

FACSIMILE TRANSMISSION

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DATE: 3 DECEMBER 1998

TO: MR GRAHAM SCHORER

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REMARKS:

Graham
Memorandum follows.

Paul.

IMPORTANT

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IN THE SUPREME COURT OF VICTORIA AT MELBOURNE
COMMERCIAL LIST

No. 2082/98
F. 4951

IN THE MATTER of an Arbitration
under the COMMERCIAL ARBITRATION ACT

B E T W E E N:

TELSTRA CORPORATION LIMITED
(ACN 051 775 556)

Plaintiff

- and -

GRAHAM SCHORER and others

Defendants

MEMORANDUM OF ADVICE

1. In this matter, I act on behalf of Mr Graham Schorer and companies and other entities associated with and controlled by him ("the Schorer interests"). The Schorer interests have been engaged in a lengthy dispute with Telstra regarding the provision of telecommunication services to the business conducted by Mr Schorer.
2. My advice is sought on two issues:
 - (a) would the Schorer interests be able to obtain an order for specific performance of the agreement made with Lyn Chisholm of Telstra in May 1998;
 - (b) did Telstra and/or the Telecommunications Industry Ombudsman improperly procure the entry by the Schorer interests into the arbitration currently on foot between those parties in late 1993 and early 1994.

This memorandum addresses the first issue.

3. On my instructions, in about late April or early May 1998 Mr Schorer had a meeting at his office with Lyn Chisholm of Telstra. Ms Chisholm is the Telstra

11

If the proceeding were issued in the Commercial List of the Supreme Court, it would be realistic to obtain a trial date towards the end of 1999. However, if Telstra were unsuccessful in the action, I consider an appeal would be inevitable. These practical issues should be taken into account when deciding upon an appropriate course of action.

28. If my instructing solicitor has any enquiries with respect to the foregoing, he should not hesitate to contact me.



P.J. COSGRAVE
Owen Dixon Chambers West
3 December 1998