

Strictly Confidential

NOVEMBER 2012

**POST OFFICE LIMITED MATTERS – DISPUTE RESOLUTION
PRIVILEGED AND CONFIDENTIAL – CLAIMS OVER £500K OR THOSE OF A SENSITIVE NATURE**

FILE NAME	BUSINESS UNIT & CONTACT	DESCRIPTION	STATUS	External advisers
Horizon claims	Rod Ismay	<p>POL has received notification of 5 claims from former SPMs. Each SPM has alleged wrongful termination of contract based on:</p> <ul style="list-style-type: none">- (1) alleged defects in POL's internal processes; and- (2) alleged defects with the Horizon system. <p>Each SPM is seeking damages of c.£150,000. To date, the SPMs' solicitors Shoosmiths have not progressed 4 of the 5 claims. POL successfully had the Court strike out the fifth claim and recovered costs from the Claimant.</p> <p>Despite reports in the media that Shoosmiths have consulted on a further 85 similar cases, POL has not been notified of any additional claims.</p>	<p>Following consultation with MPs, Second Sight Support Services Ltd (an independent investigator) is reviewing up to 16 cases where SPMs allege that Horizon caused them losses. That investigation is currently underway. It is anticipated that no further court action will be taken pending the outcome of that investigation.</p> <p>Post Office Ltd is also actively considering proposals from Justice for Subpostmasters Alliance (an organisation "established to raise awareness of the issues within the Post Office Horizon system") to develop a system by which individual subpostmasters can raise concerns with Horizon within a "no blame" framework. Those concerns would be considered as part of Second Sight's review.</p>	Bond Pearce