

From: Amy Prime [GRO]
To: Tom Beezer [GRO], Andrew Parsons [GRO]
[GRO]

Subject: Update from POL GE meeting

Date: Mon, 11 Mar 2019 15:55:15 +0000

Importance: Normal

Hi Both

The GE meeting generally went fine. Most of the room was very quiet and just listened to David and Jane. Rob Houghton asked some sensible straightforward Qs about how / when the judgment would come into force, but most of the queries were raised by Al Cameron who led the meeting. He was pretty direct but I don't think this is any different from his normal character.

Actions are in bold.

Al's biggest concerns were:

We have lost 3 times in a row (Second Sight, Mediation Scheme, Fraser) and challenged David on the fact that we keep blaming other people for this, and there seemed to be no reason why the fourth attempt would be positive for POL. David's response was that the mediation scheme was not a legal enquiry, and that the Court of Appeal would be a more sensible sounding board who would concentrate on the law rather than the emotional story. I think this still remains as a concern for Al in the back of his mind.

The volume of payments which could be due retrospectively for suspension periods. He saw some silver lining in the decision as it would force the business to stop leaving people suspended for so long, but he thought the pay-out for this could be very large and concerned about how this would be managed across all historic agents (not just Claimants).

On clarifications, Al is concerned that if we clarify the ambiguities then we may end up in a worse place than we already are since the judge will just clarify the issues (such as the Branch Trading Statement) in a negative way for POL. **It was agreed that we would consider which clarifications to make in light of this concern and what a win/loss on these clarifications would mean.** Al was leaning towards the approach of just sticking his head in the sand and not wanting to make the issues any worse. **POL would like an idea on this by tomorrow.**

Other points discussed:

David spoke about the options for an appeal in some detail. There were no substantive queries about this except surrounding the timings / procedures for doing so.

On the recusal decision, Al was keen to press ahead with recusal now, during the Horizon Trial however Jane / David explained how bad this could go and this idea seemed to be dropped but we would get another opinion on this from a super silk.

The possibility of staying Trial 3 was mentioned, no-one seemed shocked by this.

AI is keen to share the draft judgment with shareholders. Jane explained the issue surrounding the embargo and the need to make an application to the judge and show a need to share the judgment which cannot wait.

The key contract provisions which need fixing are the ability to appoint, suspend and recover losses.

On contingency, AI would like to understand what activities POL can continue to do, what they cannot do any more and the risks attached with continuing as they were currently doing. **Is this being picked up as part of the contingency planning?**

David spoke about the option of varying the contract and said that the sections to vary would be exclusion of good faith, loss clause and termination on [x] months' notice. He recommended that a variation was done but in a very careful way.

There was a keenness around an **independent review** and I think (although it was not clear) that they wished for this to **be done even if we are not going for recusal**.

Mark would also like an update on the variation/contingency progress.

Many thanks

Amy