatives. Certifed Public Accountant, Certified Fraud Examiner and TRACE Anti-Bribery Specialist. Worked with PwC for 15 years. Board member of Association of Certifed Fraud Examiners Turkey and Ethics and Reputation Society.

Ömer Tunabaş
Partner

Worked with PwC Turkey and Alfa Securities for 6 years as an auditor and corporate finance consultant. Continued his career as an internal financial and business development consultant in Koç Holding for 10 years. Became a partner of Cerebra in 2010. Has a wide range of experience in independent audit, buy and sell side financial due diligence, M&A advisory, company valuation, budgeting and strategic planning.



Seda Bayraktar
Partner
CPA

Worked total of 8 years in BDO and PwC. Continued her career as a CFO in Clear Channel Turkey before joining Cerebra in 2009 as the Head of Accounting Compliance and Reporting. Has a wide range of experience in independent audit, accounting and finance management, internal controls, IFRS and US GAAP.