

J N C James CBE FRICS
Executive Deputy Chairman

CAD - 02399



GROSVENOR
ESTATE
HOLDINGS

JNCJ:sls

29 July 1992

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Secretary
Committee on the Financial Aspects
of Corporate Governance
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Dear Sir

FINANCIAL ASPECTS OF CORPORATE GOVERNANCE

The Directors have closely considered the Code of Best Practice which has been prepared by the Committee. Although we are a group of private companies and so not immediately affected, we concur with the Committee's objectives and the need to raise the standards of future behaviour.

We have examined the various proposals set out in the Code of Best Practice and generally agree with them. However, we have reservations, at least in the context of private companies, on item 2.4. We consider that the suggestion of the Company paying for independent advice sought by non-executive directors could lead to possible divisions within the Board.

We already meet many of the standards proposed and, as a large private company wishing to keep in the forefront of proper corporate governance, we will be examining further steps with a view to meeting the Code of Practice as fully as possible.

Yours faithfully

J N C James
Executive Deputy Chairman
PP (Signed in Mr James's absence)