

Bond Pearce

Memo

If you have any questions concerning this
memo please telephone the number below

To: Richard Challands

cc:

From: Bob Heckford

Ref: RJH1\TMM1\206466.500

Direct: **GRO**

Date: 24 November 2005

**Private, Privileged and Confidential and prepared for the purpose of a possible claim
against us**

Post Office Limited v Lee Castleton - 348035.134

Richard,

I attach my Memo to you of 21 November.

There have been a number of developments since.

One is that when Mandy Talbot first knew of the matter she did not criticise us, but now that she had learnt a bit more of what has happened I understand that she has been more critical. Tom Beezer has already spoken to her at length and is arranging to see her tomorrow (Friday).

Either later yesterday afternoon or early today Tom spoke to the solicitor on the other side. That person accepted, on a without prejudice basis, that judgment was likely to be set aside but in his words he had a very "stroppy" client. He would take instructions.

Although we have issued an Application to have judgment set aside, giving a time estimate of 2 hours, we have not yet been given a return date.

Prior to this the Court had fixed 6 December to determine the amount of damages that should be awarded to Mr Castleton on the Judgment he has obtained on his Counterclaim. We have to be prepared for the hearing on 6 December in case the Court does not adjourn it. We shall need to have Counsel (this is currently being determined between Tom and Mandy Talbot).

The other side are in Manchester. Given the amount of the potential counterclaim (at least as put by their client) I think it likely they will also have Counsel.

Even if the other side give in and agree that judgment should be set aside they will no doubt seek the costs that have been thrown away. Certainly if we go to a full hearing and judgment is set aside I would be surprised that a Court did not order our clients to pay the costs thrown away.

Even if the other side agree to judgment being set aside prior to 6 December it seems to me there is quite a risk that their costs might exceed say £500. If they did come back to us and say they agreed to judgment being set aside provided we paid the costs thrown away we would obviously want to agree to that immediately.

Therefore I still think that we ought to report this matter to David Maydew now. Perhaps we can discuss.

Bob Heckford
Solicitor