From: Jane MacLeod[/O=MMS/OU=EXCHANGE ADMINISTRATIVE GROUP

(FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=JANE MACLEOD01E4066C-E8DB-4A0C-B4F9-

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Sent: Wed 28/01/2015 5:40:29 PM (UTC)

To: Jane MacLeod GRO

Subject: RE: Sparrow

Hi Alisdair

I thought the conversation last night was helpful, however I suspect we need to re-run much of it with Paula.

My main concern is that I'm not convinced we are yet all on the same page in terms of what we are solving for. While clearly everyone wants to bring it to an end/draw a line under the current unsatisfactory process, the 'right' strategy will ultimately depend on our risk appetite around reputational damage. Much of the discussion last night was around managing Second Sight and we need to be careful that we are focussing on the right question when working out the best course of action.

I think we all accept that no solution will avoid adverse comment, and I don't think anyone disagrees with your concern around 'death by a thousand cuts'.

Having said all of that, I think the 'right' outcome will be a blended approach and we need to consider whether/how Second Sight fit into that. The positioning will need to be carefully considered and managed but broadly I would favour a solution that:

- Requires those with criminal convictions to pursue remedies through appeals as we can't address that issue through mediation;
- Where we believe that claimants may have reasonable concerns around training etc, we seek to address
 those concerns and this may require a financial settlement and could be addressed through mediation
 (although I suspect that most of these have been identified and addressed already as being the easiest)
- For the rest, I think we put them to the tests of suing us if they think they have an actionable case although we should keep open the mediation option (which the courts expect in any event as part of a normal dispute resolution process). It's likely that this group can be further sub-divided eg those where we think any action would be time barred and we may want to develop 'sub-strategies' for each group. The strategy will be hardest and the noise loudest for this third group, and I think we should look to see if there are options of providing funding (eg for investigations possibly by Second Sight), if we think that would help manage the reputational risk. I also think we should in parallel with this, consider whether can do some wider brand awareness work to help counter any negative publicity.

On Second Sight we need to consider whether they can/should fit in to any of the above processes and again

From: Alisdair Cameron Sent: 28 January 2015 08:06

To: Jane MacLeod **Subject:** Sparrow

Jane, do you have any thoughts on the conversation last night and where you want to head? Thanks Al