

MINUTES

in connection with the
drafting of the
proposed amendments
to the constitution
of the Society
I have the honor to say
that the draft has been
submitted to the
Board of Directors
and they have
approved it.

Oct. 19.5

Mr. [Name] has
written to me
regarding the
draft of the
constitution.

Oct. 19.5

Mr. [Name]
has written to me
regarding the
draft of the
constitution.

We have
discussed the
draft of the
constitution.

Oct. 21.5

The
draft of the
constitution
has been
submitted to
the Board of
Directors.

The
draft of the
constitution
has been
submitted to
the Board of
Directors.

I am very
truly yours,
[Name]

Yours
truly
[Name]

Business has
been discussed
and it was
agreed that
the draft of the
constitution
should be
submitted to
the Board of
Directors.

Oct. 22.5

Oct. 24

I approve of the draft
submitted in a
letter of the 19th
and suggest immediate action
on these lines.

[Signature]

Oct. 24

Wm. H. Read

We have
discussed this
today with
Mr. [Name].
He wishes to
raise a few
points, but in
order to get
on definitely
agreed to accept
the draft
in the constitution
and down if he
feels that
to provide us
to meet him
on the
modification
he desires. I
officially
replies in an
official letter
in which
that he may
go back to
us if he
agrees that
this should
be done.

Oct. 24

An indenture will be signed between the Crown Agents for the Colonies on behalf of the King Govt. and the reconstructed ~~Magadi~~ Soda Company on the lines similar to the original indenture of the 12th of April 1911 subject to the following modifications:

(1) The reference to the second para. of the preamble to the contract will be deleted, and replaced by the statement that the Govt. has agreed to give the Council a lease of the railway and pit works at Kibinkini on terms agreed.

(2) 1st clause of indenture. The area leased will be the same as in the original indenture ~~of the~~ Magadi ~~with an area~~ and the land on the shores to an extent of about 300 square miles the westerly part of Station Lake and access to the Queen's Negro. The period of the lease will be 99 years from the date of reconstruction of the Company, but the lease will be limited to working soda deposits. The provision in the ^{revised} present original clause which permitted for

Dr.
A.C. U.S.
Noble 2/22/5
Feb. 22/5
at 2 1/2
Should
be
inserted

Scriber memo to Sir H. G. 502 - 30 MAY 1924

Memorandum

TH
A.

An indenture will be signed between

the Crown Agents for the Colonies on behalf of the
Kenya Govt. and the reconstituted ~~and~~ ^{of} ~~the~~ ^{the} ~~Kenya~~ ^{the} ~~Company~~ ^{Kenya}
Soda Company ~~on the lines~~ similar to the
original indenture of the 12th of April 1911
subject to the following modifications:

(1) The references in the second part of the
preamble to the contract will be deleted and
replaced by the statement that the Govt. has
agreed to give the Lessee a lease of the
working and port works at Helindia on
terms agreed.

(2) 1st clause ~~provides~~ The area leased will
be the same as in the original indenture i.e. Lake
Magadi with an area and the land on the
shore to an extent of about 300 square miles
to the westerly end of Station Lake and access to
the Great Dyke. The period of the lease
will be 99 years from the date of reconstitution
of the Company, but the lease will be limited
to working the soda deposits. The provisions in the
present original clause which permitted for

JK.

A.C. 11.5.

Amster 22.5

Col. 22.5

Read 22/2

Strand
and Stevenson
Thames

Scopus memo to Sir Kyn. 512 - 30 MAY 1924

a limited period the working of minerals including precious stones other than ^{rights relating thereto} ~~rods~~ ^{of sand} will be omitted. ^{as in the original lease} ~~Provision may be inserted, if desired, that, should minerals other than rods be discovered in the leased area, they will not be worked in such a way as to interfere with or prejudicially affect the leases.~~

There is already in the clause the same alterations

(3) 3rd clause of indenture. This would be amended by omitting the reference to other minerals. ^{a period of not less than five years}

(4) 4th clause of indenture. For the first years following the date of reconstruction (the exact date for the end of the period being fixed in (7) above) royalty will be charged in railway freight ^{as provided below in the working lease}

whereafter royalty will be charged as specified in the original clause at the rate of 2% per ton on raw rods and 3% per ton on rods and other rods products.

(5) 5th clause of original indenture. This clause will be omitted as no longer necessary. The same applies ^{to the last} five lines of clause 7 of the original indenture.

will be omitted.

(7) Clause 10 of original indenture. This clause will be amended to provide that the lessees will work the deposits to the best economic capacity of the new company ^{without reorganization} ~~itself~~, and ^{with 12 month periods commencing on the 1st of January} ~~undertaking that for the 3rd and 4th and 5th years~~ from the date of reconstruction they will work and ship forth of working at least 50,000 tons of rods and other rods products, and in the 6th and every subsequent year 100,000 tons. A shortage in any year 10% in any one year may be made good in the next ~~that is in the~~ of the next year.

It is proposed to amend the original clause 10 of the indenture by substituting the following clause:

It is proposed to amend clause 10 of the indenture by substituting the following clause:

5th years from the date of reconstruction they will work and ship forth of working at least 50,000 tons of rods and other rods products, and in the 6th and every subsequent year 100,000 tons. A shortage in any year 10% in any one year may be made good in the next that is in the of the next year.

The year for this purpose will end on the day and month ^{which} ~~date~~ next day after three years from the date of reconstruction of the Company as the Governor may fix, and thereafter on the same day and month annually. The provisions in the original clause 10 regarding agreements with third parties will be deleted without prejudice to the power of the lessees to work the deposits to the best economic advantage.

Defaults under this section not due to
force majeure as defined in clause 23 of

the original indenture may be treated by
the Government ^{in its absolute discretion} either as a breach of contract
giving the Govt. power of ^{intervention} under clause 24

of the original indenture, or the Government may
require the Company to pay the full
amounts of railway rates and royalties
that would have been payable, and, if
these are paid within 60 days, the Government
would waive the breach of contract for
that year.

(6) ⁴⁻¹¹⁻¹⁹²⁸ Clause 24 of the original indenture would be
that is no longer necessary.

(7) Clause 23 of original indenture ~~was amended~~
that the Government should make America
a ^{part} of the ^{territory} of the indenture. The
Govt. is not prepared to pay for any
buildings or fixtures which become
useless by loss or title to revenue, at the
expiration of the indenture of the
Company.

(8) Clause 27 of original indenture in addition to
the same providing for British character
of the Company this will be a new clause

Providing that a Director of the new Company
shall be nominated by the Government of

to look after the interests of the Company
~~and that it may be a condition~~
condition of consent to transfer of indenture
24 of the original indenture, that the Company
agrees to accept ^{with} a Director.

B A railway lease will be granted
to the new company following the terms of
the draft lease dated 3rd March 1928
subject to the following modifications:

- (1) In the preamble of the draft lease
the words "the Government of the Province of
British Columbia" shall be replaced by
"the Government of the Province of British Columbia
and the Government of the Province of Alberta".
- (2) The words "the Government of the Province of
British Columbia" shall be replaced by
"the Government of the Province of British Columbia
and the Government of the Province of Alberta".
- (3) Clause 5 of draft lease. This will be
amended to omit the reference to rights
to minerals and precious stones under the main lease.

(4) Clause 7 of draft lease. It will be made clear that Govt. was under no liability for the loan railway to any more than 100,000 tons a year.

(5) Clause 10 of draft lease. The proviso at the end will be altered to cover except soda and soda deposits within the area included in the main lease.

(6) Clause 12 of draft lease. It is to be clearly understood that the freight on coal and any improved traffic from Mombasa will be the same as that charged to other sections of the railway.

(7) Clause 13 of draft lease. This clause will be so worded as to make it clear that the Railway Administration will be under no greater obligation to the Company than to any other section in the matter of priority of traffic. It is understood that no priority is given to the Company's traffic. That this clause, as proposed, will be inserted as they might be held to imply that the Railway was bound to give priority to soda which had reached Mombasa from the loan railway.

will form a part of the general system operated by the general Manager of the Uganda Railway and he will be under no obligation whatever to priority of traffic as to the supply of locomotives or rolling stock for use in the maintenance of equipment of the railway to the Company in preference to any other customer of the Uganda Railway.

Clause 25 of draft lease. This clause will be entirely redrafted and as regards sub-clause (A) & (B) it will be made clear:-

(A) that the freight on coal ^{and all fuel or any other} improved traffic from Mombasa will be the same as that charged to the public. For example on coal the Company will pay the special inflated rate (at present it is understood to be 20/-) and on all fuel conveyed in their own wagons (provided they have a fund the amount of which is applicable to other fuel conveyed by other companies in their own wagons).

(B) that during the period of employment less than five years following commencement (the exact date for the expiration of the five

year period being fixed as in (7) or more years)
the freight (including royalty) in code will,
according to the weight in such a month
be as follows:

Not exceeding 50,000 tons - 18/- a ton

Exceeding 50,000 tons but not
exceeding 150,000 tons - 17/- a ton
(with a minimum of £47,500)

Exceeding 150,000 tons - 16/- a ton
(with a minimum of £127,500)

Provided that any odd months or years of
6 months included in the five year period
shall be finally determined and shall be
added to the first period of 12 months
and the rates charged for such odd
months shall be the rates applicable
to the first 12 months.

(d) After the expiration of
the first period of not less than five years
from the date of reconstruction and for
the next ensuing five years the
rate of freight may in any month
be raised to the traffic to be considered
to be a rate considered reasonable

after taking into consideration the rate of
working the traffic at that time ~~and~~
and for the selling price ^{of the} but the rate of freight
(exclusive of royalty) will not in any
case exceed the following:

Not exceeding 50,000 tons - 22/- a ton

Exceeding 50,000 tons but not
exceeding 150,000 tons - 20/- a ton
(with a minimum of £57,500)

Exceeding 150,000 tons - 18/- a ton
(with a minimum of £100,000)

+ with a minimum freight of 100,000 tons with a minimum of £57,500

(d) that at the end of the traffic period
reconstruction the rate of freight may be
revised in the same manner as the
revised rates in the code shall be that
at the end of the first period, that is to say
the rate may be revised as in (c) above
but that the amendments indicated therein
no longer apply. The revised rates will in
each case have effect for the period of
five years for which they are fixed.

(e) that if after any period of five
years any increase in the rate of
freight is notified in accordance with

year period being fixed as in (1) or main clause

the freight (including royalty) as a rule will, according to the weight carried in each twelve months, be as follows:

Not exceeding 50,000 tons - 18/- a ton

Exceeding 50,000 tons but not exceeding 150,000 tons - 17/- a ton
(with a minimum of £45,000)

Exceeding 150,000 tons - 16/- a ton
(with a minimum of £127,500)

Provided that any odd months in excess of 12 months included in the first yearly period as finally determined shall be added to the first period of 12 months and the rates charged for such odd months shall be the rates applicable to the first 12 months.

(c) ~~That~~ after the expiration of the first period of not less than five years from the date of re-institution and for the next ensuing five years the rate of freight may at six months notice to the Company be increased to an extent considered reasonable

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after taking into consideration the cost of working the traffic at that time and/or the rolling price, but the rates of freight (exclusive of royalty) will not in any case exceed the following:

Not exceeding 50,000 tons - 24/- a ton

Exceeding 50,000 tons but not exceeding 150,000 tons - 24/- a ton
(with a minimum of £55,000)

Exceeding 150,000 tons - 25/- a ton
(with a minimum of £150,000)

(d) that at the end of the tenth year from the date of the rate of freight to be received as in (a) above, subject to the same provisions as to notice as stated in (c) above, the rate may be revised and may be increased or decreased as may be determined by the Company, but that the maximum rate shall not be more than 10% above the rate then in force. The revised rate will have effect for the period of five years for which they are fixed.
(e) that if after any period of five years any increase in the rates of freight is notified in accordance with

this clause will require alteration in view of
the provision under (9) above that all
payments must be made punctually or
covered by a bank guarantee. The
reference to the lease of 1911 ^{will} be
altered to refer to the main lease,
and what it will be made clear in the
in a separate clause that the
railway becomes the property of the
Govt. without payment of the
lease interest by ^{effluxion of time}.

12. Clause 31 of draft lease. Additional words
are required to provide that the
amount of capital outlay is to be
reduced by the accumulated amount
of any deficiencies under 7(f) above.

13. Clause 31 of draft lease. The reference to
the profits of the Railway will be
omitted and it will be made clear
that the period of 99 years is 99 years
under the new main lease from the
date of reconstruction.

14. The lease for 99 years from the
date of reconstruction will be granted

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to the new company, for the pier and
harbour works at Kilibidini. ^{2004/2} The lease
will contain clauses, similar to clauses
3, 4, 5, 8, 9, 10, 11, 16, 17, 21, 30, 31, 32, 32,
33, 34, 35, 36, 37, 38, 39, 40, 41, 42, 43, 44
& 45 of the draft railway lease. There
will also be a clause making it clear
that (as in the past) the rights of the
Company in the Port at Kilibidini are
confined to its use for purposes connected
with the commerce of Lake Magadi, and
that the lease granted to the Company in
the port is confined to the works they
have erected there. The Govt. must
retain wide powers in this matter, but
the Company may be assured that the
Govt. has no intention of applying
restrictions in a harsh or unjustifiable
manner. Thus no objection could be
raised to the disclosure of one copy of
it in which a large part is for the
Company and the Company's part of
no harbour or other works there.

evaded, before execution in liberty
of the steamers, sailing for the
Company's traffic, being water, but
if at any time it appeared that the
Company was entering into competition
with the Government, either
in connection with the supply of water,
timbering, discharge of oil, or any
other thing, then the Government would have
to interfere.

D. The following conditions are to
be understood as included in the
general settlement under which the
Govt. agrees, to grant the foregoing
leases, to the new company.

(1) For the purpose of these arrangements,
the date of reconstruction will be taken
to be the date of the discharge of the
Order of Court appointing a Receiver.

(2) Nothing in the foregoing shall be
taken to deprive the Govt. under the
existing laws to reconstitute the
property, either now or in the
future, until the new leases are signed.

(3) All amount of freight and royalties
due by the old company, and which have
increased before the new company
take effect.

(4) All profits incurred by the old
company for branches of the company
will be allowed, on the signing of the new
agreements, but the law cost, incurred
by Govt. in connection with the action for
forfeiture and the legal proceedings in
the liquidation of the old company and
in connection with the new agreements
will be paid by the new company.

(5) It is agreed that in putting the
new instruments, the collectors will be
at liberty to bring to notice any other
matters in which in their opinion
modification might be required to give
effect to the intention of the
arrangement.
The Govt. is authorized to accept the
terms of agreement on the condition
and to be taken as a whole, and that
if modifications, not proposed or any
part, the Govt. is at liberty to

withdrawing any of the provisions of
the indicated a willingness to
agree to

(6)

(6) As regards custom duties and
special excises on to used to
be used in favor of that the three
the existing cases on draft
railway lease, but the following is
the basis of the present schedule of
duties on imports

• 454 Machinery

(a) Machinery, apparatus, appliances and
instruments (not including tools, machines, tools,
direct, indirect, or lenses) for agricultural,
manufacturing, mining, printing or other
industrial purposes, and parts thereof

(b) Machinery, apparatus, appliances, and
instruments (not including tools and domestic
instruments and appliances) and electrical
instruments used in connection therewith for
the generation, storage, transmission,
distribution of or lighting by gas or electric
power, and parts thereof, but not
including electricians, gasfitters, lamp
fitters, and portable lanterns

or electrical appliances for use in connection
with motor vehicles.

(c) Cases, drawers, sliding doors and
parts thereof

(7) It is to be understood that the
words "mechanical" shall mean
"the construction of a mechanism or
moving part or mechanical element which
may be put in motion by physical or
mechanical force admitted as such by the
Commissioners of Customs."

(7) It is to be understood that the
terms of agreement in this schedule shall
not be taken in a literal and that if
modifications are required in any of
the points specified, the Government shall
be at liberty to withdraw any of the provisions
if the indicated a willingness to agree to

PHONE: VICTORIA 4444.
TELEGRAMS: SODAGADI, LONDON.

17
MAGADI, KENYA COLONY
KILINDINI

The Magadi Soda Company Limited.

DIRECTORS:-
BY MURRAY & S. (Incorporated)
HINDLEBY (Agents - Kenia)
LUTHER
MARRIOTT
SMITH
BAUNDERS

OUR REFERENCE
YOUR REFERENCE 23752/24

Imperial Chemical House,
Millbank

London, S.W.

15th February 1924.

10 FEB 1924
L.B. Freeston, Esq.,
Colonial Office,
Downing Street,
S.W.

Dear Mr. Freeston,

I am in receipt of your letter of the 13th February and am very much obliged to you for sending me copies of letters to Brunner Mond & Co., Ltd. and the Official Receiver from the Colonial Office dated 30th May 1924.

I must apologise for having had to trouble you in this connection.

Yours sincerely,
W. A. S.

Hanning Street.

February, 1922.

Dear Mr. Gavel,

In accordance with your request by telephone, I enclose a copy of the letter from the Colonial Office to Messrs. Brunner, Mond and Company Limited of the 30th May, 1921.

Yours sincerely,

GAVLER, ESQ.,

2975/m

L. D. f. m. 

C.D.
R 12 FEB
D.

13 FEB 1932

Secretary
Shackburgh
Grindie
O.S. of S.
U.S. of S.
Stars of State

~~1/2~~

Dear Mr. Gardner

In accordance with

your request by telephone, I

enclose a copy of the letter

from the C.A. to Messrs.

Brown Stone & Co. Ltd. of

the 30th May 1932

Yours sincerely

(Signed) L. S. FREESTON

RAFT.

GAULER

~~(Signed A)~~
~~(Signed B)~~

NO. 1 VICTORIA ROAD,
LONDON, E.C. 1.

WORKS

MAGADI, KERYA COLONY,
KILINDINI

20

The Magadi Soda Company Limited

MEMBERS OF THE F.I.C. (INCORPORATED)
HOLDEN, (INCORPORATED)
J. ALLEN, C.B.E.
J. VERN,
SMITH,
ETC.
GENERAL
MANAGERS, LTD.
LONDON

OUR REFERENCE

YOUR REFERENCE

Imperial Chemical House,
Millbank.

London, S.W.1

7th December 1917

Mr. L.B. Freeston,
Colonial Office,
Downing Street,
S.W.1.

Dear Mr. Freeston,

I am much obliged to you for your letter of
4th December enclosing copy of the memorandum, which now
completes my files.

Thanking you for any trouble to which you may
have been put in this connection.

I am,

Yours sincerely,

W. H. ...

297
Lening Street,

4 December 1931.

Dear Mr. Gaylor,

I enclose, as promised, a copy of the memorandum on the affairs of the Hagadi Soda Company which was included in the letter from the Colonial Office to Messrs. Brunner Mond and Company, Limited, of 30th May 1924.

I have not yet received the copy of the circular issued to the Hagadi debenture holders.

Yours sincerely,
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Ref. 25707/24.
No. 180

Mr. Bottomley
Admitt. *10/22*
410 700

BOARD OF TRADE

DEPARTMENT OF THE OFFICIAL RECEIVERS IN COMPANIES LIQUIDATION,

39, GARKY STREET,

LINCOLN'S INN.

RECEIVED
7 JUN 1924
COL OFFICE

LONDON, W. C. 2. 6th June 1924.

address all communications respecting matter to the Receiver in Liquidation, or the name of the company.

TELEGRAMS including Strand, London.

IN THE MATTER OF THE MAGADI SODA CO. LTD:

Sir,

On behalf of Mr Burgess who is absent at the moment I have to thank you for your two communications of 30th ultime and 5th instant, and for the two copies of the memorandum referred to therein.

Under the circumstances no time will be lost in applying to the Court for leave to call the necessary meetings to sanction the scheme as detailed in the document enclosed in Mr Burgess' letter to the Colonial Office dated 16th May.

I am, Sir,
Your obedient servant.

E. A. Murray

SENIOR ASSISTANT OFFICIAL RECEIVER.

The Under Secretary of State,
Colonial Office,
S. W. 1.

BOARD OF TRADE

DEPARTMENT OF THE OFFICIAL RECEIVERS IN COMPANIES LIQUIDATION

55, CANNY STREET,

LINCOLN'S INN,

LONDON, W.C.2. 16th May, 1924.

Please address all communications respecting this matter to the Official Receiver in Companies Liquidation, and quote the name of the Company.

TELEGRAMS

Conchision, Kaland, London

IN THE MATTER OF THE MAGADI SODA COMPANY LIMITED.

Dear Mr. Bushé,

I enclose a copy of the Heads of Measure, Brunner Mond & Co's Scheme, as arranged with you on the telephone.

Subject to your Department being able to give effect to these proposals, I feel that I can recommend them to the Court and to the shareholders and creditors.

Yours truly,

Handwritten signature

H. Gratian Bushé, Esq.,
Colonial Office,
Whitehall,

S. W.

Handwritten initials

THE MAGADI SODA COMPANY LIMITED.

Heads of Messrs. Brunner Mond & Company's Proposals.

- (1) The existing Company is to be wound up.
- (2) A new Company of the same name is to be incorporated with a share capital of £250,000, divided as follows:-
 - (a) 250,000 6% First Pref. shares of £1 each.
 - (b) 1,320,000 6% Second Pref. shares of 5/- each.
 - (c) 600,000 12½% Preferred Ord. shares of 5/- each.
 - (d) 100,000 Ordinary shares of £1 each.
- (3) The new Company is to create and issue either (a) £500,000 First Mortgage Debentures, carrying interest at 6 per cent, or (b) £400,000 similar debentures carrying interest at 6½ per cent. These debentures are to be redeemable in 1945 (or earlier at 6 months notice, but not before 1st July 1929) at 105 (or 100) per cent by means of a sinking fund commencing in 1929.
- (4) The Memorandum and Articles of Association of the new Company, the form of Debenture and the Trust Deed securing the debentures are each of them to be in a form approved by the Senior Official Receiver and by Messrs. Brunner Mond & Co. Ltd.
- (5) The Debenture Interest and the Preference share dividends for the first two financial years of the

new Company are to be payable out of the profits (if any) of each of such years only, but after that time the Debenture Interest and the Preference Dividends are to be cumulative.

- (6) The Preferred Ordinary shares dividend is only to be paid if earned and is to be non-cumulative.
- (7) The Preference and Preferred Ordinary shares are to confer no right to vote for the first two financial years of the new Company, but thereafter they are to confer the right to vote during such times as their annual dividend shall be six months in arrears, or when a resolution is proposed of the prejudicially affecting the rights or privileges/holders of the Preference or Preferred Ordinary shares.
- (8) Subject as aforesaid, the First Preference shares are to have one vote for every share. The Second Preference shares and the Preferred Ordinary shares are to have one vote for every 5 shares. The Ordinary shares are to have one vote per share.
- (9) The new Company is to take over the undertaking and assets of the old Company entirely free from all liabilities, contracts and engagements of the old Company (including all claims made in the liquidation for breach of contract or otherwise) other than the liabilities, contracts or engagements hereinafter expressly provided for. The Contract

for sale by the old Company to the new Company to be in a form approved by the Senior Official Receiver and Messrs. Brunner Mond & Co. Ltd.

- (10) Each First Debenture Holder in the old Company to receive Debentures in the new Company for the same amount as or pro rata to his present holding but all interest in arrear to be cancelled.
- (11) The Second Debenture Holders in the old Company and each unsecured creditor and claimant in the winding-up of the old Company (except as hereinafter mentioned) to receive First Preference Shares in the new Company equal in nominal value to 75% of the old Company's indebtedness to him. All interest on the Second Debentures and on unsecured debts and claims to be cancelled.
- (12) Provision to be made for payment in full of certain creditors (such for example as the Government of the Kenya Colony, the Uganda Railway, the Clearing Office for Enemy Debts, any other Government departments and sundry small creditors) where in the interest of the new Company it is considered essential that payment in full be made. The total amount of these debts not to be more than £20,000 and to be provided by the new Company.
- (13) Each ordinary shareholder of the old Company to receive one Second Preference share of the new

Company credited as fully paid for each Ordinary share in the old Company held by him and each Deferred shareholder in the old Company to receive one Second Preference share in the new Company credited as fully paid for every 20 Deferred shares (disregarding fractions of 20 shares) in the old Company held by him.

(14) Each Ordinary and Deferred Shareholder of the old Company to have the right to subscribe in cash for and be allotted per such proportion of the 500,000 Preferred Ordinary shares of the New Company as the number of the Second Preference shares received by him bears to the total number of Second Preference shares issued, all fractions being ignored. Such right to be exercised within three months from the formation of the Company and the conditions of issue as to payment of calls to be in the discretion of the Board of the new Company.

(15) Brunner Mond & Co. Limited to undertake to indemnify the Official Receiver against any claim made by Suzuki & Co. in the liquidation in excess of such amount of First Preference shares as shall under the above scheme of capitalization be available for the satisfaction of their claim or against their refusal to accept such shares. In consideration of such indemnity the Official Receiver will take such steps as may be required by Brunner Mond & Co. to contest such claim. Any reduction in the amount

of Debenture interest payable by the new Company may be capitalised on a 5 per cent basis and First Preference shares issued against it in satisfaction in whole or part of Busipi's claim.

- (16) All necessary steps to be taken in the winding-up of the old Company to bind the Debenture Holders, Creditors and Shareholders in the old Company. The costs of and incidental to taking the said steps winding up the old Company and transferring the undertaking and assets of the old Company to the new Company to be borne by the new Company.
- (17) Brunner Mond & Co. Limited to apply for and be allotted at par (a) 100,000 Ordinary shares in the new Company to be paid for in cash as and when called up by the new Company, and (b) such number of Preferred Ordinary shares as shall not be taken up by the Second Preference shareholders.
- (18) Brunner Mond & Co. Limited will give guarantees to the satisfaction of the Official Receiver and the Colonial Government that they will work the Kagadi Soda Company property to its full economic capacity.
- (19) This Scheme is subject to a licence being granted by the Colonial Office to the new Company.

23752/76

29

Agreed
Sturtevant

30 May 1824

DRAFT.

Guilford

Handwritten letter concerning 6 lines

By
Will refer to

MINUTE.

- Mr. *Allen 20.5.24*
 - Mr. *Smith 22*
 - Mr. *Bolt 22.5.24*
 - Sir G. Davis.
 - Sir G. Grindle.
 - Sir H. Bond.
 - Sir J. Masterion Smith.
 - Lord Arnold.
 - Mr. Thomas.
- (for answer.)*

Handwritten notes and signatures

Previous correspondence
regarding the Royal
Bank Company & etc.
to transmit to you
copy of the ^{ready} ~~ready~~ of the...
13th March 1824
1. proposals for the formation
of a new company which
has been received for
the official records, together

23572/King
24

Ans. 2608
27034

ag. and
Stewart

30 May 1924

DRAFT.

Miss Brown and 15 Ltd.

Gather

With reference to

MINUTE.

London this

previous minutes at
this office regarding the
formation of a new company
to work the Lake Magadi
road deposit. I am
pleased to see that
you both in letter of 17
and in conversation had
agreed to the office
minutes.

- Mr. Collier 21.5.24
- Mr. Beale 22
- Mr. Bottanby 22.5.24
- Sir U. Duns
- Sir G. Gifford
- Mr. E. Hunt 22/5
- Mr. J. Hunterton Smith
- Mr. [unclear] (May 24)
- Mr. [unclear] (May 24)
- Mr. [unclear] (May 24)

Handwritten notes and signatures, including a large signature that appears to be 'J. King'.

in drafts

23752/24 King

Agreed
M. ...

Good

23

30 May 11/14

DRAFT.

King

No. 5112

For Canada

MINUTE.

- Mr. Collier 28.5.14
- Mr. ... 22
- Mr. ... 22.5.14

Sir O. Davis
Sir G. Grindle

+ Sir H. Road 22/12

Sir J. Masteron-Smith

* Lord ...
Mr. ...
...

28
Handwritten initials and notes

Handwritten notes and signatures at the bottom left

Lefts.

to

with reference to

For your own purposes regarding the reconstruction of the Magadi Lode Company

I have to transmit to you, for your information, a copy of a letter from Messrs Collier & Co. withdrawing their scheme of reconstruction.

2 + copy of the

Letter of Messrs. ...
Handwritten notes at the bottom right

for the formation of new Company
which has been received from
the official Receiver is also
enclosed together with a copy
of the letter and the copy of
the enclosure as to the copy of

1. Call to get to

2. Call to get to

3. Call to get to

4. Call to get to

5. Call to get to

6. Call to get to

7. Call to get to

8. Call to get to

9. Call to get to

10. Call to get to

O.R. / 23752 / 1894



St

5 Jan 1894

DRAFT.

The Official Receiver in
Companies Liquidation

MINUTE.

- Mr. Calder 4/6/94
- Mr. B. H. 4/6/94
- Mr. ...
- Sir C. D. ...
- Sir G. ...
- Sir H. ...
- Sir J. ...
- Lord ...
- Mr. Thomas

(SIGNED) J. H. THOMAS

With reference to the
Colonial office letter of the
30th of May regarding the
Meyers & Co. Company
I have the honor to inform you that
it appears from my
interview with Mr.
Barnes that the
fact that they have
accepted a...

Magazine on the conditions

set out in the memorandum
attached to the memorandum

and the copy was enclosed

the 11th. The reference

is to the various people

A few ~~of the~~ ~~conditions~~

modified of
~~the conditions of~~

the representation of Messrs
and to

Wants to verify the

the organization which is understood that

is that they are reasonable

and will be the reason of a complete

The report of the committee (through the agency)

to the terms of the 1st of 1.

the 1st of 1.

Magazine

attached to the memorandum

Magazine

W. H. J. REAL

Magazine on the conditions
set forth in the memorandum

of which copy was enclosed
in the letter. It is referred
certain of these conditions may
be ~~for some modifications~~
modified if

the representative of the
association

should be able to satisfy the
the organization it is understood that

it is felt that they are reasonable
and will make them for reasons to be accepted
and the regard to the kind of change the organization
has in the past. The 1911

It is felt that the organization

is not in a position to accept

the conditions set forth in the letter

at this time

SHARPE H. I. HEAR

13363/1924

LOWNING STRAET,

MARCH, 1934.

Gentlemen,

I am directed by Mr Secretary Thomas to acknowledge the receipt of your letter of the 19th of March, regarding the Magadi Soda Company, and to inform you that he has now definitely approved the original reconstruction scheme which has been underwritten by Messrs Cull and Company

2 A copy of a letter to the company regarding modifications in the memorandum of which a copy was enclosed in the Colonial Office letter of the 17th of January is transmitted for your information

3 A further letter will be addressed to you on receipt of the Company's return

Yours faithfully,

Secretary of State

High Commission

14096/1924

DOWLING STREET,

DUBLIN, IRELAND.

Gentlemen

With reference to your letter of the 10th of January, reference (GS/DCB) and the Colonial Office reply of the 17th of January, I am directed by Mr. Secretary Thomes to inform you that in the new scheme the contracts of the Kenya Government and the General Post Office regarding railway on the various points are

As regards the... the following... The Colonial Office... Mr. Secretary...

and as the... the... period...

Yours faithfully,

THE SECRETARY OF STATE FOR THE COLONIES

the traffic, a statement of cost, on which the claim is based, shall be submitted to the Company in respect of the last six months of the period of five years". The General Manager points out that it is a very difficult matter to keep a separate account of the cost of working one commodity over the main line and that there should be no obligation on any railway to do so. It is well established as a sound principle that a railway rate should be what the traffic can bear, subject only to any commodity not being carried at too great a loss. If at the end of one of the five year periods the General Manager wished to increase the rates, he would notify the Company that having regard to the cost of working the traffic and/or the selling price of the produce, an increase would be made. The onus would be on the company to show that their selling prices were such, after taking into account the cost of production, as to prohibit their paying an increased rate. Mr Thomas considers this suggestion very reasonable, and does not consider that the Company need fear any arbitrary or unjustifiable increases in rates, which in any case are limited by overriding considerations.

substantially below those previously permissible. He will be glad to learn that you agree to the General Manager's suggestions.

3. As regards (d) in your letter it is not possible to approve of any special freight rates on upward traffic. The Magadi Company must pay the same rates as other consignors for traffic other than soda products. On coal they will pay the special imported coal rate which is at present 20/-, and on oil fuel consigned in their own wagons the same rate as is applicable to oil fuel consigned by other companies in their own wagons.

4. As regards point (c) in your letter the General Manager is anxious to avoid having to keep separate accounts for the branch line, but profit and loss cannot be arrived at without a separate account. He points out that it is very doubtful whether there will ever be a profit on the rates quoted on the proportion credited to the branch on a mileage basis. In the circumstances no objection will be made to your suggestion at (c) on the understanding that past losses could have to be deducted before any credits were given for profits under

6 (a). But as it seems most unlikely that there ever will be profits to be credited to the branch line, the desire of the General Manager to avoid separate accounts might be met by deleting altogether clause 29 in the lease and 6 (a) and (b) in the memorandum. The Governor will be consulted on this point.

5. As regards point (c) in your letter it is essential to make the Government's rights in the port clear, but the Government has no intention of applying restrictions in a harsh or unjustifiable manner. No objection would be raised to the discharge of one cargo of oil - of which a large part is for the Company - over the Company's pier, if no harbour or other charges are thereby evaded, while no exception is likely to be taken to steamers, calling for the Company's traffic, taking water. But if at any time it appeared that the Company was entering into competition with the Government piers, either in connection with the supply of water, bunkering, discharge of oil or any other way, then the Government would have to interfere.

6 (a). But as it seems most unlikely that there ever will be profits to be credited to the branch line, the desire of the General Manager to avoid separate accounts might be met by deleting altogether clause 29 in the lease and § (a) and (b) in the memorandum. The Governor will be consulted on this point.

5. As regards point (c) in your letter it is essential to make the Government's rights in the port clear, but the Government has no intention of applying restrictions in a harsh or unjustifiable manner. No objection would be raised to the discharge of one cargo of oil - of which a large part is for the Company - over the Company's pier, if no harbour or other charges are thereby evaded, while no exception is likely to be taken to steamers, calling for the Company's traffic, taking water. But if at any time it appeared that the Company was entering into competition with the Government piers, either in connection with the supply of water, bunkering, discharge of oil or any other way, then the Government would have to interfere

6. Finally I am to place on record the following modifications in the draft lease which were agreed to at a recent interview with Mr. Chester Beatty, Mr. Hickey and Mr. Russell. The new company will undertake to work and despatch by rail 25 thousand tons of soda in the first year from the date of reconstruction and thereafter 50,000 tons per annum or to pay to the Kenya Government the rates and royalties on these amounts. The provision in the existing lease as to production of 250,000 tons of soda will also apply in the first five years from reconstruction. The overriding maximum railway rates specified in 3 (b) and (c) of the memorandum shall hold for only 20 years from the date of reconstruction. Thereafter the rates may be revised at such time as the General Manager thinks fit on giving six months notice. The revision would be based on the cost of working the traffic and/or the selling price of the product.

7. Mr. Thomas will be glad to learn at an early date that the arrangements detailed in this letter are accepted.

I am, Gentlemen,
Your obedient servant,

(Signed) H. J. READ