



U0004



"Phillip Wotton" <phillip.wotton@wottonkearney.com.au> on 07/10/2002
11:57:09

To: <Danielle_Binney@corrs.com.au>
cc: "Ken Horsley" <Ken.Horsley@minterellison.com>

Subject: RE: Brisbane Grammar School - Various Claims

David,

I refer to our telephone conversation on 4 October.

I confirm your advice that the BQB claim has been settled for \$115,000 plus costs and not for \$15,000 plus costs as suggested in your letter of 4 October.

ACE's approval for BGS to settle the matters scheduled for mediation last week for the upper limits of the ranges assessed by Junior Counsel was based on the brief advice of Mr Williams QC dated 26 September 2002 following his review of 16 claims and of the quantum advices which Junior Counsel had given in those claims. Although it is not clear from his brief advice, it is probable that at the time of giving this advice Mr Williams had considered, inter alia, the claims of REDACTED
REDACTED

. However it does not appear that when he gave his advice dated 26 September Mr Williams had considered the claims of REDA and BQS (or the advices provided by Junior Counsel) to which you refer in your letter dated 4 October.

ACE does not regard the brief advice of Mr Williams dated 26 September as justifying an "across the board" approach of settling all claims up to the top of the ranges assessed by Junior Counsel. Should you wish ACE to consider such an approach it will be necessary for you to provide me with a similar advice from Mr Williams which expressly states that he has considered all claims and advices provided by Junior Counsel and that he considers in all the circumstances that all claims should be settled up to the top of the ranges recommended by Junior Counsel. Alternatively all claims will have to be considered individually on their merits, in which circumstances you will need to seek my specific approval on proposed settlement amounts with sufficient notice to enable me to consider each request and obtain instructions from ACE. Please advise me by return how you wish to proceed.

In the interim I have had the opportunity to consider the claim of REDAC Subject to what I say below about sharing of liability between the insurers and BGS, ACE is content for BGS to settle the matters of REDACTE
REDACTED for amounts up to the top of the ranges assessed by Junior Counsel. I will consider the claim of BQS and advise you of ACE's instructions tomorrow.

As I advised you by telephone on 3 October, and subject to the terms of my letter to you dated 9 September 2002, the insurers have confirmed that they require BGS to pay a "discount percentage" of 30% for all abuse alleged to have taken place between 1 September 1980 and 1 September 1988. I confirm that on the basis of the material provided by you to date ACE does not accept that INA was the primary layer liability insurer of BGS for the 1977/78 year. ACE does not require BGS to pay a discount percentage for the 1978/79 year and I understand that AIG does not require BGS to pay a discount percentage for the 1979/80 year, although you should confirm this with Ken Horsley. Subject to these variations, the insurers stand by the terms of my letter to you dated 9 September 2002.

During our telephone conversation of 4 October you indicated that BGS "has no alternative" than to accept the insurers' proposal. Would you please confirm this in writing as soon as possible.



CCW.073.0004

I have referred the draft Settlement Agreement to ACE for instructions and will revert as soon as possible.

Regards
Phil Wotton

Phillip Wotton
Partner
Wotton & Kearney
Tel: 61 2 9236 9511
Fax: 61 2 9236 9500
phillip.wotton@wottonkearney.com.au

PRIVATE AND CONFIDENTIAL

This electronic mail may contain legally privileged or confidential information which is intended for the use of the addressee only. If you receive this mail in error, please delete it from your system immediately and notify us at either the above e.mail address or on 61 2 9236 9555.

> -----
> From: Danielle_Binney@corrs.com.au
> Sent: Friday, 4 October 2002 11:02 AM
> To: ken.horsley@minterellison.com; Phillip Wotton
> Subject: Brisbane Grammar School - Various Claims
> Importance: High
>
> <<File: 591171v1.pdf>><<File: 591160v1.pdf>>
>
> Please refer attached.
> (See attached file: 591171v1.pdf) (See attached file: 591160v1.pdf)
>
> -----
> David Abernethy
> Corrs Chambers Westgarth
> <http://www.corrs.com.au>
> Phone: (07) 3228-9456
> Fax: (07) 3228-9444
>
>
>
>

> This e-mail and any attachments may be confidential. You must not disclose or use the information contained in this e-mail if you are not the intended recipient. If you have received this e-mail in error, please notify us immediately and delete the e-mail and all copies. Corrs does not guarantee that this e-mail is virus or error free. The attached files are provided and may only be used on the basis that the user assumes all responsibility for any loss, damage or consequence resulting directly or indirectly from the use of the attached files, whether caused by the negligence of the sender or not. Corrs is not responsible for any changes made to a document other than those made by Corrs, or for the effect of any changes (not made by Corrs) on a document's meaning. The content and opinions in non-business e-mail are not necessarily those of Corrs.
>
>
>
>

> This message has been checked for all known viruses by the
> MessageLabs Virus Scanning Service. For further information visit
> <http://www.Hi-Speed.net.au>
>
>



CCW.073.0005

This email has been scanned for all viruses by the MessageLabs SkyScan service. For more information on a proactive anti-virus service working around the clock, around the globe, visit <http://www.message-labs.com>



CCW.073.0006