



9 May 2008

BY FACSIMILE: (02) 9210 6611

Corrs Chambers Westgarth
Solicitors
Governor Phillip Tower
1 Farrer Place
SYDNEY NSW 2000

Your Ref: PRM/JD/CATH 4300-9006837
Our Ref: ELL:114/04

Attention: John Dalzell/Paul McCann

Dear Sirs

**ELLIS v HIS EMINENCE CARDINAL PELL & THE TRUSTEES OF THE ROMAN
CATHOLIC CHURCH FOR THE ARCHDIOCESE OF SYDNEY & ANOR
SUPREME COURT OF NSW 20308 OF 2004**

We refer to your letter dated 8 May 2008.

We have referred your Examination Notice to our client and will obtain the information sought as soon as possible. However, we fail to see how this is relevant to the decision your client has to make, which we had understood when the matter was last adjourned, you were to obtain final instructions before the matter came back before the Court.

As you are aware, the prospect of your client enforcing the costs judgement and forcing our client and his family from their home is a cause for considerable stress and is adversely affecting his wellbeing. The reasons in support of this request have been set out in our previous correspondence and we understand are supported by Dr Funnell's report. The details of our client's financial position have little to do with this, other than, of course, a factor which is productive of additional stress.

Our client would like to have this matter finalised. To that end, we provide below what we understand to be the basic financial position. We have previously given you the gist of this information.

1. The only significant asset is the house at **REDACTED**. This is in our client's sole name. The latest valuation was approximately \$650,000
2. There is a mortgage to AMP Bank with a present balance of approximately \$400,000. Monthly repayments are \$3,700.
3. There are no other real property interests held by our client or his wife. No contribution has been made to any property held in any other person's name.
4. No property has been sold in the last 5 years.
5. No funds are held in trust by any person for our client or his wife.

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6. Our client has a 1992 Nissan motor vehicle worth approximately \$7,000, a Hyundai Accent worth \$4,500 presently being used by his daughter's fiancée for getting to work and household effects. There is no other personal property
7. There is a tax liability of approximately \$50,000
8. Credit card debts are approximately \$75,000,
9. There is a contingent liability to AXA in relation to a claimed overpayment of income protection insurance which has been quantified at \$272,186 gross.

With respect, the terms of our client's fee arrangements are confidential. Our client has been required to pay fees during the course of the proceedings and has paid all fees when due. These were paid from savings accrued before our client stopped work and from income protection payments paid by AXA to December 2006, Our client also borrowed an additional \$60,000 in June 2006 against his mortgage.

There is no right of indemnification or contribution from any person in relation to the costs of the proceedings.

Our client is presently attempting to return to more-or-less full time work, and would anticipate **annual** earnings of \$100,000- \$150,000 gross before tax. However his ability to do so and to maintain a permanent position is very much dependent on the outcome of these proceedings. Our client's wife draws a scholarship of approximately \$31,000 per annum and other income of approximately \$12,000 per annum before tax.

We request that you seek to obtain instructions today so that the matter can be finalised on Monday. Otherwise, if necessary, we will agree to a short further adjournment. However, we request that this be no more than 2 weeks.

We look forward to your response.

Yours faithfully

David Begg
DAVID BEGG & ASSOCIATES

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