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11<sup>th</sup> November 1998

2 papers

Mr Ira M Millstein  
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By fax: 001 212 310 8006

P.S. - You might be amused by  
 these two cuttings.  
 A friend sent me the top photo  
 with a caption :-  
 "It has taken him until 70 to  
 discover women" !

Dear Ira,

Thank you for your letter and for your comments on *Fees, Facts and Attitudes*. I tried to encourage the press, at the booklet's launch, to look at the progress that has been made since our Committee was set up in 1991 in such matters as the way directors are selected and the balance between outside and executive directors. The problem is that their immediate focus is always on pay. The fact is that the whole search and appointment process is much more professional than it was, even though we have not yet eliminated "the old boy network".

One of the problems of the past was that there was no formality about the way in which outside directors were appointed and little in the way of an induction process. In many cases, even the duration of the appointment was left open. The letter is important, simply because it ensures that there is a written document setting out the terms of the appointment. This forces the board to think through what it expects of its outside directors and enables the director to know the basis on which he or she has been appointed. It is a measure of the progress made that we now take the letter of appointment for granted.

I have just returned from Madrid where I shared the platform with Mr Olivencia who chaired the Committee which produced the Spanish Code of Good Conduct. He is a charming man and the Code is a good one.

With best wishes,

Adrian

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12th November 1998

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**By fax: 001 212 310 8006**

Dear Deborah,

My apologies if my comments were not clear. Ira's fax said that he had read "*Fees, Facts & Attitudes*". I launched that publication at a press conference in London. I thought, therefore, that Ira might be amused to see the cutting from the "Daily Telegraph" which appeared the following day. The booklet I referred to in my fax to Ira was "*Fees, Facts & Attitudes*". If copies of it are needed, Ken Taylor Egon Zehnder Chicago could supply them.

The second press cutting referred to comments contained in a paper I gave at a Henley Management College seminar, which I am sure Ira does not want to read! I took the idea, that directors up for election should either write an essay on their suitability or answer questions on it, from an article in *Directors & Boards*.

Best Wishes.

Adrian