

Strictly Confidential

November 2014

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

PART (A) – CIVIL LITIGATION

| FILE NAME | CASE HOLDER | BUSINESS UNIT & CONTACT | DESCRIPTION | STATUS | XSP |
|--|-------------|---------------------------------------|--|--|----------------|
| Horizon claims (aka “Project Sparrow”) | POL/RW | Belinda Crowe / Angela van den Bogerd | <p>POL has received various claims from subpostmasters (SPMs) alleging defects in the Horizon system and POL’s internal processes.</p> <p>These allegations were initially made in 5 claims brought through solicitors Shoosmiths. Similar allegations have been made by the “Justice for Subpostmasters Alliance” (JFSA) and advanced through SPMs’ MPs.</p> <p>Following discussions with James Arbuthnot MP and JFSA, independent investigator Second Sight Support Services Ltd (Second Sight) was appointed in July 2012 to carry out a review into these allegations.</p> <p>On 08.07.13, Second Sight published a Report finding shortcomings in POL’s internal training and support to SPMs on the Horizon system, but no systemic problems with Horizon itself.</p> <p>Following the Second Sight Report, on 27.08.13 POL launched a Mediation Scheme (Scheme) aimed at resolving individual complaints made about Horizon.</p> | <p>This matter will be the subject of a separate update to ExCo.</p> <p>The Scheme received 150 applications, which are being progressed under the direction of a Working Group comprising retired Court of Appeal Judge Sir Anthony Hooper (as Chair), POL, Second Sight, and JFSA. 127 cases are still being progressed through the Scheme or are being scheduled for mediation.</p> <p>Mediations have been held for the first 4 applications. A further 8 mediations are currently being scheduled. The POL project team continue to handle the applications in line with the Board’s direction to take a firmer position, informed by its legal position and tighter control over timescales and costs.</p> <p>To date, no claim has been made against POL in the civil courts, and no appeal has been made against any conviction in the criminal courts, following Second Sight’s Report.</p> | Bond Dickinson |

Strictly Confidential

[illegible]

[illegible]

Comments from POL stakeholders will now be sent to Brian Altman for review.