Telephone attendance

Client: Royal Mail Group PLC Sub Postmaster Litigation

Matter: Mr Lee Castleton   Matter no: 348035.134

Attending:

Name: Stephen Dilley   Location: N/A   Date: 23 August 2006

Start time: Units:

I had a telephone conversation with Mandy Talbot in relation to Tom Beazer's email of 21 August to her. Agreeing as follows:

1. We can get counsel to amend the particulars of claim. Explaining to her that the PO will have to pick up the costs of and occasioned by the amendment of Castleton's side, but that they should be not massive. Mandy agreed to this.

2. Mandy doesn't know of any points raised on the question of the Fujitzu product, but she is going to bottom that out with Keith Baines and Graham Ward. Of course from time to time they do have issues that are raised with IT but they are localised and after investigation usually turn out to be the sub postmaster doing something daft. Mandy will come back to me on this.

3. In terms of courts, Mandy has not had a great experience with Central London but she agrees that we should send out the letter to say that we can demonstrate to the court that we tried to get the matter transferred.

4. As to trial costs etc, I said I did not know what the costs could be capped at, but say they were capped at £60,000 they would then be assessed from there. However the point is that we did not think that Castleton had the assets available to pay the costs that we would incur. Accordingly, the reason that the Post Office should be pursuing this case is not to make a net recovery but to defend the Horizon system if that is what it wanted to do. Mandy affirmed that. She said that Castleton's property could of course go up in value and that they might recover something and I assured her that if we were successful we would try to maximise any recovery.

I apologised to Mandy for copying her in on all my emails, but she said she preferred to be kept in given that the matter has high importance within the Post Office.

Time engaged on telephone and attendance note: 24 minutes