

Message

From: Mark Underwood [GRO]
Sent: 04/06/2019 19:36:02
To: Ben Foat [GRO]; Rodric Williams [GRO]; Andrew Parsons [GRO]; Watts, Alan [GRO]; Massey, Kirsten [GRO]; Henderson, Tom [GRO]; Angela Van-Den-Bogerd [GRO]; Veronica Branton [GRO]; Diane Blanchard [GRO]
Subject: RE: Legally Privileged - GLO sub-committee
Attachments: GLO Sub-Committee Meeting Agenda.docx; Legally Privileged and Confidential - DRAFT Legal workshop outputs_UPDAT....pdf

Thanks Ben,

Attached is:

- 1) The draft agenda for comments and improvements – as circulated earlier by Aimee
- 2) A first cut of the Horizon Issues Trial Contingency Planning deck which can be folded into the wider presentation you refer to below. The drafting needs to be refined and can be updated subsequent to the workshops scheduled for tomorrow and Thursday – but I thought you would appreciate being sighted early on this.

Mark



**2017 Winner of the Global Postal Award
for Customer Experience**

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Mobile number: [GRO]

From: Ben Foat
Sent: 04 June 2019 20:17
To: Rodric Williams [GRO]; andrew.parsons [GRO]; Watts, Alan [GRO]; Massey, Kirsten [GRO]; Henderson, Tom [GRO]; Mark Underwood [GRO]; Angela Van-Den-Bogerd [GRO]; Veronica Branton [GRO]; Diane Blanchard [GRO]
Subject: FW: Legally Privileged - GLO sub-committee

All

See AI's email which I think is really helpful in shaping the settlement agenda item. I know that WBD have prepared the settlement slides and advice but I think AI's request goes much further than that. I suspect that it would need the involvement of someone in Finance – probably Cathy Mayor Retail Finance FD.

Subject HSF's view, Rod and Andy can you prepare a pack/ paper for the Board subcommittee including the settlement approach as outlined below.

I think this will need a paper or presentation given that it needs to cover:

- the questions that Kelly Tolhurst raised; ie revised strategy for going forward with new counsel team and approach on tone and style. [HSF] This should include the privilege point in AI's email [Rod – you can outline the

existing approach and any recommendations for the meeting ie circulate but collect documents after the meeting]

- Settlement approach; costings; approach; operational implications (PPI claims ie managing future claims etc) [Andy/ Rod / HSF]
- Horizon Contingency Planning [Mark / Angela]
- Approaches on Historic suspension claims [Andy]

Mark has circulated an agenda yesterday with the topics but we need a paper to pull this together by COB this week.

Di – can you confirm the day and time of the Board Subcommittee for next week.

Ben Foat
General Counsel
Post Office Limited

GRO

From: Alisdair Cameron
Sent: Tuesday, June 4, 2019 6:40:02 PM
To: Watts, Alan; Ben Foat
Cc: Thomas Cooper
Subject: Legally Privileged - GLO sub-committee

Alan, Ben

We need to use the GLO sub-committee next week for a variety of things, as discussed, including preparation for the Ministerial meeting with Kelly Tolhurst.

There is understandably real disquiet about the litigation in terms of cost, brand damage and whether we have a grip on it. The failed recusal makes us look as though the change rhetoric was just that.

We do need to find a way of landing the degree of change and also explain the logic of the recusal, without getting left in the historical limbo.

Most importantly, we need to set out a strategy where settlement in now Plan A and a good bank/bad bank split may be the right choice for further, historical claims. It is important that we take them through the challenges and costs which are split between

- This case
- The likely future litigation or other historical claims
- The cost of managing the business differently
- The implications and super-costs if we had convictions overturned by the CCRC

A clear timetable of decisions and windows and preferences will be critical to the documentation. I am anxious that privilege may not survive contact with a political process so can you agree how we share – is it just in the room and verbal, in the room and content destroyed or pre-read?

We are going to have to do numbers, without creating anything that we are not happy putting into the accounts. We could do a table covering legal fees, payments, further claims etc.

One approach would be to start with the original Plan A – 5 trials, numerically reduce the claimants through over 6 years, full settlement etc, possibly pay something for suspension and limited other impacts – say £40-50m from now?

Then the cost of settlement, adjusting for the Judge’s likely perspective and also a cost plus model for the claimants.

Then the costs of historical and follow on claims

Then the critical issue of how we run the business and what it looks like if we shift burden of proof to us

Then the super costs if convictions are overturned or we are found to have damaged people.

Then we will need to do some rapid high level work on how much we could cover.

In other words a really sensible and full attempt to answer her questions.

Happy to discuss. I am in branches tomorrow but can sit down Thursday. Tom, anything to add?

Thanks Al



Al Cameron
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GRO

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