

**MONAHAN + ROWELL**

LAWYERS

16 September 2004

*Sent via email  
from Michael Casey.***PRIVATE & CONFIDENTIAL**

Monsignor Brian Rayner/Dominic Cudmore  
Archdiocesan Chancery  
Level 16, Polding Centre  
133 Liverpool Street  
SYDNEY NSW 2000

Dear Monsignor Rayner/Dominic,

**SYDNEY ARCHDIOCESE ats JOHN ELLIS****Our Ref: pjm/40492**

I refer to my discussion with you, Dominic, yesterday afternoon, after I learnt that Monsignor Rayner was away on holiday until the 28<sup>th</sup> of September.

As I explained to you, Dominic, there has been a significant development in this matter which requires a reasonably urgent response.

I have had two quite engaging telephone discussions over the last week with the solicitor representing Mr Ellis, David Begg. In a discussion with him yesterday, he informed me that he had now spoken to his client, and that they were keen to participate in a further mediation before the litigation builds up a head of steam. He was prepared to agree to a standstill arrangement in regard to all time periods relating to the litigation, if we were to head towards a mediation. He was quite undemanding about the details of the mediation (such as the mediator), and seemed open to agree to follow our usual processes, if we wish to go down that track.

As I mentioned to you, Dominic, I would in ordinary circumstances unhesitatingly and strongly recommend that we should proceed down this track, and have a final attempt at exploring the settlement scenario before we get too far down the litigation path. As you know, this matter has the real possibility of becoming a major legal battleground, involving considerable expense and perhaps even some legal uncertainty for the parties. Accordingly, if a reasonable settlement could be negotiated, that would seem to be advantageous for all concerned.

I am, however, of course very conscious of the facts that Cardinal Pell has his own views about the matter, and that he might wish Corrs to be involved. Accordingly, Dominic, you kindly agreed to seek instructions from the appropriate authorities within the Archdiocese and to come back to me as soon as you can with instructions as to whether we should head down this track.

In association with Colin Biggers &amp; Paisley - Sydney

40492/hb/318202/1

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As I mentioned to you, we need to make that decision quite soon, as David Begg & Associates has asked us to let them know our position reasonably promptly. If we do not wish to proceed towards mediation, they need to move swiftly to meet their procedural deadlines in regard to the litigation, and will (of course) hold us to similar deadlines in response.

I look forward to receiving your instructions, and invite Monsignor Rayner to contact me on his return from leave, if he wishes to do so, to provide his input and comments.

Yours sincerely,

**Patrick Monahan**  
**(Senior Partner)**  
**MONAHAN + ROWELL**

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