

Message

From: Rodric Williams [GRO]
Sent: 06/12/2017 01:37:39
To: Patrick Bourke [GRO]; Mark R Davies [GRO]; Tom Wechsler [GRO]
CC: Thomas P Moran [GRO]; Mark Underwood [GRO]; Jane MacLeod [GRO]; Angela Van-Den-Bogerd [GRO]; Stuart Nesbit [GRO]; Rob Houghton [GRO]; Andrew Parsons [GRO]; Mark Ellis [GRO]; Melanie Corfield [GRO]; Nick Beal [GRO]; Amy Prime [GRO]; Kevin Morgan [GRO]
Subject: RE: PLSG Call on Wednesday 6 December @14:00pm (0.15 Walton Street is booked if people are in FD and wish to attend in person)

All – apologies but I am in branch tomorrow so cannot attend the meeting. My thoughts on the settlement paper are:

- Generally, while we should always be looking at settlement options, I don't think we need to rush this and would want to see some pretty strong advice to support sending something to Freeths this side of Christmas before we took any action.
- I like the idea of trying to hive off the settled cases:
 - o They are a significant number of claimants;
 - o Their claims can be dealt with on a discrete point, namely they should pay back the NT payment if they no longer want to be bound to their settlement (i.e. they can't have their cake and eat it);
 - o The claimants should see the sense in abandoning their claim, given that it should be worth less than the NT payment they are putting at risk (i.e. the bird in the hand is worth more than two in the bush).
 - o The suggested approach doesn't involve us paying anything, just foregoing legal costs (which we should not lead with but could negotiate to), limiting how much confidence Freeths/the claimants could take from any settlement proposal.
- I do not like the suggested approach for "Active Claimants":
 - o I think it will be very difficult to limit this to the 45 current claimants, or even their existing claims (e.g. they could raise the same challenges next time they get a loss).
 - o In this regard, I do not consider the closing of the Group Litigation to be an effective mitigation - it has already been extended twice.
 - o At the moment, the impact of the litigation on BAU is fairly confined, albeit disproportionately frustrating. That could change if it became known that the litigation provided a way to circumvent BAU branch accounting process.
 - o Settlement is likely to involve some form of payment. This would give confidence to the claimants (and their funders), flag our vulnerability to claims from active postmasters, and increase the risk of contagion.
 - o My experience with the mediation scheme is that significant resource would be required to put the proposal into practice, which resource gets quickly strained by even small increases in the number of cases.
 - o I doubt whether Freeths' will go for it:
 - What we consider to be realistic settlements are unlikely to be attractive at this stage of proceedings, bearing in mind Freeths apparently need >£20m before the claimants get anything.
 - The approach they have taken to date to dealing with active postmasters is to slow our processes without dealing with the substance.
 - Based on that, I would expect them to require wide ranging and costly disclosure for each case, and that the claimants only speak to us with legal representation, before agreeing to engage with us. That would put further strain on our resources.

- In short, I am concerned that the suggested approach runs the risks of increasing the number of claims we need to deal with, consuming resources and weakening our overall position for questionable return.
- I do however agree that we should try to hive off the Active Claimants, but think it could be done through different means which should be properly considered, e.g. by using BAU means to circumvent the litigation rather than the other way around as proposed, and/or by highlighting to the Active Claimants that they are engaged in a dispute which is going to take a long time to resolve but which is unlikely to give them a big payout given they are still in post.
- Finally, I don't think we need to run the two proposals simultaneously. We could just focus on one, lower risk option (i.e. the settled cases) and see where that takes us.

Again, I am sorry that I cannot join the meeting to hear the discussion on this important issue.

Rod

From: Patrick Bourke

Sent: 05 December 2017 19:49

To: Mark R Davies [GRO]; Tom Wechsler [GRO]
Cc: Thomas P Moran [GRO]; Mark Underwood [GRO];
 Jane MacLeod [GRO]; Angela Van-Den-Bogerd [GRO];
 Stuart Nesbit [GRO]; Rob Houghton [GRO]; Rodric Williams
 [GRO]; Parsons, Andrew [GRO]; Mark Ellis
 [GRO]; Melanie Corfield [GRO]; Nick Beal
 [GRO]; Amy Prime [GRO]; Kevin Morgan
 [GRO]

Subject: Re: PLSG Call on Wednesday 6 December @14:00pm (0.15 Walton Street is booked if people are in FD and wish to attend in person)

Hi

I agree with what's already been said.

I just wondered whether something had cropped up for this proposal to emerge now? I was away last week, and may have missed something so forgive me if I have, but I hadn't been expecting a suggestion settlement of any kind at this stage, although I can quite see the appeal of the proposal.

The other thing which occurs is what the likely position of the litigation funders is likely to be in respect of this approach, if the consensus is that we ought to make it. While these 2 subgroups were never going to be the ones to generate the sort of pay day which gives them a reason to be in business, it would be just be interesting to know what WBD think their likely stance will be.

Kind regards

Patrick

From: Mark R Davies

Sent: Tuesday, December 5, 2017 6:40:26 PM

To: Tom Wechsler

Cc: Thomas P Moran; Mark Underwood [GRO]; Jane MacLeod; Angela Van-Den-Bogerd; Stuart Nesbit; Patrick Bourke; Rob Houghton; Rodric Williams; Parsons, Andrew; Mark Ellis; Melanie Corfield; Nick Beal; Amy Prime; Kevin Morgan

Subject: Re: PLSG Call on Wednesday 6 December @14:00pm (0.15 Walton Street is booked if people are in FD and wish to attend in person)

Hi
My points would be similar to those of Tom and Tom.
I welcome the approach but would want to be assured that all internal stakeholders are aware of the strategy and supportive.
I would also want to be sure that it is clear that we would always seek to resolve issues via non-legal avenues, and there is substantial evidence of this from the deployment of the mediation scheme.
This is particularly true of "active" cases. I would be very anxious about settling cases where there is no cause to do so: it is public money and while I can see the benefits of splitting the claimants, I do not believe we should do so when it would not be right to do so: as well as a reputational risk as set or above there is also a risk around signals being sent to the network.
I wholly agree re those cases where there are criminal records.
I think it is a really clear and helpful paper. I do think it requires a full discussion.
Mark

Mark Davies
Group Communications, Brand and Corporate Affairs Director
Post Office Ltd
GRO

Winner of the 2017 Global Postal Award for Customer Experience

On 5 Dec 2017, at 09:29, Tom Wechsler <**GRO**> wrote:

Hi

As my attendance has been curtailed by events recently, I have also reviewed the papers and agree with Tom's comments and annotations. Settling any of these claims does not sit easily with me (and I would be especially concerned if there were large outstanding debts we were writing off as a result – particularly amongst active claimants). However, I recognise the sense in pursuing the recommended approach.

I also agree that this needs socialising with PV and AC.

Thanks for a very clear paper.

Tom

Tom Wechsler
GRO

From: Thomas P Moran

Sent: 04 December 2017 23:25

To: Mark Underwood <**GRO**>; Jane MacLeod

<**GRO**>; Angela Van-Den-Bogerd <**GRO**>;
Mark R Davies <**GRO**>; Stuart Nesbit <**GRO**>;
Patrick Bourke <**GRO**>; Rob Houghton <**GRO**>;
Rodric Williams <**GRO**>; Tom Wechsler <**GRO**>;
Parsons, Andrew <**GRO**>; Mark Ellis <**GRO**>

Melanie Corfield GRO Tom Wechsler
 GRO Nick Beal GRO; Amy Prime
 GRO

Cc: Kevin Morgan GRO

Subject: RE: PLSG Call on Wednesday 6 December @14:00pm (0.15 Walton Street is booked if people are in FD and wish to attend in person)

Thanks, Mark, very helpful.

With my Chair's hat on, please can I ask that from now on we are strict with ourselves in either attending or providing comments on any decision papers in advance? This will be really important as we get nearer to trial.

A good example is the decision paper here.

Mark, I am in branch on Wednesday so here are my comments on the paper as comments on the pdf.

Overall I think I am supportive but this feels like a very big decision and one that could be seen as a significant change of direction. The paper is very good and I would like us to share it with PV and AC (could Jane do this?). I don't feel it would be right for them, or the Board, to hear of this decision after the fact.

Thanks

Tom

From: Mark Underwood GRO

Sent: 04 December 2017 22:27

To: Jane MacLeod GRO; Angela Van-Den-Bogerd GRO
 GRO; Mark R Davies GRO; Stuart Nesbit
 GRO; Patrick Bourke GRO; Rob Houghton
 GRO; Rodric Williams GRO; Thomas P
 Moran GRO; Tom Wechsler GRO; Parsons,
 Andrew GRO; Mark Ellis GRO; Melanie
 Corfield GRO; Tom Wechsler GRO; Nick
 Beal GRO; Amy Prime GRO

Cc: Kevin Morgan GRO

Subject: PLSG Call on Wednesday 6 December @14:00pm (0.15 Walton Street is booked if people are in FD and wish to attend in person)

Dear all,

On Wednesday @14:00pm we have our first PLSG call, which will take place on a fortnightly basis going forward.

Ahead of that call please find attached:

1. Decision paper on settlement (+ draft letter).
2. Briefing Paper on EDQs

If possible, I would like these calls to be shorter than the meetings and to focus only on issues raised. As such, I do not intend to circulate:

- Agendas - unless a specific point is raised beforehand by an attendee on behalf of the area of the business that they represent; or
- Open actions – unless they are urgent. I will pick these up with the individuals outside of the call and or in the F2F meetings.

Many thanks

Mark

Dials in Detail below:

Dial-in numbers:

United Kingdom Freephone:

United Kingdom International direct:

Chairperson passcode: 85009207 then #

Participant passcode: 82368934 then #

<image001.png>
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for Customer Experience

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