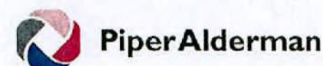


Our Ref: MXW 121659.368227
Your Ref: 942807



26 February 2010

Private & Confidential

By email: [REDACTED]

Ms Isabel Parsons – Special Counsel
Victorian Government Solicitor's Office
D X 300077
MELBOURNE

Dear Ms Parsons

Witness F

We refer to your letter dated 16 February 2010 and to the Memorandum of Understanding (**MOU**) prepared by your office and received by us on 19 February 2010.

The MOU represents a significant departure from the basis of not only your client's promises and representations to our client in late 2008 / early 2009, and the expectations thereby engendered, but the negotiations conducted with your office between March and July 2009 and those conducted with Inspector Wilson in October 2009. Indeed, the current MOU represents a marked retreat from what your client was previously prepared to offer our client by way of a settlement.

Given your previous involvement in negotiations, you are aware of what terms and conditions might be acceptable to our client. Notwithstanding this, our client has been compelled to wait 116 days to receive a document which your client knows will be, as is the fact, wholly unacceptable and has no prospect of resulting in any agreement or resolution.

Your client's conduct in these negotiations lacks any semblance of good faith, and it has contributed significantly to our client's medical conditions. Unless and until our client is given what she was promised, she is not prepared to entertain any further proposals from your client.

Our client has previously made her position clear. However for the avoidance of any doubt, let us restate it. Her position is as follows:

1. Our client is no longer interested in participation in the Witness Protection Program (**Witsec Program**) or being subject to the provisions of the *Witness Protection Act*. Throughout 2008 and all of 2009, our client maintained that she was prepared to enter the Witsec Program, but for the evidentiary protections it afforded both her and the Crown case, not for [REDACTED]. Those protections were irretrievably lost when your client failed to offer our client entry to the Witsec Program on appropriate terms. Appropriate terms were expected to evidence the 'flexibility' that was previously promised, or indeed on terms which recognised our client's medical needs. We note that despite your client's promise to deliver a proposal on 4 January 2010 (prior to the service of Mr Dale's

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To: Ms Isabel Parsons
Date: Error! Reference source not found.
Our Ref: MXW 121659.368227
Page: 2



subpoena), it took your office until 19 February 2010 to deliver this, by which time Mr Dale had delivered his subpoena. These matters are detailed in our letter to you dated 8 February 2010.

2. Our client will [REDACTED], lose all privacy in relation to her personal financial affairs or otherwise subject herself to the draconian terms of the proposed MOU. Our client's position in relation to each of these matters has been clear since early 2009. We note that your client is yet to provide any cogent explanation as to why any of these terms are in fact necessary or applicable to our client. Our client's patience, like the benefit of Witsec, is exhausted.
3. Our client is not interested in maintaining any formal ongoing relationship with members of the Petra Taskforce, particularly when their conduct has contributed to, and continues to affect, significantly her medical conditions. Our client needs to be left in a position where she is able to restore her health and well being as best she can in the current circumstances. Please ensure that your client respects our client's privacy. By this we demand that there be no contact or communication at all with our client by members of the Petra Taskforce. Any necessary contact can be made, and should only be made, through this office, bearing in mind that, by reason of her health, we may not be able to obtain immediate instructions from our client.
4. Our client requires your client to provide her with the compensation that was promised and represented to her on account of the loss of her career, relationships, security (both now and in the future), each of which has occurred as a result of your client's conduct. Your client's conduct has materially affected our client's health and is continuing to aggravate the damage.

If your client wishes to negotiate on this basis we invite you to contact the writer to arrange a meeting between representatives of your client who are both fully informed and armed with appropriate authority to negotiate upon and settle the issues which will arise at such meeting. Our client will be represented by the writer and her senior counsel, Mr John Dixon SC.

Our client will, in the meantime, continue to finalise her writ and statement of claim. Bearing that in mind, and with the impending committal hearing, this is a limited window of opportunity.

Yours sincerely

A handwritten signature in blue ink, appearing to read 'M. Waters'.

Mark Waters
Partner

