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*Bond Dickinson***INITIAL COMPLAINT REVIEW AND MEDIATION SCHEME
SETTLEMENT ANALYSIS****Background Information**

Applicant details	Claim no.	M109
	Name	Grant Allen
	Branch	Winsford
	Branch loss	£18,354.05
	Date of loss	February 2012
	Debt position	£18,354.05 remains outstanding as at 18 June 2014.
	Appetite and ability to recover remaining debt	Post Office is still within time to recover the debt.
	Consequential losses claimed	<ul style="list-style-type: none"> i. Cost of installing the Post Office branch in the premises - £20,000 ii. Cost of decommissioning the Post Office/ reinstalling to residential - £10,000 iii. Compensation for summary termination (to be based on salary of £10,00 per year) - Not quantified iv. Reimbursement of Professional Advisor costs - Not quantified v. Compensation for distress and anxiety - Not quantified
Contract / termination position	SPMR / employee / other	Applicant operated the branch through a franchise agreement. He was director of Allco Ltd, the franchisee.
	Former or current SPMR?	Former director of franchisee.
	Termination route	Franchise Agreement terminated
	Termination date	18 April 2012
Applicant position	Bankrupt / IVA?	Unknown
	Prosecuted?	Yes
	Outcome of criminal prosecution	Applicant pleaded guilty to fraud by false representations for inflating the cash on hand figure
	Civil proceedings?	No

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	High profile media / MP case?	No
	Professional advisor	Robert Holland (James Cowper LLP)

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*Bond Dickinson***Bond Dickinson Legal Analysis****Legal risk adjusted claim value**

£0 - The Applicant owes POL £18,354.05

Legal analysis of branch losses

Legal factor	Legal risk (0% = no risk to POL)	Legal risk adjusted claim value
Claim value Debt owed to Post Office of £56,704.52		(£18,354.05)
Has the claim already been barred / determined so that legal proceedings cannot be brought against POL? No	0%	(£18,354.05)
Other legal issues No	N/A	(£18,354.05)
Responsibility for loss No evidence to suggest Horizon at fault. Applicant has accepted that he falsely inflated the cash on hand figures that meant identification of the cause of the loss is difficult/impossible.	N/A	(£18,354.05)
Interest No.	£0	(£18,354.05)

Legal analysis of consequential losses resulting from termination

Legal factor	Legal risk (0% = no risk to POL)	Legal risk adjusted claim value
Value of claim based on Applicant's figures In excess of £30,000 (but not fully quantified).	100%	£30,000
Are the claimed consequential losses recoverable at law? See additional notes.	100%	£2,500 plus unquantified legal costs
Has the claim already been barred / determined so that legal proceedings cannot be brought against POL? No	100%	£2,500 plus unquantified legal costs
Is there the possibility of an unlawful termination claim because the Applicant's contract was not terminated on 3 months' notice? No.	0%	£0

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Was contract termination unlawful? No – there is no evidence that termination was unlawful.	0%	£0
Is there evidence that the Applicant could have "sold" his / her branch as a going concern if given 3 months' notice? No – nothing to suggest that the termination as unlawful. Applicant resigned.	0%	£0
Interest N/A	n/a	£0

Suitability for mediation

The Applicant pleaded guilty to fraud for false declaration of the cash on hand figures in the branch. Accordingly, it was impossible for Post Office to identify the cause of the loss. For these reasons we do not consider this case as being suitable for mediation.

Bond Dickinson contact

Name: Alexandra Ward
 Tel: GRO
 Email: GRO

Date: 20 January 2015

Additional Notes

Recoverability of consequential losses:

- i. Repayment of lost refurbishment costs: Irrecoverable at law as issue between Applicant and landlord
- ii. Loss of earnings (based on £10,000 per annum): £2,500 recoverable if unlawful termination proven as Capped at 3 months.
- iii. Compensation for distress: Irrecoverable at law
- iv. Legal costs: Recoverable depending on circumstances

Total losses potentially recoverable: £2,500 plus legal costs and losses due to inability to sell branch

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Advice qualifications

1. This advice has been produced by applying the principles set out in the Advice from Linklaters dated 20 March 2014.
2. No further legal analysis of the underlying legal principles has been carried out, in particular we have not considered any other possible legal bases for the Applicant's claims including without limitation malicious prosecution, defamation, malicious falsehood, breach of confidence, tortious causes of action or privacy law.
3. We have not analysed the possibility that failures by Post Office in training or supporting the Applicant, or subsequently investigating losses, may have contributed to the Applicant's ability to prevent losses in branch.
4. Our advice is based on only the information in the Applicant's Case Questionnaire Response, the Post Office Investigation Report and Second Sight's Case Review Report. Our advice does not factor in the possibility of further information being available at a later date that may change our analysis.
5. We have not considered the Applicant's appetite or capacity to bring proceedings against POL or any of the "other" factors set out in the settlement mandate.
6. We have not considered any criminal law issues or whether any conviction / sentence may be unsafe. We have assumed that there are no criminal law risks unless such risks have been previously highlighted by Cartwright King.
7. We have applied a de minimis threshold to legal risk. Where the legal risk is very small (less than 20%) we have recorded this as 0% in our analysis.

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Post Office Settlement Mandate

Legal risk adjusted claim value

£0

Other settlement factors

Factor	Adjustment	Adjusted settlement threshold
Legal risk adjusted claim value		£0
Actual cost of settlement to POL		
Other admissions of fault by POL		
PR / media implications		
Applicant expectations / experience from any previous negotiations		
Criminal case – need to protect safety of convictions		
Risk of future litigation / court costs		
Other factors		

Mandated financial settlement range

Alternative / additional non-financial settlement proposals that can be offered

Other matters

Approved for mediation

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Post Office Approval

Name:

Date: