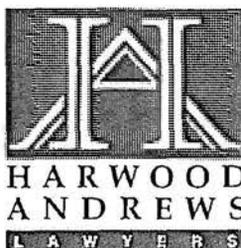


Our ref: RA:rjr 9704063  
 Contact: Richard Anderson  
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17 October 1997.

RECEIVED

18 OCT 1997

ADMINISTRATION

Mr A Patterson  
 Geelong Grammar School  
 50 Biddlecombe Avenue  
 CORIO 3214

Dear Andrew,

BIR

Further to our discussion of 10 October 1997 I confirm that, on 8 October 1997, Philipa Beeson and I met with BIR at Glamorgan. I note in passing that BIR now seems to spell his surname BIR.

BIR was accompanied by his solicitors; Rebecca Badenoch of Carew Counsel and a barrister retained on his behalf; Andrew Ingram.

The discussion was on a without prejudice basis with a view to attempting to resolve the claim which BIR has made against the School.

Initially, there was considerable discussion concerning the liability of the School, it being suggested on behalf of BIR that the School had an obligation to require teachers to seek the permission of the School before having any dealing with students outside normal School hours. It was pointed out on behalf of the School that if a teacher engages in criminal conduct, which is the conduct alleged against BIR it can hardly be expected that such a teacher would comply with any obligation to seek authority of the School before having contact with a student outside School hours.

It can be inferred from the above discussion that BIR's lawyers are well aware of the potential difficulties associated with a claim involving incidents which occurred on a weekend when neither BIR nor BIR were under the supervision or control of the School.

**Directors**

KT Andrews O  
 WD Nelson ▲  
 JDE Fisher  
 PF Sweeney  
 RJ Jeremiah ●  
 NS Mathison ●  
 LJ Drever ■  
 RP Anderson ◆  
 GJ Miller  
 KM Henderson ■  
 NL Carr  
 GND Simmonds ●  
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 Lawyers**

WJ Backhouse  
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**Senior Lawyers**

KJ O'Donnell  
 CJ Twigg ■  
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 RB Edmonds ▲O  
 LJ Hunt  
 JL Healey ◆  
 DA Nelson  
 RD Payne  
 AM Barker ◆

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After discussion as to issues of liability, attention was turned to the amount of BIR's claim. Discussion in relation to the claim might be summarised as follows:

1. Copy reports were provided from Ann Cebon of 8 and 11 September 1997 and Associate Professor Isaac Schweitzer of 1 October 1997. Copies of these reports are enclosed.

2. BIR has already spent approximately \$12,765.00 in receiving treatment from Cebon which costs approximately \$95.00 per visit.

It is anticipated that BIR will require at least an extra 2 or 3 years of treatment which his lawyers estimate to be a total cost of approximately \$14,250.00.

3. BIR is currently employed as an architect, having recently graduated.

It took BIR an additional 2 years to complete the usual 5 year course at RMIT and he currently earns approximately \$23,400.00 net per annum and it is alleged that at least an allowance of one years loss of income should be made as a consequence of the difficulties experienced by BIR in completing his course due to the alleged sexual abuse.

This is suggested to represent a figure for loss of earnings which the School should pay of \$25,000.00 net.

4. It is acknowledged by BIR's lawyers that his claim is not of the more serious type of sexual abuse and, when assessing general damages, it is said that a figure of \$25,000.00 would be appropriate.

5. An allowance for legal costs is also sought.

6. The total amount claimed, including costs of past and future treatment, loss of earnings, general damages and legal costs is \$80,000.00.

I specifically raise the issue as to whether any enquiry had been made of BIM and was informed that neither BIR nor his lawyers had any clear grasp of BIM's asset position. It was pointed out that the School abhorred the conduct alleged against BIM and queried why it was felt more important to make contact with the School than BIM directly. I suggest that the response to this question really lies in Cebon's report of 8 September 1997 and I particular refer you to the final paragraph on page 2.

I indicated on behalf of the School that it was always concerned with the welfare of former students and was prepared to consider sympathetically assistance in relation to the cost of any treatment or indeed any other assistance which it could provide. I had raised the question of assisting BIR with employment if he was unemployed but fortunately it is not

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necessary to pursue this further due to his current employment.

The matter was left on the basis that I would deal with Andrew Ingram and I have indicated to him that it may take some time to come back with a response.

I think it is reasonably clear from the discussions with BIR's lawyers that they are not able to throw any light on any earlier incident involving BIM and appear unaware of the circumstances in which he previously left the School's employment.

As a consequence of the discussion on 8 October 1997 I make the following suggestions:

- a. As it appears from the reports that Cebon is to a considerable extent one of the motivating factors behind BIR's claim, I suggest that we should obtain an independent psychiatric report. It may also be necessary to supplement this with a report from a psychotherapist experienced in sexual abuse matters.

It will also be necessary to establish the qualifications of Cebon.

While I will need the consent of BIR's lawyers I would expect they will agree to BIR submitting himself to independent review given their apparent desire to seek to resolve this matter without the need to issue legal proceedings.

- b. It would be appropriate to make enquiries as to any property or other assets which BIM might have to at least provide an opportunity, if possible, to defray any costs or expense which the School might incur. *?  
various  
fest?*
- c. Given the long standing nature of BIR's alleged condition it would be appropriate to consider his School records, which may provide some assistance in establishing other possible causes, or the manifestation of any anxiety or depressive related condition, prior to the alleged incident with BIM. *Have  
done so.  
no  
records*

I suggest the School search its records, if it has not already done so, to ascertain whether or not it still holds any records in relation to BIR.

- d. The insurer should obviously be notified of the discussions with BIR. Having notified the insurer of the current discussions I can discuss with you further what action should be taken in relation to seeking recovery from the insurer should it continue to refuse indemnity.
- e. Consistent with the advice of Brian Bourke, we should continue to discuss resolution of the claim with BIR's lawyers. Subject to your instructions to the contrary I

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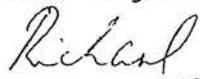
assume that the School would continue to prefer to resolve the claim by negotiation rather than litigation.

In summary, my impression is that BIR clearly suffers from some disorder, which Schweitzer has diagnosed as anxiety depressive. Whether or not this disorder is associated with the alleged incident involving BIM is still open to conjecture, noting that Schweitzer at page 3 of his report says that there is no direct cause or relationship between sexual abuse in childhood and a particular psychiatric syndrome and Cebon, in her prognosis at page 3 of her report of 8 September 1997, indicates that sexual abuse is a significant contribution to BIM's emotional difficulties (which may mean there are other causes).

My perception of the approach by BIM's lawyers was that the claim was not dealt with extravagantly and there would be the prospect of achieving a realistic settlement for a figure which in my view should be significantly below \$80,000.00.

When you have had the chance to consider this letter would you please telephone me to discuss this matter further.

With kind regards,



RICHARD ANDERSON

cc. Philipa Beeson