



ATTACHMENT # 22



Stevens Law Firm, P.C.

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Established 1952

January 12, 2019

VIA REGULAR MAIL AND EMAIL

Neyle Wilson, personally and as Chairman of the MBREDC Board of Directors
Sandy Davis, personally and as MBREDC President & CEO
Sherri Steele, personally and as MBREDC Director of Investor Relations
Myrtle Beach Regional Economic Development Corporation
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Re: Preservation of Evidence/Spoliation Notice

PLEASE TAKE NOTICE that the undersigned represents Arrigo Carotti, in his personal capacity, in a potential claim or claims, arising out of a meeting which allegedly took place involving Sandy Davis, Sherri Steele, Luke Barefoot, and Johnny Gardner, and the substance thereof, which has been reported on extensively by the media. The purpose of this letter is to put the individuals, above referenced, on notice with regard to the necessity to secure and preserve all evidence in such potential claim(s) and in any way relating to such meeting, the substance thereof as contained in the attorney-client privileged narrative of Mr. Carotti posted by FitsNews on or about December 20, 2018, the meeting's origin and events leading up to such meeting, as well as its aftermath. As such, it is incumbent upon you to take all necessary steps to secure and preserve any and all evidence in any way related or potentially relating to the meeting, and the substance thereof, to include any evidence or potential evidence in existence from January 1, 2018 through the present, both business and personal in nature, and of any kind or nature, including but not limited to, all financial data and records, electronic data in any form, correspondence, notes, memoranda, diaries, calendars, drawings, charts, computers, cell phones, email messages, text messages, cell phone data, instant messaging and other electronic communications, telephone logs, photographs, video recordings, voice recordings, data compilations, offline storage or information stored on removable media, information contained on computers, laptops, tablets, iPads, or other portable devices, network access information, backup files, all devices from which information can be obtained, and all other potential evidence in any form.

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Do not dispose of such evidence or destroy, dispose of, alter, delete, overwrite, misplace or lose it in any manner, as you are under a legal duty to maintain, preserve, retain, and protect from loss or destruction all such material. Should you fail to preserve and retain this material, or should your failure to preserve potentially relevant evidence result in the corruption, loss or delay in production of evidence to which we are entitled, such failure would constitute spoliation of evidence, which could subject you to legal claims and/or evidentiary and monetary sanctions.

PLEASE ALSO TAKE PARTICULAR NOTICE that in addition to relevant information existing in documentary, tangible, and other forms, electronically stored information ("ESI"), to include, without limitation, electronic communications, word processing documents, spreadsheets and tables, accounting application data, image and facsimile files, sound recordings, video and animation, databases, contact and relationship management data, calendar and diary application data, online access data, network, server and PC activity logs, project management application data, computer aided design data, backup and archival files, is an important and irreplaceable source of discovery and/or evidence. You should act immediately to preserve all ESI from computer systems, desktop computers, laptop computers, personal data assistants (PDAs), cell phones smart phones, removable electronic media to include CDs, DVDs and USB drives or memory devices, and other locations until further notice. This includes, but is not limited to, email and other electronic communication such as text messages and instant messages or IM, word processing documents, spreadsheets, databases, calendars, telephone logs, contact manager information, internet usage files, and network access information.

This includes, but is not limited to, an obligation to:

- Immediately initiate a legal hold for potentially relevant ESI, documents and tangible things, and to act diligently and in good faith to secure and audit compliance with such legal hold;
- Immediately identify and suspend or discontinue all features or functions that automatically overwrite, delete or destroy data, and devices, that in routine operation, operate to cause the loss of potentially relevant ESI such as backup tape recycling policies;
- Immediately identify and suspend any deletion of records based on aging or other protocols;
- Suspend any and all relevant documents or data destruction schedules;
- Preserve and not dispose of relevant hardware;
- Take affirmative steps to prevent anyone with access to your data, systems and archives from seeking to modify, destroy or hide electronic evidence on network or local hard drives (such as by deleting or overwriting files, using data shredding and overwriting applications, defragmentation, re-imaging or replacing drives, encryption, compression, or the like);
- Preserve and not destroy ID names and passwords; and
- Maintain all other pertinent information and tools needed to access, review and reconstruct all requested or potentially relevant ESI.

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Failure to preserve all records determined to be of potential importance to the matter described above may result in monetary sanctions and/or legal claims of spoliation, against you and/or those under your charge, management or control, or who may have access to such records. It is therefore critically important that you take immediate steps to ensure that all of these records, including ESI, are retained and not altered, lost, deleted or destroyed. Any question about whether a record should be preserved should be resolved in favor of retention and preservation. And because hard copies do not preserve electronic search ability for metadata, they are not an adequate substitute for ESI. If information exists in both electronic and paper form, you should preserve them both.

Please forward a copy of this letter to all persons and entities possessing or controlling potentially relevant evidence. You must intervene to prevent loss due to routing operations and employ proper techniques to safeguard all such evidence. Your obligation to preserve potentially relevant evidence is required by law.

This obligation remains in effect until further notice.

Sincerely,

James P. Stevens, Jr.
(Electronically Signed)

JPSJr

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