



FORENSIC

Dispute Advisory Services

ADVISORY

KPMG Forensic provides services designed to assist you in matters of a commercial or financial nature that may result in a legal or regulatory action.

Organizations today are required to manage an array of complex business challenges. The global business climate brings with it increased incidents of commercial litigation and other disputes between business entities and increased opportunities for local and cross-border disagreements. These situations can threaten the financial performance of an organization, or at worst, put the viability of the business at risk. In addition to clear legal advice as to the options available to an organization, management dealing with such matters requires a clear understanding of the strengths, weaknesses and value of its case from an accounting perspective in order to make a sound business decision of what course of action to pursue.

Specialist independent support and advice is required to quickly and effectively deal with these issues. KPMG Forensic comprises a team of professionals encompassing a broad range of skills across many disciplines. We combine our knowledge of accounting, business, finance, IT and investigations with management psychology, law enforcement and organizational integrity credentials.

Our services include the support of organizations and professional

practitioners involved in litigation, or disputes that may lead to litigation, for example by assisting in the calculation of damages or loss of profits. We also assist in the resolution of ongoing disputes by acting as the expert determinator in cases involving accounting related issues. In addition, by vetting commercial agreements, we also assist our clients in reducing the risk of disputes occurring in the first place.

KPMG Forensic in Central & Eastern Europe, a regional practice with global reach, offers businesses, law firms and governments a specialized suite of services that cover most areas of dispute advisory.

Agreement Vetting

Contracts between business partners, such as purchase and sale agreements or joint venture agreements, often involve an element of future compensation based on events that will occur after the contract is in force. These contracts are usually focused on the legal issues involved in the transaction and not on the financial and accounting aspects of how the future compensation will be calculated. That is not to say the formula is not stipulated in the agreement, but rather that the

formulas are often complex and the terminology used is ambiguous.

In advance of a contract being executed, we use our knowledge of past disputes and accounting terminology to vet agreements that include elements of future compensation on behalf of our clients. Our **forensic transaction services** focus on ambiguous accounting terminology and calculations that may result in disputes at a later stage, and provide suggestions as to alternative wording and / or approaches to achieve the goals of the contracting parties.

Alternative Dispute Advice

Disputes arising between business partners are unavoidable. As litigation can be costly, time consuming and in some jurisdictions subject to an uncertain outcome, there is a growing trend towards alternative approaches to dispute resolution, such as mediation, arbitration or determination. The approach to presenting cases to a tribunal or mediator is different to that of presenting such a case to a judge.

In the event that a contract leads to a dispute, we offer a range of advisory services to help organizations that chose to work with a mediator or to appoint an

arbitration panel. Our **alternative dispute resolution** services focus on supporting our clients in presenting the financial and accounting aspects of their case. Our **expert determination services** entail the provision of advice to resolve post-acquisition disputes and other matters sent to an expert referee for resolution, including formulating submissions to an expert and acting as the expert referee or determiner.

Expert Witness

Not all cases will be resolved or settled before the commencement of litigation. In the event that a case is to be put before a competent court, an assessment of the value of the claim is usually required in the initial proceedings. After submission of such a claim, the claimant must support the value of the claim. The defendant is usually required to refute the value of the claim and often presents evidence to support lesser values. Both the claimant and the defendant should be aware of the strength of its case, from both a legal and accounting perspective, in order to be able to assess the merits of any settlement offer.

KPMG provides professional assistance to claimants or defendants through our **dispute advisory** services in managing these situations. We can help formulate the legal arguments of a case by providing financial and accounting related input. KPMG Forensic provides independent, objective advice in matters involving financial loss, and in matters of liability involving accounting and auditing issues. This includes preparing reports for use in the dispute, giving evidence as an **expert witness**, and analyzing and evaluating the other party's case or submissions.

We also undertake **quantification of loss** assessments where we calculate losses suffered by a party due to an event giving rise to a dispute. We also prepare assessments of the value of a business, shares or other assets for the purposes of dispute resolution. Such an assessment might involve **intellectual property** disputes where we help calculate losses suffered by the intellectual property owner and assess the value of the benefit to the infringer. These disputes may include underpayments of license and royalty fees, non-compliance of contractual terms and license verifications.

Our advice is objective, clear and concise.

Supporting services

While these form an integral part of our own dispute advisory services, we also provide services that will support our clients in resolving disputes. We offer **forensic technology services** to identify, preserve and analyze evidence. These services include document management and digital evidence recovery and preservation. We also provide **corporate intelligence** involving researching strengths, vulnerabilities and strategies of external individuals and organizations engaged in business dealings with our clients.

Our credentials

KPMG is one of the world's leading business advisory firms. We are proud of our firm's strong and established reputation, a reputation that is built on a long history of independence, integrity and objectivity. KPMG Forensic is part of a global network of professionals to help our clients effectively manage the challenges of an ever-changing, complex business world.

Our team comprises a unique blend of professionals with complementary skills to deal with every aspect of our clients' forensic requirements.

Being a regional practice with global reach means our clients consistently receive the right expertise at the right time from the one adviser – no matter where in the world they do business. We are known for providing practical advice to solve our clients' complex forensic issues. That's why we have a significant track record. Our clients will have access to the latest knowledge and advanced skills from industry-focused professionals who understand their business.

For further information about the services offered by KPMG Forensic please contact us.



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