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12 June 1996

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By Facsimile: 02 221 117

URGENT

Dear Sir,

RE: "FN" & Ors v Trustees of the Christian Brothers
Possible Settlement

We refer to previous correspondence.

We have read over your draft Charitable Trust Deed, Explanatory Memorandum, Proposed Heads of Agreement and draft Release. With respect to this documentation, we wish to make the following amendments and comments:-

Draft Charitable Trust Deed:

- (a) We suggest that Section 2(a)(ii) should be amended as follows:-

"Any donation or subscriptions which are directed to CBERS and the Trust jointly, as a result of such publicity, shall be paid into a joint account to be established by the Trustees and the duly authorised representative of CBERS, with an equal number of signatures from both the Trust and CBERS. Any such funds deposited into this account shall thereafter be distributed on a per capita basis from that account to the Trust and CBERS".

Only 74 people have chosen to seek benefit from CBERS in the past year. It is clear that a greater number of ex-residents will utilise the Trust as opposed to CBERS. For this reason, the distribution of funds and public subscriptions should be distributed on a per capita basis between the Trust and CBERS.

Peter Gordon
Stephen Plunkett
Paul Henderson
Nicholas Syron Brown
Paul Mulsant
Tony Lang
Anne-Marie Farrell
Jacinta Forbes
Andrew Grech
Rubyn Wheeler

- (b) With respect to Section 2(c) we wish the following clause to be added:

"Where non-cash assistance provided to the beneficiary is in the form of therapy and/or counselling, the Trustee shall first seek the consent of the beneficiary to utilise CBERS for such assistance. In the event that the beneficiary does not consent to utilising CBERS for this form of assistance the Trustees shall wherever appropriate seek such services from an independent person or body".

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The Slater & Gordon
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This amendment is sought on the basis that many men have instructed us that they do not wish to seek any form of psychological assistance and/or therapy from a body or persons associated with the Christian Brothers.

- (c) We submit that Section 23(xiv) (the provision relating to payment of \$2000.00 to the beneficiary) be redrafted to read as follows:-

"(xiv) A broad reimbursement discretion is permitted in respect of amounts incurred by individuals in the past. Each individual shall receive:

(a) \$2000.00 being reimbursement of ~~legal~~ ^{medical} expenses incurred over the past three years; and

(b) where appropriate, reimbursement of expenses incurred by the individual on or after the 1 January 1993 relating to but not limited to the categories outlined in this section save for previous medical expenses. For any request for reimbursement in excess of \$1000.00, the Trustees shall be entitled to request documentation or supportive evidence in relation to such expenses".

- (d) Section 23(xv) refers to direct payments of cash for beneficiaries. We note that Section 23(xv)(a) provides an overall ceiling of \$1 million for such payments for the "most serious" cases.

We submit that the overall ceiling for this category of financial assistance be lifted to \$1.25 million. The additional \$250,000.00 shall be distributed in payments of \$10,000.00 to 25 cases who suffered serious sexual abuse but who are considered less seriously injured than the initial 40 beneficiaries entitled to the \$25,000.00.

Further, we ask that there be a clause stating that any additional funds and/or public subscriptions donated to the Trust be directed to that part of the Trust which offers financial assistance to the "most serious" cases.

Draft Release:

We wish to make the following amendments to the Release:

- (a) In paragraph (g), delete the words "and without admission of any liability on the part of itself."

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- (b) In paragraph (B)(i) delete the words "without any admission of liability".
- (c) We ask that Section (B)(iv) be deleted. ✓

We do not believe that our clients will execute the Release and/or sign any other document where there is reference to judgments being in favour of the Defendant in this litigation. Nor do we believe that it will assist the process of reconciliation if there is reference in this documentation that the Defendant does not admit liability. We ask that these references and phrases be deleted from the documentation.

Explanatory Memorandum:

- (a) In the second paragraph, we ask that the words "by way of verdicts in favour of the Defendants" be deleted.
- (b) Section A point 8 - we ask that the cash component incorporated in the Trust be set at a maximum of \$1.25 million dollars (in addition to the payment of \$2000.00 per claimant. Reference is also made to this figure in Part C paragraph 3).
- (c) Under the heading "Guiding principles for Trustees in dealing with applications", Part 4 needs to be amended in accordance with Point C on page 2 of this letter.

Proposed Heads of Agreement:

The amendments that we suggest above are equally applicable to this document, particularly points 3 and 4.

Yours faithfully
SLATER & GORDON

per: