

PRIME MINISTER

**WESTLAND**

Sir John Cuckney has been in touch to say that his Board have just concluded a meeting and decided to recommend the revised UTC/Fiat offer. This matches the financial terms of the previous European offer. A circular to shareholders is being printed tonight and will issue as soon as the Stock Exchange approves it early tomorrow.

However according to news reports the European consortium is writing to Sir John tonight to request an urgent meeting before he sends a circular to his shareholders. He has not yet received any such letter and does not intend to hold up the circular. As a consequence, he expects a fairly major row tomorrow. His inclination is to meet the consortium but only after the Board's recommendation in favour of the UTC/Fiat proposal has issued. I have not discouraged this.

**CHARLES POWELL**

5 January 1986