

TRELOAR & TRELOAR
Barristers and Solicitors
Conveyancers and Notary Public

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LIONEL HAMMOND TRELOAR LL. B.

RAYMOND GORDON FROST LL. B.

PAMELA JEAN MCEWIN LL. B. (HONS)

GAETANO ANTHONY AIELLO B.A. (JURIS) LL. B.

ASSOCIATES:

NANCY JEAN DETMOLD LL. B.

PENELOPE CHRISTINE EDWARDS LL. B.

VANESSA ANITA VARGA BSc. (JURIS) LL. B. (HONS)

YOUR REF:

OUR REF: VAV 60365

ALL CORRESPONDENCE TO:

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22 February 2007

Mr Philip Stilianos

By email: philstil2005-greece@yahoo.com.au

Dear Mr Stilianos,

Estate of Erini Stiliano deceased

We confirm that there was a preliminary hearing concerning your mother's estate in the Supreme Court of South Australia before Justice Gray on 21 February 2007 at 10.15am and we *enclose* a copy of the transcript of hearing for your consideration.

You will see from the transcript that no orders were made concerning the substantive issues regarding your late mother's estate.

Possible Settlement

We have received further advice concerning the applicable Greek law from Mrs Niki Pantazis in a letter from her dated 20 February 2007 and we *enclose* a copy of the same for your consideration.

You will see from Mrs Pantazis' response to question 3 documented in this letter that in her opinion:

"From the facts presented it would appear that all the disputed land forms part of the residuary estate"

In this regard, if Mrs Pantazis' opinion is correct, the result is that all of the Greek properties in the name of the deceased form part of the residuary estate of the deceased and will be distributed in accordance with the terms of the deceased's will subject to payment of debts, testamentary expenses and subject to Greek inheritance law. If you, your siblings and Irene also accept Mrs Pantazis' opinion and agree that this is the position at Greek law, then provided

you can also agree as to how debts and testamentary expenses are to be paid, the legal action in the Supreme Court of South Australia can be stopped and legal costs can be minimised.

In relation to the debts and testamentary expenses of the estate, we have been informed by Public Trustee that at the date of death of your late mother, the only residuary funds in Australia were in the amount of \$642.78. Public Trustee used funds from the proceeds of sale of the Australian house property to pay their commission, fees and the funeral account. Quite simply, this means that Sara and Shamona's inheritance (which should have been protected) was used to pay debts when in fact it should not have been. The effect of this is that the pool of funds held on trust for Sara and Shamona must be reimbursed from the residuary estate for the debts and testamentary expenses paid by those funds. Given that there is no residuary estate in Australia, this reimbursement must come from the Greek properties which form part of the residuary estate unless you agree that you will pay those debts and testamentary expenses.

Our rough estimate of the debts and testamentary expenses including any legal fees is approximately \$30,000.00. This takes into account the funeral account, Treloar & Treloar's legal fees and disbursements, court fees, barrister's fees and Pantazis-Kanellopoulos law firm's costs. This is only an estimate and is premised on the notion that you all agree to settle this matter now.

If you agree to pay the debts and testamentary expenses, we suggest that you all agree to set up a trust fund for Sara and Shamona's inheritance whereby two people (possibly you and Gary) are appointed the trustees of the trust fund. This trust fund will only be active until Sara and Shamona attain 18 years of age. Once they attain 18 years of age, they will be entitled to access their inheritance in their own right.

It is in your best interests to agree to settle this matter.

We are of the view that in accordance with Mrs Pantazis' legal advice, the Greek properties will form part of the residuary estate and any claim that the Greek properties were gifted during the lifetime of the deceased will fail. The executor accepts Mrs Pantazis' legal advice and anyone who wishes to assert the contrary must do so of their own volition.

If you would like to discuss settlement of this matter please contact the writer on (08) 8231 4757 or by fax on (08) 8410 0083 or by email on vanessa.varga@treloar.net.au.

We also enclose, by way of service, amended Summons and Affidavit of Vanessa Anita Varga sworn on 20 February 2007.

We look forward to hearing from you.

Yours faithfully,
TRELOAR & TRELOAR

Per: 

Vanessa Varga

Encl.