POL00145835

From: Charles Colquhoun GRO
Sent: Tue 06/08/2013 11:57:15 AM (UTC)
To: Rodric Williams GRO
Subject: FW: Potential notification of claim again Post Office Lt's Professional Indemnity (PI) Insurance in view of Horizon issues

Regards

Charles

Charles Colquhoun I Head of Corporate Finance

First Floor – Old Street Wing, 148 Old Street, LONDON, EC1V 9HQ
GRO Postline GRO
GRO

From: matthew.harvey GRO GRO
Sent: 05 August 2013 15:42
To: Charles Colquhoun
Cc: Mark.Hicks GRO Martin.Bartholomew GRO
Subject: Potential notification of claim again Post Office Lt's Professional Indemnity (PI) Insurance in view of Horizon issues

Charles,

It was good to speak to you and everyone else on Friday. It was a particularly constructive conversation and we certainly gained a greater understanding of the issue.

One of the items that required following up was to detail exactly what could be covered by your PI insurance and also what underwriters consider they are giving cover for.

Having reviewed all of the papers, we wanted to outline the challenges we might have in notifying this as a potential circumstance to insurers (if indeed this is what PO are considering).

Firstly, it is clear that the original request for PI insurance was in response to contractual requirements made by the government in respect of the DVLA contract. The proposal form completed for the placement of this insurance and subsequent correspondence from PO specifically confirmed that cover was required in respect of work carried out by the “Government Services team” and, strictly speaking, this is the basis upon which insurers are providing cover.

In addition to the above, another potential problem to having any notification successfully accepted under your PI policy is that of first awareness. During our discussions with you on Friday and reading through the Second Sight Interim report, it is apparent that the problems with the Horizon system and the resultant issues with the sub-postmasters had occurred prior to the inception date of the PI policy and therefore, under it’s strictest terms, any claims arising from this “known” issue would be excluded from cover.

Notwithstanding the above Charles, if you would like us to make formal notification to insurers then we will of course do so and do everything we possibly can to have insurers accept it as a valid notification under your policy. However, for the reasons detailed above, we feel it prudent to advise you that in our professional capacity, this is going to be difficult.

POL00145835

I trust the above is useful to you but if you would like any further clarification of anything, please do let me know.

Regards

Matt