

JPMorgan Claverhouse Investment Trust plc

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C Hodge Esq
Corporate Governance Unit
Financial Reporting Council
Fifth Floor
Aldwych House
71-91 Aldwych
London WC2B 4HN

4th March 2010

Dear Mr Hodge,

I am writing on behalf of the Board of JPMorgan Claverhouse Investment Trust plc ('Claverhouse' or the 'Company'), an investment trust in accordance with Section 842 of the Income and Corporation Taxes Act 1988, which has a full listing on the London Stock Exchange.

The Company's board of directors has noted that the Financial Reporting Council has carried out a review of the impact and implementation of the Combined Code, and a consultation period on a number of recommended changes to the Code is in progress.

Following an appraisal of the "2009 Review of the Combined Code: Final Report", the board has asked me to raise the following concerns:

- The recommendation to amend the provisions relating to the re-election of directors (new Provisions B.7.1 and B.7.2).

We note that views are invited on two options: the annual re-election of the chairman or the annual re-election of all directors.

Our main concern arises with a recommendation that all directors be subject to annual re-election. This could have undesirable consequences; if shareholders voted for the removal of the entire board at a general meeting, the company would have to appoint a new board of directors who would lack experience in the running of, and the issues facing, the company. There would be no continuity which we believe would jeopardise shareholder interests, rather than protect them.

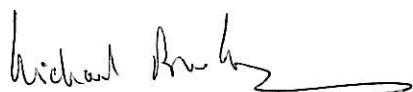
The current processes in place that ensure directors are subject to re-election at least every three years and enforced annual re-election after nine years, are already sufficiently robust to ensure that shareholders are able to influence the constitution of the board and that directors do not become complacent. However, we are not strongly against the annual re-election of the chairman.

- The recommendation that the evaluation of the board should be externally facilitated at least every three years (new Provision B.6.2).

It would be interesting to know what "externally facilitated" would mean in practice. This could mean that boards would need to consult with external parties to ensure that annual evaluations were conducted with best practice in mind, or it could extend to an evaluation process fully undertaken by external parties. If it is the latter we would question whether it is appropriate for an investment trust company and are concerned about the costs of such an undertaking. At present the Company adheres to a formal and candid evaluation of the board based upon a detailed questionnaire, drafted by the Company Secretary. This process works effectively, as it is taken very seriously and issues that arise from the evaluation are addressed. As non-executive directors it is our duty to keep the costs of running the Company to a minimum and accordingly we are very reluctant to spend shareholders' funds on something that, in our opinion, is unnecessary.

I hope you find the above comments useful and I would be happy to discuss them further if required.

Yours Sincerely

A handwritten signature in black ink, appearing to read "Michael Bunbury", with a long horizontal flourish extending to the right.

Sir Michael Bunbury Bt., KCVO, DL
Chairman
JPMorgan Claverhouse Investment Trust plc