



## Filing Receipt

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**Control Number - 53719**

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**SOAH DOCKET NO. 473-22-04394  
PUC DOCKET NO. 53719**

**APPLICATION OF ENTERGY TEXAS, § STATE OFFICE  
INC. FOR AUTHORITY TO CHANGE § OF  
RATES § ADMINISTRATIVE HEARINGS**

**RESPONSE OF ENTERGY TEXAS, INC.  
TO STAFF'S FIRST REQUEST FOR INFORMATION:  
STAFF 1:64**

Entergy Texas, Inc. ("ETI" or the "Company") files its Response to Staff's First Request for Information. The response to such request is attached and is numbered as in the request. An additional copy is available for inspection at the Company's office in Austin, Texas.

ETI believes the foregoing response is correct and complete as of the time of the response, but the Company will supplement, correct or complete the response if it becomes aware that the response is no longer true and complete, and the circumstance is such that failure to amend the answer is in substance misleading. The parties may treat this response as if it were filed under oath.

Respectfully submitted,

**Kristen F. Yates**

Kristen F. Yates  
ENERGY SERVICES, LLC  
919 Congress Avenue, Suite 701  
Austin, Texas 78701  
Office: (512) 487-3962  
Facsimile: (512) 487-3958

Attachments: **STAFF 1:64**

**CERTIFICATE OF SERVICE**

I certify that a copy of the foregoing Response of Entergy Texas, Inc. to Staff's First Request for Information has been sent by either hand delivery, electronic delivery, facsimile, overnight delivery, or U.S. Mail to the party that initiated this request in this docket on this the 9th day of August 2022.

**Kristen F. Yates**  
Kristen F. Yates

ENTERGY TEXAS, INC.  
PUBLIC UTILITY COMMISSION OF TEXAS  
DOCKET NO. 53719

Response of: Entergy Texas, Inc.  
to the First Set of Data Requests  
of Requesting Party: Commission Staff

Prepared By: Tuyen Dang  
Sponsoring Witness: Allison P. Lofton  
Beginning Sequence No. PI21  
Ending Sequence No. PI22

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Question No.: STAFF 1-64

Part No.:

Addendum:

Question:

**OUTSIDE SERVICES**

Please provide copies of contracts, invoices, or other third-party documentation for each outside service employed by the Company in excess of \$50,000 as shown on Schedule G-8.

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Response:

Pursuant to agreement with counsel for Public Utility Commission of Texas Staff, the question is amended to request copies of contracts, invoices, or other third-party documentation for each outside service employed by the Company in excess of \$500,000 as shown on Schedule G-8.

Information included in the response contains confidential and highly sensitive protected (“highly sensitive”) materials. Specifically, the responsive materials are protected pursuant to Texas Government Code Sections 552.101 and/or 552.110. Confidential and highly sensitive materials will be provided pursuant to the terms of the Protective Order in this docket.

Please see the attachments (TP-53719-00PUS001-X064-006 through TP-53719-00PUS001-X064-007 and TP-53719-00PUS001-X064-009), confidential attachments (TP-53719-00PUS001-X064-001 through TP-53719-00PUS001-X064-002 and TP-53719-00PUS001-X064-004 through TP-53719-00PUS001-X064-005), and highly sensitive attachments (TP-53719-00PUS001-X064-003 and TP-53719-00PUS001-X064-008\_HSPM). Confidential and highly sensitive materials have been included on the secure ShareFile site provided to the parties that have executed protective order certifications in this proceeding.

**DESIGNATION OF PROTECTED MATERIALS PURSUANT TO  
PARAGRAPH 4 OF DOCKET NO. 53719 PROTECTIVE ORDER**

The Response to this Request for Information includes Protected Materials within the meaning of the Protective Order in force in this Docket. Public Information Act exemptions applicable to this information include Tex. Gov't Code Sections 552.101 and/or 552.110. ETI asserts that this information is exempt from public disclosure under the Public Information Act and subject to treatment as Protected Materials because it concerns competitively sensitive commercial and/or financial information and/or information designated confidential by law.

Counsel for ETI has reviewed this information sufficiently to state in good faith that the information is exempt from public disclosure under the Public Information Act and merits the Protected Materials Designation.

Kristen F. Yates  
Entergy Services, LLC.



**PURCHASE ORDER**

Submit Invoice To:  
See Invoice Instructions Below:

Purchase Order No : 10630991  
Revision :  
Release :  
Printed : 01/13/2021  
Page: 1

**Please Direct Inquiries to Purchaser:**  
ENTERGY SERVICES, LLC  
Sanja Swanson  
Title : Contracts Specialist II  
Phone : 504-576-7334  
Email : [sswanso@entergy.com](mailto:sswanso@entergy.com)

**Vendor:**  
DELOITTE & TOUCHE LLP  
1426 Main St Ste 820  
Columbia, SC 29202  
[jschaeffer@deloitte.com](mailto:jschaeffer@deloitte.com)

FOB: SHIPPING POINT  
FRT: PREPAY AND BILL

SHIP VIA: ESD  
PAY TERMS: NET 45

**Primary Ship To:**  
Entergy Services, LLC

**Invoice Instructions**

**Invoices shall be submitted electronically to Entergy using the self-service functionality within the supplier portal, unless otherwise approved by Entergy Supply Chain.**

For suppliers who have not yet been invited to register within the supplier portal invoices may be submitted via email to [accountspayableinvoices@entergy.com](mailto:accountspayableinvoices@entergy.com).

In the event invoices are unable to be submitted through either the supplier portal or by email, invoices may be mailed to:  
Entergy Accounts Payable  
PO Box 8111  
Baton Rouge, LA 70891-8111  
(844) 387-9675

Line	Quantity	UP	Item Description	Unit Price	Extension
0001			Remote Cyber Strategy And Board Reporting, see Exhibit A for details.	\$150,000.00	\$150,000.00

TOTAL \$150,000.00

This Purchase Order shall be subject to the terms and conditions set forth in Entergy Contract No. 10371800 between Entergy Services, LLC (formerly known as Entergy Services, Inc.) and DELOITTE & TOUCHE LLP. In addition to the terms and conditions contained herein, the following shall apply only to the performance of the services set forth in this Purchase Order:

**Contractor and Subcontractors shall abide by the requirements of 41 CFR 60-300.5(a) prohibiting discrimination against qualified protected veterans and requiring affirmative action by covered prime contractors and subcontractors to employ and advance in employment qualified protected veterans. Contractor and Subcontractors shall abide by the requirements of 41 CFR 60-741.5(a) prohibiting discrimination against qualified individuals on the basis of disability and requiring affirmative action by covered prime contractors and subcontractors to employ and advance in employment qualified individuals with disabilities.**

**Additional Instructions**

- TO AVOID POSSIBLE DELAYS IN PAYMENT, PLEASE REFERENCE THE ENTERGY PURCHASE ORDER NUMBER ON ALL INVOICES.
- If applicable, invoice should include cost of tax and shipping.
- This order is subject to the attached terms and conditions set forth herein
- Please contact Sanja Swanson at 504-576-7334 or [sswanso@entergy.com](mailto:sswanso@entergy.com) with any questions pertaining to this order.

Authorization \_\_\_\_\_

Date \_\_\_\_\_

## EXHIBIT A

### SCOPE OF SERVICES

The nature of the Services we plan to provide to the Company is to provide advice and recommendations to help inform Entergy's management efforts with the following matters, as it pertains to the following scope:

#### Cyber Strategy

- Assist Management with the development of a prioritized cyber plan for Management's consideration to address current findings from various assessments (internal and external) and other reporting. Primary activities include:
  - Planning and documentation gathering
  - Assist Management in streamlining and consolidation of existing Cyber assessment results and findings
  - Assist Management in prioritizing the consolidated existing Cyber assessment results and findings
  - Assist Management in budgeting and planning roadmap options to address the prioritized plan (including any future NIST CSF assessments)
  - Assist Management in determining how best to utilize Entergy's Governance, Risk, and Control (GRC) platform to track progress and improvements against Cyber roadmap and strategy

**Board Reporting**

- Support Entergy's executive cyber reporting capabilities, focusing on the following activities:
  - Understand current Board reporting practices (including challenges and requirements)
  - Support Management in identifying key reporting metrics (i.e., KPIs and KRIs)
  - Recommend industry leading practices (e.g., processes and technologies) for Board reporting for Management's consideration
  - Assist Management in developing reporting template and approach for ongoing monitoring and reporting

The procedures that we perform may be modified by mutual written agreement if, for example, unforeseen circumstances arise. We will promptly discuss any such circumstances with you and, likewise, the Company agrees to promptly notify us if they intend to request modifications to the procedures.

**TIMELINE**

The Services we are to provide Entergy will be comprised over an expected twelve (12) week period starting on or around January 18<sup>th</sup>, 2021 and ending on or around April 9<sup>th</sup>, 2021.

**Stage 1: Planning and Initiation (Estimated duration = 2 weeks)**

The purpose of this stage is to develop our engagement plan and work with Client project stakeholders to tailor our work to meet the Company's business requirements. This stage will include the following activities and outputs:

Activities	Work Product(s)
<ul style="list-style-type: none"> <li>▪ Agree on proposed timeline for the assessment</li> <li>▪ Prepare an engagement plan, which will identify specific tasks, activities, milestones, and any dependencies</li> <li>▪ Participate in a kick-off meeting to confirm engagement objectives, scope, and approach</li> <li>▪ Create a document request list to facilitate the collection of relevant security documentation</li> </ul>	<ul style="list-style-type: none"> <li>▪ Document request list (Work Product)</li> </ul>

**Stage 2: Fieldwork (Estimated duration = 8 weeks)**

The purpose of this stage is to assist the management with developing a cyber plan, leveraging findings from various assessments and other reports, and to support the cyber reporting capabilities at the executive level. This would primarily include gathering and utilizing the documentation which were found as relevant in Stage 1 to create the prioritized cyber plan and develop recommendations on reporting leading practices including identification of key metrics. The stage would include the following activities and outputs:

Activities	Work Product(s)
<ul style="list-style-type: none"> <li>▪ Collect the information and documentation identified in Stage 1</li> <li>▪ Review documentation and consolidate the existing Cyber assessment findings/results</li> <li>▪ Conduct onsite (if feasible) and remote interviews with business and other stakeholders</li> </ul>	<ul style="list-style-type: none"> <li>▪ Weekly engagement status reports in Microsoft PowerPoint format</li> <li>▪ Information collected from activities in this phase will be incorporated into the</li> </ul>

<ul style="list-style-type: none"> <li>• Work with the stakeholders in prioritizing the findings, creating the budget and the planning roadmap for the prioritized plan</li> <li>• Identify what information and metrics are currently tracked by reporting</li> <li>• Work with stakeholders to develop key metrics to monitor risk drivers and performances which are relevant for executive Cyber reporting</li> <li>• Assist Management in developing reporting templates incorporating better insight, analysis and visualization for the executive as well the approach for ongoing monitoring and reporting</li> </ul>	<p>final deliverable (see Deliverables section below)</p>
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**Stage 3: Reporting (Estimated duration = 2 weeks)**

In Stage 3, we will evaluate the observations, findings identified in Stage 2 and report the results to the Company for Management's consideration. This stage will include the following activities and outputs:

Activities	Work Product(s)
<ul style="list-style-type: none"> <li>• Provide the prioritized plan (based on Company Management input) to address findings from multiple assessments based on priorities as determined by Management</li> <li>• Provide the budget and planning roadmap to address the prioritized plan</li> <li>• Provide recommendations to leverage existing GRC platform in the context of the new prioritized cyber plan</li> <li>• Provide observations, findings and recommendations for Cyber executive reporting including industry leading practices</li> <li>• Prepare and present final deliverable / report to Management</li> </ul>	<ul style="list-style-type: none"> <li>• N/A – See Deliverables section below</li> </ul>

The Services will be performed in accordance with the applicable *Statement on Standards for Consulting Services* issued by the American Institute of Certified Public Accountants as well as the terms and conditions set forth in Exhibit A, which is attached hereto and incorporated herein.

During each phase we will be providing regular engagement status reports of activities performed by us in Microsoft Power Point format (Work Product).

**DELIVERABLES**

The following deliverables will be provided to the Company for Management's consideration during the course of this engagement:

- Final report in Microsoft Power Point format that will be provided to the Company (Deliverable), including:
  - Prioritized findings from various assessments
  - Prioritized plan with budget and roadmap
  - Identified key metrics (i.e., KPIs and KRIs)
  - Recommended leading practices for executive Cyber reporting
  - Executive reporting templates
  - Approach for ongoing monitoring and reporting
- Presentation to Company Management
  - Note: A subset of the final assessment report may be used for board and audit committee level reporting by Management.



**INHERENT LIMITATIONS OF AN ENTITY'S INTERNAL CONTROL**

Because of the inherent limitations of internal control, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal control to future periods are subject to the risk that the internal control may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**ENGAGEMENT TEAM MEMBERS**

We have structured the following engagement team for the performance of the Services:

- Dave Nowak, Principal, Deloitte & Touche LLP and Jeff Schaeffer, Managing Director, Deloitte & Touche LLP, will participate as Engagement Leaders, maintaining responsibility for the engagement on behalf of Deloitte & Touche LLP.
- Tom Keefe, Partner, Deloitte & Touche LLP, will serve as an advisor and continue to coordinate all services we perform for the Company.
- Samuel Finn, Manager, Deloitte & Touche LLP, will serve as the lead Manager overseeing the day-to-day activities.
- Other Deloitte & Touche LLP professionals with appropriate technical skills will be assigned to the engagement, as needed.

Deloitte & Touche LLP will add, substitute, or remove resources as needed to complete the engagement.



**Deloitte & Touche LLP**  
1111 Bagby St., Suite 4500  
Houston, TX 77002 USA  
Tel: 713.982.2000  
www.deloitte.com

August 3, 2021

Mr. Reginald Jackson  
VP & General Auditor  
Entergy Corporation  
639 Loyola Ave  
New Orleans, LA 70113

Dear Mr. Jackson:

This engagement letter is to confirm the engagement of Deloitte Advisory<sup>1</sup> ("Advisor" or "we" or "our") to provide advisory services ("Services") to Entergy Corporation and its subsidiaries (together, "Entergy", "Company" or "Client") to conduct an external assessment of Entergy's Ethics and Compliance Program ("E&C Program"), assess the Company's approach to investigations ("Investigation Capabilities Assessment"), and provide an assessment of Entergy's Federal Energy Regulatory Commission ("FERC") Compliance Program ("FERC Program").

This engagement letter ("Engagement Letter"), describes the scope of the Services, the respective responsibilities of Advisor and Client relating to this engagement, and the professional fees associated with performing these Services. Due to independence restrictions as the external auditor of the Company, we are limited to providing non-audit services in the form of advice and recommendations for management's consideration.

## **OUR UNDERSTANDING**

Entergy is seeking an assessment of its E&C Program, how Entergy conducts investigations into potential misconduct and takes corrective action, including Ethics Line protocols and practices, and an analysis of the process by which the Company is complying with applicable rules and regulations under FERC authority. In response, Advisor has outlined below a multi-stream approach consisting of an assessment of the Company's E&C Program in Workstream I, an assessment of the Company's methods for conducting investigations into potential misconduct and taking corrective action in Workstream II, and an assessment of Entergy's FERC Program across relevant business units in Workstream III (collectively "Workstreams").

We understand the Company has three objectives for the engagement:

- First, receive an objective, external assessment of the design and implementation of the E&C Program, leading to recommendations for management's consideration;
- Second, is to receive an assessment of the Company's methods for conducting investigations into potential misconduct and taking corrective action, including Ethics Line protocols and practices; and
- Third, is to receive an assessment of the Company's process by which it is complying with applicable guidance, rules, and regulations under FERC authority across relevant business units.

## **SCOPE, APPROACH, AND ASSUMPTIONS**

Advisor will work across the outlined assessments above and coordinate advisory activities across the three Workstreams. Advisor will integrate the initial and project planning activities across the three Workstreams and provide Entergy a consolidated request for documentation and information. We will work with Entergy to provide a list of stakeholders across relevant business functions as identified by Entergy to interview across the assessment areas prior to scheduling interviews to coordinate questionnaires across the Workstreams. Advisor will work to streamline questions for identified stakeholders to capture elements of the three Workstreams to

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<sup>1</sup> As used in this engagement letter, "Deloitte Advisory" means Deloitte and Touche LLP.

optimize interviewee time. As part of this integrated approach the following activities will be centrally coordinated and apply across the three Workstreams:

***Engagement Planning:***

- Conduct kick-off meeting to confirm, refine, and socialize engagement scope, approach, action steps, milestones, and deliverables
- Agree on a cadence for project status updates and scheduling of weekly status meetings
- Align on selection of stakeholders to interview across all three Workstreams: E&C Program Assessment, Investigation Capabilities Assessment, and FERC Program Assessment
- Gather an outline and submit documentation/information request (e.g., policies and procedures, process flows, trainings, and certifications) for the three Workstreams

Deliverables:

- Project plan
- Interviewee list
- Document/information request list

**Workstream I: E&C Program Assessment**

Advisor will perform an assessment of Entergy's E&C Program using a three-phase approach. We will use our E&C Program Framework as the basis for the assessment which is aligned with the Company's prescribed elements for the assessment. The Advisor will interview stakeholders, read documentation, and conduct a gap analysis to inform a written report of findings and recommendations. Detailed components for each of the phases are described below:

***Phase 1 – Discovery***

Core Activities:

- Work with Entergy to schedule approximately 25 stakeholder interviews
- Draft and tailor interview question sets for each interviewee across relevant business functions as identified by Entergy
- Collate and read E&C Program documentation provided by Entergy
- Conduct approximately 25 interviews with confirmed stakeholders (both individual and group interviews, as appropriate and agreed upon with Entergy)
- Conduct gap analysis of provided materials to identify additional documentation and interviewees, as applicable

Deliverables:

- Interview questions and interviewee list
- Stakeholder interviews
- Follow-up interviews based on gap analysis

***Phase 2 – Analyze & Assess***

Core Activities:

- Analyze data and information provided by Entergy relative to our understanding of leading industry practices (including use of data from the annual Deloitte Energy Compliance Survey and Utility Chief Compliance Office Roundtable)
- Analyze findings, current state, and overall Program maturity in light of desired future state
- Analyze how the E&C Program incorporates elements and attributes prescribed by official guidance (including, but not limited to, the Federal Sentencing Guidelines for Organizations and Department of

Justice Guidance on the evaluation of corporate compliance programs), and is consistent with operational circumstances, while identifying potential enhancement opportunities

- Draft for Entergy’s consideration top-level themes, which will include both specific strengths to build on and opportunities for potential improvement and innovation

Deliverables:

- Strategic themes and maturity assessment by E&C Program Framework element, including recommendations for specific program elements and sub-elements to move Entergy towards its desired state

### ***Phase 3 – Report & Recommend***

Core Activities:

- Draft a written report on E&C Program observations and identified areas of improvement and discuss with Entergy leadership
- Finalize observations and provide recommendations for management’s consideration following feedback from Entergy
- Present final report findings to Entergy leadership

Deliverables:

- Written report containing Assessment findings, analysis and recommendations

## **Workstream II: Investigation Capabilities Assessment**

Advisor will use a three-phase approach for the Investigation Capabilities Assessment to assess Entergy’s methods for conducting investigations. Advisor’s assessment will cover three main areas: Proactive and Reactive Identification Mechanisms, “Tip Response”, and Investigation Process. Advisor will use the Investigation Process Assessment Framework in its approach to frame interviews and read relevant documentation to assess findings against our understanding of leading practices and to draft a high-level plan for implementing assessment recommendations for management’s consideration. Components for each of the phases are described below:

### ***Phase 1 – Discovery***

Core Activities:

- Coordinate Advisor schedules with Entergy to schedule working sessions/interviews (limited to 8)
- Draft relevant materials for the interviews/working sessions (e.g., agendas, questionnaires, presentations, etc.)
- Conduct stakeholder interviews
- Read documentation on investigation processes

Deliverables:

- Interviewee list
- Interview materials (e.g., agendas, questionnaires, etc.)

### ***Phase 2 – Assessment Execution***

Core Activities:

- Document and compile findings from interviews
- Compile our team’s understanding of common and leading practices from having worked with similar companies and their internal investigation functions
- Begin drafting the initial assessment report

Deliverables:

- Draft summary of interview and document analysis themes
- Leading practices from other companies for Internal Investigations functions

### **Phase 3 – Finalize Reporting**

#### Core Activities:

- Analyze assessment findings from interviews and documentation analysis
- Outline process strengths and recommendations for potential enhancements to the internal investigations process, based on findings analysis and our understanding of industry leading practices
- Finalize the assessment report
- Propose for management’s consideration a high-level plan for implementing assessment recommendations

#### Deliverables:

- Final assessment report, including observations of potential strengths and opportunities, and a recommended high-level plan

## **Workstream III: FERC Program Assessment**

Advisor will use a three-phase approach for the FERC Program Assessment to assess the processes by which Entergy is complying with applicable rules and regulations under FERC authority. For purposes of this engagement, the applicable rules and regulations under FERC authority will exclude the NERC Reliability Standards, FERC Form 1 related compliance matters, and rules and regulations related to accounting, the uniform system accounts, and hydroelectric facilities. Advisor will leverage its Regulatory Compliance Capability Maturity Model (CMM), as well as our understanding of industry leading practices, to assess the current state of the FERC Program components along with the potential risks, challenges and gaps against FERC-provided guiding factors for an effective FERC Compliance Program. These factors include the following: (1) Role of Senior Management in Fostering Compliance; (2) Preventative Measures to Ensure Compliance; (3) Prompt Detection, Cessation, and Reporting of Violations; and (4) Remediation Efforts. Specifically, Advisor will assess Entergy’s FERC Compliance Program by focusing on the following six topics based on FERC’s guidance provided in its Enforcement Staff White Paper<sup>2</sup>, and will incorporate our understanding of leading industry practices for each component: (1) training program as related to FERC compliance obligations; (2) monitoring tools for detection of compliance issues and misconduct; (3) maturity of compliance-related IT resources; (4) process for updating Entergy’s compliance materials; (5) process for addressing compliance issues, disciplinary actions, conducting regular audits of the Company’s compliance program, and actioning on identified issues for enhancement in the 2018 assessment of the FERC Compliance Program; and (6) job descriptions and activities for those responsible for overseeing or administering the FERC Compliance Program.

In its approach, Advisor will use the four FERC-directed factors and Staff White Paper topics to frame the interview questions and documentation analysis, and in conducting its gap analysis to draft findings and enhancement recommendations for management’s consideration.

Components for each of the phases are described below:

### **Phase 1 – Discovery**

#### Core Activities:

- Work with Entergy to schedule interviews with approximately 15 stakeholders
- Draft and tailor interview question sets for each interviewee
- Conduct stakeholder interviews

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<sup>2</sup>Staff White Paper on Effective Energy Trading Compliance Practices, pages 19-20 (November 2016).

- Read Entergy provided documentation supporting the FERC Program such as policies, procedures, processes, and compliance program documentation

Deliverables:

- Interview schedule
- Interview materials (e.g., agendas, questionnaires, etc.)

***Phase 2 – Assessment Execution***

Core Activities:

- Conduct gap analysis of provided materials to identify additional documentation and interviewees, as requested
- Compile initial findings and assess against FERC-provided factors and our understanding of leading industry practices
- Begin drafting the initial assessment report capturing observations pertaining to the current state of Entergy's FERC compliance program as it relates to the assessment criteria
- Compile assessment findings from interviews and documentation analysis
- Conduct follow-up interviews based on gap analysis

Deliverables:

- Summary of interviews
- Initial Current State and recommended enhancement analysis
- Draft report template

***Phase 3 – Finalize Reporting***

Core Activities:

- Finalize observations in a written report with current state observations and gaps
- Draft for Entergy's consideration top-level themes, which will include both strengths to build on and opportunities for potential improvement and innovation
- Present draft report and findings to Entergy leadership
- Finalize observations and recommendations following feedback from Entergy
- Finalize the assessment report

Deliverables:

- Written report containing FERC Compliance Program Assessment findings, analysis, and recommendations with respect to the previously outlined FERC-required factors and topics

**Assumptions for this engagement include:**

- Due to the continually evolving situation with COVID-19, we will work with you to agree upon appropriate work arrangements utilizing technology that supports our ability to provide the services in a timely manner
- Entergy shall be solely responsible for, among other things: (A) making all management decisions and performing all management functions; (B) designating one or more individuals who possess suitable skill, knowledge, and/or experience, preferably within senior management to oversee the services; (C) evaluating the adequacy and results of the services; (D) accepting responsibility for the results of the services; and (E) establishing and maintaining internal controls, including, without limitation, monitoring ongoing activities.
- We will conduct up to 20 interview sessions total (which may include more than 1 stakeholder per session); max 1.5 hours each
- Entergy's business representative(s) will provide timely support throughout the engagement. Interviews will be scheduled by Entergy and will occur within the first 3-4 weeks of the engagement

- Entergy will be responsible for providing timely data, information, and personnel, and for the accuracy and completeness of all data and information provided in the requested format. Documentation will be provided by Entergy in the first week of the engagement
- Meetings requested by Advisor with Entergy will be reasonably accommodated in a timely manner. The final report will be in PowerPoint format for each Workstream; no additional reports or documentation will be created in support of management/executive read-outs
- The estimated fees assume that interviews will be performed remotely by telephone or an agreed upon video conferencing application. The assessment is limited to a program design assessment only; operating effectiveness and transaction sampling is out of scope
- Entergy will be responsible for participation in meetings and interviews, timely read of draft deliverables (including feedback), and timely approval of all engagement deliverables. Entergy will review and provide comments on the draft report within 5 business days
- The focus of our observations and recommendations will be around what exists at the corporate level (not at the functional business unit level). However, certain individuals from subsidiaries may be interviewed, should it be deemed relevant.
- Review of Entergy's Ethics & Compliance policies and procedures will be limited to general analysis and recommendations, as opposed to detailed and specific recommendations.
- All recommendations will be provided for Entergy's consideration, and the Company shall make all decisions in connection with and take ultimate ownership of implementing such recommendations. Deloitte does not provide any assurance regarding the outcome of any future audit or regulatory examination or other regulatory action; the responsibility for all legal issues with respect to these matters remains with Company, such as reading the deliverables and work product for any legal implications to Company.
- The output and final work products will be shared with Entergy senior management and its Board of Directors only.
- Deloitte will not make any management decisions, perform any management functions, or assume any management responsibilities.
- These fee estimates are based on Deloitte's proposal of project scope. In the event that the scope changes, we will work with Entergy to determine the impact on fees.

The Services will be performed in accordance with the Statement on Standards for Consulting Services issued by the American Institute of Certified Public Accountants (AICPA).

## **DELIVERABLES**

The following deliverable will be produced during the course of this engagement:

- E&C Program Assessment that provides findings, analysis and recommendations of the design and implementation of Entergy's E&C Program for management's consideration
- Investigation Capabilities Assessment report, including Advisor's observations of strengths and opportunities for improvement
- FERC Compliance Program Assessment summarizing findings, analysis and recommendations

## **PROJECT STAFFING**

We have structured the following engagement team for the performance of the Services:

Howard Friedman, Managing Director, Deloitte & Touche LLP, will lead this project, maintaining overall responsibility for the project on behalf of Advisor and will provide direction and oversight to our team and is responsible for quality delivery of services.

Anthony Campanelli, Partner, Deloitte & Touche LLP, will serve as a subject matter advisor on the Investigation Capabilities Assessment.

Mark Rowe, Manager, Deloitte & Touche LLP will lead the day to day project activities on the E&C Program Assessment and serve as the subject matter resource responsible for performing the work.

Rory Heenan, Manager, Deloitte & Touche LLP will lead the day to day project activities on the Investigations Capabilities Assessment and serve as the subject matter resource responsible for performing the work.

Valeria Annibali, Manager, Deloitte & Touche LLP, will lead the day to day project activities on the FERC Assessment, and serve as the subject matter resource responsible for performing the work.

Additional support may also be provided by other professionals who will be identified during the course of this engagement.

## FEES, TIMING, AND OTHER SERVICES

The estimate fees for this engagement are captured by Workstream in the below table and are based on the following providing rate schedule:

Role Title	Estimated Fee (\$)
Workstream I – E&C Program Assessment	\$88,144
Workstream II – Investigation Capabilities Assessment	\$54,020
Workstream III – FERC Program Assessment	\$76,570

The rates recognize the experience and special skills of the applicable personnel as well as the complexity of the Services.

Role Title	Job Description	Hourly Rate (\$)
Engagement Leader (Partner/Managing Director)	Engagement Oversight	\$340.00
Engagement Manager	Engagement Leadership	\$300.00
Subject Matter Advisor (Partner)	Optional Scope Support	\$340.00
Subject Matter Advisor	Optional Scope Support	\$300.00
Project Senior Staff	Engagement Support	\$265.00
Project Staff	Engagement Support	\$102.06
Project Staff	Engagement Support	\$76.55

Fees for this engagement will be billed biweekly.

We understand that you will reimburse us for all reasonable expenses incurred in performing our Services on this engagement (including if appropriate, but not limited to, our reasonable travel, meal, lodging, and mileage expenses). The ongoing COVID-19 situation may mean that travel is not feasible, and that all work will be conducted remotely; in that case, we expect expenses to be negligible.

In addition, we will be compensated for any time and expenses (including, without limitation, reasonable legal fees and expenses) that we may incur in responding to discovery requests or other requests for documents or information, or in participating as a fact witness or otherwise in any legal, regulatory, or other proceedings; provided, however, that Advisor will, to the extent permitted by applicable law or regulation, promptly provide the Client notice in writing of any such requests for documents, information, or participation and will cooperate with the Client in responding to such requests.

In the event the Client requests and Advisor agrees to assist the Client in resolving questions related to its deliverables or Services that were not contemplated at the time of the execution of this engagement letter, including those questions that may relate to third parties, Advisor will be compensated for any time and expense that it may incur while responding to requests for information, clarifications, additional procedures, documents, or other tasks or activities.



Any such additional tasks or activities described in the two immediately preceding paragraphs will be performed at the agreed upon rate per hour and will be performed subject to the terms of this engagement letter unless a new engagement letter is entered into by the parties for such tasks or activities.

These fees are based upon our current understanding of the requirements, our proposed approach, our estimate of the level of effort required, our roles and responsibilities, any assumptions set forth herein, and active participation of the Company's management and other personnel, as described in this engagement letter. Based on our experience, issues sometimes arise that require procedures beyond what was initially anticipated. If this should occur, we will discuss it with you prior to performing any additional work.

This engagement is expected to start during August 2021 and be completed by the end of November 2021.

## **ACKNOWLEDGMENTS AND AGREEMENTS**

The Company specifically acknowledges and agrees to the following:

- Substantial and meaningful involvement of key stakeholders of the Company is critical to the success of this engagement. The Company shall be responsible for ensuring that the identified Company personnel actively participate in both the planning and execution of this engagement.
- Advisor will not make any management decisions, perform any management functions, or assume any management responsibilities.
- The Services will not constitute an engagement to provide audit, compilation, review, or attestation services as described in the pronouncements on professional standards issued by the AICPA, the Public Company Accounting Oversight Board, or other regulatory body and, therefore, we will not express an opinion or any other form of assurance as a result of performing the Services.
- Deliverables provided to the Company hereunder by Advisor may be disclosed to the Company's independent accountants to the extent required solely in connection with their audit of the Company's financial statements.
- Advisor will not provide any legal advice regarding our Services nor will Advisor provide any assurance regarding the outcome of any future audit or regulatory examination or other regulatory action; the responsibility for all legal issues with respect to these matters, such as reviewing all deliverables and work product for any legal implications to the Company, will be the Company's.
- The Company agrees that any deliverables provided to the Company hereunder may be disclosed by the Company to the Board of Directors of the Company only for their informational purposes and solely in their capacity as a member of such Board.
- We call your attention to the possibility that other professionals may perform procedures concerning the same information or data, and perhaps the same accounts and records, and reach different findings than Advisor for a variety of reasons, including the possibilities that additional or different information or data might be provided to them that was not provided to Advisor, that they might perform different procedures than did Advisor, or that professional judgments concerning complex, unusual, or poorly documented transactions may differ.
- Due to the current COVID-19 situation, the Company understands that these Services shall be performed remotely. Remote access to documentation and systems (as necessary) will be made available to Advisor's team. Virtual conferencing may be utilized and the Company personnel will be actively engaged in such meetings.
- The parties acknowledge that COVID-19 and either party's compliance with any law, rule, regulation or policy related to COVID-19 may adversely impact the fees, timeline, working arrangements, staffing, responsibilities or other obligations under this engagement letter. In the event of any such impact, the parties will work in good faith to promptly enter into an amendment to this engagement letter to eliminate such impact. If the parties fail to enter into an amendment within thirty (30) days of Advisor notifying

Client of such impact, Advisor may suspend or terminate this engagement letter upon written notice to Client.

- For the avoidance of any doubt, under this engagement, Advisor will not provide any of the following services:
  1. Act as a manager or employee (accordingly, we cannot act as project manager, PMO, set priorities, or provide loaned staff under this engagement)— we can provide advice to the Client’s PMOs based on our understanding of leading practices;
  2. Communicate to or negotiate with personnel or third parties on behalf of company management— we can provide sample drafts of communications that management could consider and distribute and participate in meetings with client management as their advisors;
  3. Provide services for a direct or indirect contingent fee;
  4. Design, configure or implement systems—we can provide comments on design/configuration/implementation approaches performed by management or a third party;
  5. Host, administer or operate the client’s systems or data rooms—we can provide advice on leading practices;
  6. Project revenue, cost savings, cash flow or other estimates/projections or develop models to do so —we can provide comments on such projections or models developed by management but cannot be put in the position where we are the source of such information;
  7. Provide valuations—we can comment on valuations prepared by management or a third party; and
  8. Identify specific personnel for specific jobs—we can assist in developing general job descriptions." The Services will be performed in accordance with the Statement on Standards for Consulting Services issued by the American Institute of Certified Public Accountants (AICPA).

\* \* \* \* \*

During the term of this engagement, the Company may request that Advisor perform additional services that are not encompassed by this engagement letter. Advisor may perform such additional services upon receipt of a separate signed engagement letter with terms and conditions that are mutually acceptable to Advisor and the Company.

This engagement letter, together with the General Business Terms attached hereto as Exhibit A and made a part hereof, constitute the entire agreement between the Company and Advisor with respect to this engagement; supersede all other oral and written representations, understandings, or agreements relating to this engagement; and may not be amended except by the mutual written agreement of the Company and Advisor.

Please indicate your acceptance of this agreement by signing in the space provided below and returning this engagement letter to us. A duplicate of this engagement letter is provided for your records.

Very truly yours,

By: Howard Friedman  
Howard Friedman, Managing Director

Accepted and Agreed to by Entergy Corporation and its subsidiaries:

By: \_\_\_\_\_

Title: Category Management Specialist, Sr Staff

Date: \_\_\_\_\_

Entergy Contract # 10648773

## EXHIBIT A — GENERAL BUSINESS TERMS

1. **Services.** The engagement letter to which these terms are attached (the "Engagement Letter") describes the services to be performed thereunder (the "Services") by Deloitte & Touche LLP ("Advisor"). For purposes of these terms and the Engagement Letter, "Client" shall mean the entity to which the Engagement Letter is addressed.
2. **Compensation.**
  - a) Client shall compensate Advisor for all Services performed and expenses incurred in connection with this engagement. Client shall be responsible for any taxes imposed on the Services or on this engagement, other than taxes imposed by employment withholding for Advisor's personnel or on Advisor's income or property. Client shall pay each invoice within thirty days of its receipt thereof. If payment is not received within such period, (i) such invoice shall accrue a late charge equal to the lesser of (a) 1½ percent per month or (b) the highest rate allowable by law, in each case compounded monthly to the extent allowable by law, and (ii) Advisor may also suspend or terminate the Services upon five days written notice to Client.
3. **Term.** Unless terminated sooner as set forth below, this engagement shall terminate upon the completion of the Services. Either party may terminate this engagement by giving thirty days prior written notice to the other party. In the event of any termination for breach, the breaching party shall have the right to cure the breach within the notice period. Advisor may terminate this engagement upon written notice to Client, if Advisor determines that the performance of any part of the Services would be in conflict with law, or independence or professional rules.
4. **Ownership.**
  - a) Advisor has rights in, and may, in connection with the performance of the Services, use, create, modify, or acquire rights in, works of authorship, materials, information, and other intellectual property (collectively, the "Advisor IP").
  - b) Upon full payment to Advisor hereunder, and subject to the terms herein, (i) the tangible items specified as deliverables in the Engagement Letter (the "Deliverables") shall become the property of Client, and (ii) Advisor hereby grants Client a royalty-free, fully paid-up, worldwide, nonexclusive license to use the Advisor IP contained in the Deliverables in connection with its use of the Deliverables. Except for the foregoing license grant, Advisor or its licensors retain all rights in and to all Advisor IP.
  - c) To the extent any Advisor IP provided to Client in connection with the Services constitutes inventory within the meaning of section 471 of the Internal Revenue Code, such Advisor IP is licensed to Client by Advisor as agent for its product company subsidiary on the terms and conditions contained herein. The rights granted in this Section do not apply to any intellectual property that is licensed to Client under a separate agreement.
5. **Warranties.** This is a services engagement. Advisor warrants that it shall perform the Services in good faith and with due professional care. **Advisor DISCLAIMS ALL OTHER WARRANTIES, EITHER EXPRESS OR IMPLIED, INCLUDING WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.**
6. **Limitation on Damages.**

Advisor, its affiliates and subcontractors, and their respective personnel shall not be liable to Client for any claims, liabilities, or expenses relating to or in connection with this engagement ("Claims") for an aggregate amount in excess of the fees paid by Client to Advisor pursuant to this engagement, except to the extent resulting from the recklessness, bad faith, or intentional misconduct of Advisor or its subcontractors. In no event shall Advisor, its affiliates or subcontractors, or their respective personnel be liable to Client for any loss of use, data, goodwill, revenues, or profits (whether or not deemed to constitute a direct Claim), or any consequential, special, indirect, incidental, punitive, or exemplary loss, damage, or expense, relating to or in connection with this engagement. The terms of this Section shall not apply to any Claim for which Advisor has an express indemnification obligation under these terms or the Engagement Letter. In circumstances where any limitation or exculpations set forth herein are unavailable, the aggregate liability of Advisor, its affiliates and

subcontractors, and their respective personnel for any Claim shall not exceed an amount that is proportional to the relative fault that their conduct bears to all other conduct giving rise to such Claim.

## **7. Relationship and Responsibilities.**

- a) Each of the parties is an independent contractor and neither is, nor shall be considered to be, nor shall purport to act as, the other's agent, partner, fiduciary, joint venturer, or representative.
- b) In addition to Client's responsibilities as set forth in the Engagement Letter, Client shall cooperate with Advisor in the performance of the Services, including providing Advisor with adequate working space, equipment, and facilities and timely access to data, information, and personnel of Client. With respect to the data and information provided by Client to Advisor or its subcontractors for the performance of the Services, Client shall have all rights required to provide such data and information, and shall do so only in accordance with applicable law and with any procedures agreed upon in writing. If Advisor is provided with access to or use of Client's facilities outside of the United States for the purpose of performing the Services, such facilities may not be dedicated solely for Advisor's use and Advisor will not be deemed a tenant of Client with respect to such facilities.
- c) Client shall be solely responsible for, among other things (i) the performance of its personnel and agents; (ii) the accuracy and completeness of all data and information provided to Advisor for purposes of the performance of the Services; (iii) making all management decisions, performing all management functions, and assuming all management responsibilities; (iv) designating a competent management member to oversee the Services; (v) evaluating the adequacy and results of the Services; (vi) accepting responsibility for the results of the Services; and (vii) establishing and maintaining internal controls, including monitoring ongoing activities.
- d) The Services may include advice and recommendations, but Advisor will not make any decisions on behalf of Client in connection with the implementation of such advice and recommendations. Advisor's performance is dependent upon Client's (i) timely and effective satisfaction of its responsibilities under these terms and the Engagement Letter, and (ii) timely decisions and approvals in connection with the Services, upon which Advisor shall be entitled to rely.
- e) Advisor shall use diligent efforts to meet performance dates set forth in the Engagement Letter and shall notify Client promptly if Advisor encounters significant delays in completing the Services. Notwithstanding the foregoing, all performance dates contained in the Engagement Letter shall be regarded only as estimates.

## **8. Confidentiality and Internal Use.**

- a) To the extent that, in connection with this engagement, either party (each, the "receiving party") comes into possession of any confidential information of the other (the "disclosing party"), it will not disclose such information to any third party without the disclosing party's consent, using at least the same degree of care as it employs in maintaining in confidence its own confidential information of a similar nature, but in no event less than a reasonable degree of care. The disclosing party hereby consents to the receiving party disclosing such information: (i) as expressly set forth in the Engagement Letter; (ii) to contractors providing administrative, infrastructure, and other support services to the receiving party and subcontractors providing services in connection with this engagement, in each case, whether located within or outside of the United States, provided that they have agreed to be bound by confidentiality obligations similar to those in this sub-Section; (iii) as may be required by law or regulation, or to respond to governmental inquiries, or in accordance with applicable professional standards or rules, or in connection with litigation or arbitration pertaining hereto; or (iv) to the extent such information (a) is or becomes publicly available other than as the result of a disclosure in breach hereof, (b) becomes available to the receiving party on a nonconfidential basis from a source that the receiving party believes is not prohibited from disclosing such information to the receiving party, (c) is already known by the receiving party without any obligation of confidentiality with respect thereto, or (d) is developed by the receiving party independently of any disclosures made to the receiving party hereunder. If Client is an attest client of any Deloitte Entity (as defined herein), any such information may be used by any Deloitte Entity in the context of responding to its professional obligations as the independent accountants for Client.
- b) All Services and Deliverables shall be solely for Client's benefit and are not intended to be relied upon by any person or entity other than Client. Client shall not disclose the Services or Deliverables, or refer to the

Services or Deliverables in any communication, to any person or entity other than Client except (i) as expressly set forth in the Engagement Letter, (ii) to Client's contractors solely for the purpose of their providing services to Client relating to the subject matter of the Engagement Letter, provided that they comply with the restrictions on disclosure set forth in this sentence, or (iii) to the extent included within Client-created materials that do not in any way, expressly or by implication, attribute such materials to Advisor or its subcontractors. Client agrees to indemnify and hold harmless Advisor, its affiliates and subcontractors, and their respective personnel from all Claims attributable to claims of third parties arising from Client's disclosure of the Services or Deliverables to any third party.

## **9. Indemnification.**

a) Each party agrees to indemnify, defend, and hold harmless the other party, its subcontractors, and their respective personnel from all Claims attributable to claims of third parties solely for bodily injury, death, or physical damage to real or tangible personal property, to the extent directly and proximately caused by the negligence or intentional misconduct of such party while Advisor is engaged in the performance of the Services.

b) Advisor agrees to indemnify, defend, and hold harmless Client and its personnel from all Claims attributable to claims of third parties for infringement by a Deliverable of any U.S. patent existing at the time of delivery or copyright or any unauthorized use of any trade secret, except to the extent that such infringement or unauthorized use arises from (i) modification of the Deliverable other than by Advisor or its subcontractors, or use thereof in a manner not contemplated by the Engagement Letter, (ii) the failure of the indemnified party to use any corrections or modifications made available by Advisor, (iii) information, materials, instructions, specifications, requirements, or designs provided by or on behalf of the indemnified party, or (iv) the use of the Deliverable in combination with any platform, product, network, or data not provided by Advisor. If Client's use of any such Deliverable, or any portion thereof, is or is likely to be enjoined by order of a court of competent jurisdiction as such an infringement or unauthorized use, Advisor, at its option and expense, shall have the right to (x) procure for Client the continued use of such Deliverable, (y) replace such Deliverable with a non-infringing Deliverable, or (z) modify such Deliverable so it becomes non-infringing; provided that, if (y) or (z) is the option chosen by Advisor, the replacement or modified Deliverable is capable of performing substantially the same function. In the event Advisor cannot reasonably procure, replace, or modify such Deliverable in accordance with the immediately preceding sentence, Advisor may require Client to cease use of such Deliverable and refund the professional fees paid to Advisor with respect to the Services giving rise to such Deliverable. The foregoing provisions of this sub-Section constitute the sole and exclusive remedy of the indemnified parties, and the sole and exclusive obligation of Advisor, relating to a claim that any of Advisor's Deliverables infringes any patent, copyright, or other intellectual property right of a third party.

c) The indemnified party shall provide the indemnifying party with prompt written notice of any claim, liability, or expense for which indemnification is sought hereunder (an "Indemnity Claim") and shall cooperate in all reasonable respects with the indemnifying party in connection with any such Indemnity Claim; provided, however, that the indemnified party's failure to comply with such notice and cooperation obligations shall not relieve the indemnifying party of its indemnification obligations, except to the extent the indemnifying party has been actually prejudiced by such failure. The indemnifying party shall be entitled to defend and control the handling of any such Indemnity Claim, with counsel of its own choosing that is reasonably satisfactory to the indemnified party. The indemnifying party shall not settle any Indemnity Claim without the prior written consent of the indemnified party.

**10. Approval of Deliverables.** Client shall approve each Deliverable that conforms in all material respects to the requirements therefor set forth in the Engagement Letter. Approval of a Deliverable shall be deemed given by Client if Client has not delivered to Advisor a notice that such Deliverable does not conform with the foregoing within fifteen days of delivery.

**11. Force Majeure.** Neither party shall be liable for any delays or nonperformance directly or indirectly resulting from circumstances or causes beyond its reasonable control, including fire, epidemic or other casualty, act of God, strike or labor dispute, war or other violence, or any law, order, or requirement of any governmental agency or authority.

**12. Survival.** All provisions that are intended by their nature to survive performance of the Services shall survive such performance, or the expiration or termination of this engagement.

**13. Interpretation.** Each of the provisions of these terms and the Engagement Letter shall apply to the fullest extent of the law, whether in contract, statute, tort (such as *negligence*) or otherwise, notwithstanding the failure of the essential purpose of any remedy. Liability limits set forth herein are intended solely to set maximum limits and are not intended as estimates of liability. Any references herein to the term "including" shall be deemed to be followed by "without limitation." The Section headings in these terms are for convenience of reference only and shall not affect the meaning or interpretation hereof. Deloitte Touche Tohmatsu Limited, a UK private company limited by guarantee ("DTTL"), the member firms of DTTL, and each of their respective affiliates (including Advisor) are referred to herein collectively as the "Deloitte Entities" and individually as a "Deloitte Entity." In the event of any conflict between these terms and the terms of the Engagement Letter, these terms shall control, except to the extent that the Engagement Letter provides that specified provisions therein shall control over specified provisions of these terms.

**14. Binding Nature; Assignment and Subcontracting.** These terms and the Engagement Letter shall be binding on the parties and their respective permitted successors and assigns; provided however, that, except as provided below, neither party may assign any of its rights or obligations (including interests or claims) relating to or in connection with this engagement or the Services, without the prior written consent of the other party. Client hereby consents to Advisor subcontracting any portion of the Services to any Deloitte Entity, whether located within or outside the of United States. In addition, Client hereby consents to the use by Advisor of a nonaffiliated or nonrelated entity subcontractor, which may be located within or outside of the United States, in connection with this engagement. Services performed by Advisor's subcontractors shall be invoiced as professional fees on the same basis as Services performed by Advisor's personnel unless otherwise agreed. Advisor agrees to be responsible to Client for the Services performed by its subcontractors to the same extent that Advisor would be responsible to Client if Advisor had performed such Services. No Deloitte Entity other than Advisor and no personnel of any Deloitte Entity shall have any liability to Client relating to or in connection with this engagement, and Client will not bring any action against any such Deloitte Entity, or any personnel of any Deloitte Entity in connection with this engagement.

**15. Notices.** Any notices required under these terms or the Engagement Letter shall be (i) in writing; (ii) delivered to the representatives of the parties at the addresses set forth in the Engagement Letter, unless changed by either party by notice to the other party; and (iii) effective upon receipt.

**16. Severability.** If any term of these terms or the Engagement Letter is unenforceable, such term shall not affect the other terms, but such unenforceable term shall be deemed modified to the extent necessary to render it enforceable, preserving to the fullest extent permitted the intent of the parties set forth in these terms or the Engagement Letter.

**17. Waivers and Amendments.** No delay or omission by a party in enforcing its rights or remedies under these terms or the Engagement Letter shall impair such right or remedy or be deemed to be a waiver thereof. No amendment or waiver of these terms or the Engagement Letter shall be valid unless in writing and signed by the parties thereto.

**18. Non-Solicitation.** During the term of this engagement and for a period of one year thereafter, each of the parties agrees that its personnel (in their capacity as such) who had substantive contact with personnel of the other in the course of the performance of Services hereunder shall not, without the other's consent, directly or indirectly solicit the services of such personnel of the other. This provision shall not restrict the right of either party to solicit generally in the media.

**19. Non-Exclusivity.** Advisor may (i) provide any services to any person or entity, and (ii) develop for itself, or for others, any materials or processes, including those that may be similar to those produced as a result of the Services, provided that Advisor complies with its obligations of confidentiality set forth hereunder.

**20. Third-Party Beneficiaries.** Any third parties referenced in any disclaimer or waiver of liability, limitation on damages or actions, or indemnity in these terms or the Engagement Letter are intended third-party beneficiaries of such terms and may in their own right enforce such terms. Except as set forth in this Section, (a) there are no third-party beneficiaries of these terms or the Engagement Letter, and (b) no rights, benefits, or remedies of any kind or character whatsoever are conferred upon, and neither party shall owe any duty to, any person or entity other than the other party.

**21. Governing Law.** These terms, the Engagement Letter, including attachments, and all matters relating to or in connection with this engagement shall be governed by, and construed in accordance with, the laws of the State of New York (without giving effect to the choice of law principles thereof).

**22. Disputes.**

a) Any action relating to or in connection with this engagement shall be brought and maintained exclusively in any state or federal court, in each case located in New York County, the State of New York. Each of the parties hereby expressly and irrevocably submits to the jurisdiction of such courts for the purposes of any such action and expressly and irrevocably waives, to the fullest extent permitted by law, any objection which it may have or hereafter may have to the laying of venue of any such action brought in any such court and any claim that any such action has been brought in an inconvenient forum.

**b) EACH PARTY HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY LAW, ALL RIGHTS TO TRIAL BY JURY IN ANY ACTION, PROCEEDING, OR COUNTERCLAIM RELATING TO OR IN CONNECTION WITH THIS ENGAGEMENT.**

No action, regardless of form, relating to or in connection with this engagement may be brought more than one year after the cause of action has accrued, except that an action for nonpayment may be brought not later than one year following the due date of the last payment owing to the entity bringing the action.

**23. Entire Agreement.** These terms and the Engagement Letter, including attachments, shall constitute the entire agreement with respect to the subject matter of this engagement and shall supersede all other oral or written representations, understandings, or agreements relating to or in connection with the subject matter hereof. In making its determination to proceed with this engagement, neither party will have relied on any representations of the other party except as expressly set forth in these terms or the Engagement Letter.

Timekeeper	2021- 22 Hourly Rates for Federal Matters	2021 - 22 Hourly Rates for Retail and Commercial Matters
Brenda Barrett	\$425	\$415
Casey Bell	\$370	\$365
Jay Breedveld	\$445	\$435
Everett Britt	\$375	\$370
William Coe	\$445	\$435
David Gilliland	\$440	\$430
Stephanie Green	\$245	\$240
Jason Harvey	\$345	\$340
Mark Held	\$430	\$420
Ryan Holland	\$245	\$240
Bill Johnson	\$385	\$380
Laura Kennedy	\$345	\$340
Don Lewis	\$445	\$435
James Mann	\$445	\$435
Marnie McCormick	\$395	\$390
Drew McEwen	\$360	\$350
Kerry McGrath	\$445	\$435
Jamie McNally	\$445	\$435
Jo Ann Merica	\$395	\$385
Kevin Oldham	\$395	\$385
Carey Olney	\$335	\$330
Scott Olson	\$405	\$395
Patrick Pearsall	\$370	\$350
Celina Romero	\$440	\$430
Bret Slocum	\$430	\$420
Mark Strain	\$445	\$435
Leonard Woods	\$425	\$415
Casey Wren	\$490	\$485
Jackie Jones	\$155	\$150
Linda Nickell	\$155	\$150
Jamie Price	\$115	\$110
Matthew Pritt	\$145	\$140