

3 October 2011

John Whittingdale OBE MP
Chairman
Culture, Media and Sport Committee
House of Commons
7 Millbank
London
SW1P 3JA

Dear Mr Whittingdale

Thank you for your letter of 13 September 2011. I am happy to be of further assistance to the Committee.

I can confirm that Mr Mulcaire's legal fees are not being paid by News International or any of its subsidiaries.

On 20 July 2011, News International announced that it would no longer pay Mr Mulcaire's legal fees. This decision was communicated by News International's solicitors to Mr Mulcaire's solicitors on 28 July 2011 and again on 11 August 2011. As a result, on 17 August 2011, Mr Mulcaire commenced legal proceedings against News Group Newspapers Limited. News Group Newspapers Limited is vigorously defending those proceedings.

In April of this year, News Group Newspapers Limited admitted in the telephone interception litigation that it was vicariously liable for Mr Mulcaire's actions. This admission was made, and will be made, in cases where it is apparent that Mr Mulcaire had acted on instructions from News of the World staff. I understand this means that, as a matter of law, if Mr Mulcaire's actions result in News Group Newspapers being obliged to pay damages, it will do so.

I hope this information is helpful to the Committee.

Yours sincerely



James Murdoch