

**From:** Boatman Timothy - Korpo TP [Timothy.Boatman@telekomunikacja.pl]  
**Sent:** 03 March 2010 19:04  
**To:** Chris Hodge  
**Subject:** 2009 Review of the Combined Code:Final Report

Attention:Chris Hodge

Dear Sirs,

I have reviewed your final report and have the following comments to make,some of a more general nature and some rather more specific.

In my emails of 28 May/2 October 2009 I provided comments on your earlier consultation papers.I regret to note that most of my comments do not appear to have "developed any traction"-thus they remain equally relevant now.

I agree with the concept of a single code for all companies-however,in my view,it is important that the revised Code "overlaps" rather than "underlaps" with the Walker report recommendations.It should not be forgotten that the genesis of corporate governance reform was scandals in the non-financial services sector.Additionally there are many examples of non-financial companies suffering extreme losses as a result of unfettered dominant chief executives,value destroying acquisitions or poorly understood derivative transactions.The FRC should be extremely cautious when dropping/reducing Walker recommendations.

I note that the FRC has commenced work to update the good practice guidance.Thiis is welcome and much needed.Whilst desirable I appreciate that it would be impracticable to expect all NEDs to have read the Walker report.However I hope and assume that the updated guidance will leverage heavily off that report,Chapter 4 and paras 6.30/31 in particular.The comments made apply to all companies and should be mandatory reading for all NEDs.

I note that the draft of Code Provision C.3.1 proposes no change as regards relevant expertise on audit committees.My views on this are clearly set out in my mail of 28 May 2009 to which reference should be made.I consider that it is appropriate to ask the FSA/FRC to "comply or explain" how they rationalise the explicit/sensible requirement of DTR 7.1.3R with C.3.1.One is also bound to ask if the FSA will be as seemingly relaxed on this matter when interviewing prospective candidates to chair audit committees of banks etc under its "more intrusive regime".

Yours faithfully,

T.G.Boatman

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