

1927

Kenya

No. 10110

SUBJECT

Part II

CO 533/366

Magadi Soda Co.

Previous

File No

Subsequent

5023/28

10

X 0110  
1927X 10110  
1927

CONTINUATION FILE

Magadi Soda Co

Previous

General

M.P.M.G.

4/0

W. A. K. S.

4/2

X. E. A.

4/1

M. Seel

1/1

M. A. S. S.

1/2

Subsequent

X 15023

128

48/4

4/1

29 E.A.D.

10/1

10/1

29 E.A.D.

12/1

Ch. Allen

Ch. Burt

18/1

Room 2/3

19/1

4/1

2/1

29 E.A.D.

25/1

Ch. Burt

2/1

Ch. Allen

28/1

Ch. Burt

28/1

Room 3

2/12

4/1

5/12

M. Seel

6/12

X. 10/10  
27

37  
3

59 ————— Magadi Soda ————— 5 November, 1927

States winding up will probably take three or four months longer. Will write further regarding bl. 10(b) and bl. 10(c)(6)

bl. 10(b) & 2 are cancelled by 57

Must accept for further communication

Particulars

Settled

10. 11. 27  
at once

John

ORDER OF SURRENDER

Magadi Soda ————— 9 November, 1927

We prepared to waive their objections to the execution of the appropriate deeds of Surrender on the understanding that the new Co. will not be liable for any but purely nominal stamp duties. Accord working of bl. 10(b) + bl. 10(c)(1)

A. J. Men

I submit drafts for consen., but I am not clear exactly what the Company mean by "either on the Surrenders, or otherwise". The Governor's telegram of 1st November (No. 56) said nothing about <sup>no</sup> ~~any~~ ad valorem duty being payable on the leases themselves, and I think this should be made clear to the Company as in the draft herewith.

Upon hearing from the Solicitors that the draft Surrenders have been settled, everything will be ready for the execution of the various instruments.

The C.As. should also be informed of the <sup>new</sup> amendments of the Railway lease as in the draft herewith.

herewith.

Recirculate to consider how much of the correspondence should be sent to the Governor for his information.

S. Steel  
12.11.27

H.B.  
16711  
atacc

To Magadi Co. (w/ copies)  
To Sutton, O. & O. (w/ copies (a), (b))  
To C.A. (w/ copy 55)

18 NOV 1927

Sutton, Magadi & Co. 22 Nov. 1927

State draft Deeds of Surrender were sent to Coy. on 29 Oct.; but no reply has yet been recd. Will incorporate the new amendments and will write again when Coy. have approved draft Deeds of Surrender.

Magadi S. & Co. 22 Nov. 1927

was to be informed of the exact amount of stamp duties and sign fees on (a) new lease of lake property (b) the new Port Lease + (c) the new Railway lease. also wish to learn whether any duties or fees remain to be paid on the old Port Lease & Railway Contract, and if so, their amount.

No action is needed on 64 & 65 supplies the reason why the Company have not settled the terms of the surrenders of the Port Lease & R. L.O. 1833/1-2.

As regards 65 I do not think we can agree the amount of duties on the new lease. For instance in the case of the Railway lease, we would like the agreed Capital outlay in Clause 20, & calculate the duties under the present rate of taxation of other Govt. but that would be in the nature of guesswork.

The attached notes are (a) to ask the information to be available here & suggest they should instruct their representatives in the Colony to enquire of the local Govt.

(b) to ask the Govt. by tel. to send home by an early mail a statement showing the total duties payable on (a) the Lake lease (b) the Railway lease (c) & the Port lease; at the same time indicating what duties or fees, if any, remain to be paid on the old Railway Contract of 1911 & the Port lease of 1919. (See here were both executed long ago I do not see them here)

Coy on 24.11.27

X 10/10/27

can be any further to have except the Surrender duty, but we had better ask)

Have regard to the patience which the Gov. shows with us in these negotiations. I think we might reasonably adopt alternative (b) - at the same time ask in their letter to tell them what we are doing.

Steel  
25/11

Layton  
26/11

As how I proceed  
at Allen

28/11  
at all

14/12

66 Tel to Gov. 29 Nov. 1927

To Nagadi Co. (no 65 and) - 2 DEC 1927

RESTRICTED UNDER THE MUGGERI SODA Co. 25 Nov. 1927

State that the Port Lease was duly registered at Mombasa on 13<sup>th</sup> Nov. 1927.

? Put (Patrol 512)

Think we must take this opportunity to send cover to the Gov. to keep her up to date

Send a short draft re " 66

previous correspondence.

copy of 8, 27, 33, enclosure, 39, 40, 41

43, 48, 51, 52, enclosure, 53, 55, 57, 60

61, 65, 68, 67 say with reference to the Gov's letter of 21<sup>st</sup> Sept. (No 297) that the

(No 28 or file)

Steel Plan (the attached to the Port Lease, which was in that referred to in 7(1))

(No 3 or file)

of Gov's resp. to Gov. No 8, was found on examination by the SOA of the

numbered 24328 & that no action has as yet been taken regarding the reference made both in the Gov's telegram

Steel

6. 11. 27

The comes the enumerated in a schedule the enclosed in the def.

at Allen

6/12

at all

file by Gov 7022 (with copy of schedule) 13 DEC 1927

X. 10110/27

W. S. L.

9 how remind Suttons of  
our letter of 18th Nov 1927  
(No. 62.)

W.S.L. 11/128

As the Govt. of Kenya have expressed  
the hope that this could be wound up as  
quickly as possible. I think we may  
well ask the mittows, ref. 64, whether  
they have yet been reformed the affairs  
Gov. have exp. of the draft deeds surrender  
of the Post property of 1835/102.

W.S.L.

Reminder stopped in view of  
No. 1. on X. 15023/20 K.

W.S.L.  
13.1.28

W.S.L.

Charge (H)

15 6 27

6

Return to X (0110/27) Kenya

**KENYA COLONY AND PROTECTORATE.**

**Lease**

OF

**RAILWAY TO LAKE MAGADI.**

DATED

1892

**SUTTON, OMMANNEY & OLIVER,**

3 & 4 Great Winchester Street,

London, E.C.2.

(50200\*)

**KENYA COLONY AND PROTECTORATE.**

**Lease**

OR

**RAILWAY TO LAKE MAGADI.**

DATED \_\_\_\_\_ 192  
\_\_\_\_\_

**SUTTON, OSMANNEY & OLIVER,**  
27 & 4 Great Winchester Street,  
London, E.C.2.



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# COLONY OF KENYA.

## REGISTRY OF TITLES.

(District).

TITLE No.

ANNUAL RENT Shs. 5/-.

TERM 99 years from 1.11.1923 to 31.10.2023.

**Know all Men** by these presents that for the consideration hereinafter expressed I, EDWARD WILLIAM MACLEAY GRIGG, Knight Commander of the Royal Victorian Order, Companion of the Most Distinguished Order of Saint Michael and Saint George, Companion of the Distinguished Service Order upon whom His Majesty has conferred the decoration of the Military Cross, Lieutenant-Colonel in His Majesty's Army (retired) the GOVERNOR and Commander-in-Chief of the Colony and Protectorate of Kenya, on behalf of HIS MOST GRACIOUS MAJESTY KING GEORGE THE FIFTH do hereby under and by virtue of the powers vested in me Grant unto the MAGADI SODA COMPANY LIMITED a Company incorporated pursuant to the laws of England under the Companies Acts 1908 to 1917 and having its registered office situate at No. 19 Colman Street in the City of London (hereinafter referred to as "the Lessees" which expression shall where the context so admits include their successors and permitted assigns) All that piece of land situate to the East of Lake Magadi in the Masai Province of the said Colony containing by measurement two thousand two hundred and nine acres more or less that is to say Land Office Number 2341 of Meridional District South A 37 G. & H. together with the Railway running there-through and being thereon which said piece of land and railway with the dimensions and boundaries thereof is delineated on the plan drawn on these presents and more

particularly on Land Survey Plan Number 22640 deposited in the Land Survey Office at Nairobi. Excepting nevertheless out of the grant hereby made and reserving unto the Governor as is more particularly in the Schedule hereto excepted and reserved TO HOLD for the term of ninety-nine years from the First day of November One thousand nine hundred and twenty-four Subject to the payment therefor for the said term the annual rent of Shillings Five payable in advance on the first day of January in every year and so in proportion for any less period than one year to the provisions and conditions contained in the Kenya Lands Ordinance One thousand nine hundred and fifteen (excepting Part Eleven thereof and except as is herein otherwise provided) to the Registration of Titles Ordinance One thousand nine hundred and nineteen and also to the special conditions contained in the Schedule hereto.

IN WITNESS whereof I the said Governor have hereunto set my hand and the Seal of the Colony at Nairobi this \_\_\_\_\_ day of \_\_\_\_\_ One thousand nine hundred and twenty \_\_\_\_\_ in the presence of \_\_\_\_\_

[SCHEDULE;

Schedule.

KENYA COLONY AND PROTECTORATE.

This Indenture made the \_\_\_\_\_ day of \_\_\_\_\_ 1924

Between THE CROWN AGENTS FOR THE COLONIES (hereinafter referred to as "the Crown Agents") acting for and on behalf of the Government of the Kenya Colony and Protectorate (hereinafter referred to as "the Government") of the one part and the MAGADI SODA COMPANY LIMITED a Company incorporated pursuant to the laws of England under the Companies Acts 1908 to 1917 and having their registered office situate at No. 19 Coleman Street in the City of London (hereinafter referred to as "the Lessees" which expression shall where the context so admits include their successors and permitted assigns) of the other part

Whereas by an Indenture (hereinafter called "the Magadi Lease") bearing even date with and executed before these presents and made between the same parties as are parties hereto and in the same order the lands known as "Lake Magadi" have been demised to the Lessees for a term of Ninety-nine years from the 1st day of November 1924 subject to the payment of the rent and royalties thereby reserved and the covenants on the part of the Lessees and the conditions therein contained for the purpose of working the deposits of carbonate of soda therein

Lessee of Magadi Soda Deposits

And whereas for the purpose of working the said deposits the Lessees or the Company whose assets they have acquired have at their own expense constructed the Railway hereby demised and the Magadi Pier and Depot Works hereinafter defined upon lands provided by the Government

Construction of the Railway and the Magadi Pier and Depot Works

And whereas by an Indenture (hereinafter called "the Port Lease") already prepared and engrossed and intended to bear even date with and to be executed immediately after these presents and

The Port Lease

made between the same parties as are parties hereto and in the same order the Magadi Pier and Depot Works hereinafter defined are intended to be demised to the Lessees from the said 1st day of November 1924 for a term of 99 years subject to payment of the premium and rent thereby reserved and the covenants on the part of the Lessees and conditions therein contained

And whereas the said Railway hereby demised is now being and is intended to be worked and controlled by the High Commissioner for Transport hereinafter defined as part of the Kenya and Uganda Railway

And whereas the Government have agreed to grant and the Lessees have agreed to take a lease of the said Railway and it has been agreed that the same shall be in the form of these presents and shall contain such covenants and provisions as hereinafter contained

Now this Indenture witnesseth and it is hereby agreed and declared as follows:—

1. In these presents the following expressions or terms shall have the following meanings respectively:—

- (A) "The Colony" means the Kenya Colony and Protectorate.
- (B) "The Government" means the Government for the time being of the Colony.
- (C) "The Governor" means the Governor for the time being of the Colony or the person for the time being acting as such.
- (D) "The High Commissioner for Transport" means the High Commissioner for Transport for the Colony and Protectorate of Kenya and the Protectorate of Uganda.
- (E) "The Railway" means the railway hereby demised together with all works apparatus and conveniences to be made or supplied in connection therewith.
- (F) "The Lessees' Manager" means the person appointed by the Lessees to manage their business in the Colony.
- (G) "The General Manager" means the General Manager for the time being of the Kenya and Uganda Railway.
- (H) "The Magadi Lease" means the first before recited Lease of even date herewith.

- (I) "The Port Lease" means the second before recited Lease of even date.
- (J) "The Magadi Soda Deposit" means the deposits of carbonate of soda and/or carbonate of soda mixed with any other salts included in and demised by the Magadi Lease.
- (K) "The Magadi Pier and Depot Works" means the pier, depot, works, conveniences and siding at or near Kilindini included in and intended to be demised by the secondly before recited Lease of even date herewith.
- (L) "Soda Goods" means all or any of the following:—
- (i) "Raw Soda" that is to say carbonate of soda and/or carbonate of soda mixed with any other salts as obtained from the Magadi Soda Deposit before calcination.
  - (ii) "Soda" that is to say soda ash, carbonate of soda and/or other salts of soda as obtained from raw soda as above mentioned.
  - (iii) "Soda products" that is to say soda crystals, caustic soda, bicarbonate of soda and/or any other commodities or preparations which are recognised as soda products in the chemical industry.
  - (iv) "Manufactured soda" that is to say manufactured articles or merchandise of which soda or soda products as above mentioned respectively form the essential or main constituents.
- (M) "Month" means calendar month.

2. The Crown Agents for and on behalf of the Government hereby grant and demise to the Lessees All that piece of land situate to the East of Lake Magadi in the Masai Province of the Colony containing by admeasurement 2,209 acres more or less that is to say L.O. No. 2341 of Meridional District <sup>South A 37</sup> G & H together with the railway running therethrough and being thereon which said piece of land and railway is delineated on the plan drawn on these presents and more particularly on Land Survey Plan No. 22640 deposited in the Land Surveys Office at Nairobi

Together with full and free right and liberty for the Lessees to construct maintain renew repair and use any telegraph or telephone line or lines for the purposes of the Lessees' own business in connection with the Railway and the working of the Magadi Soda Deposit or either

Demise of Railway to Lessees

Liberty to Lessees to construct telegraph and telephone lines

of them in along or over the demised premises or any part or parts thereof Provided always that the right and liberty aforesaid shall not be exercised so as to interfere with the working of the Railway by the High Commissioner for Transport under the provisions in that behalf hereinafter contained

Exceptions

Excepting nevertheless out of the demise hereby made and reserving unto the Crown Agents for and on behalf of the Government as follows:—

All other minerals  
precious stones etc.

(i) All mines minerals and mineral substances including precious stones and all coins treasure relics antiquities and other similar things lying in on or under the demised premises other than carbonate of soda with full and free right and liberty for the Crown Agents and the Government and their Lessees and persons authorised by them to search for sink to work get raise carry away and dispose of the same and for such purposes to sink drive erect make and use all such pits shafts drifts roads tunnels airways watercourses railways tramways and other roads through across or under the demised premises as shall be necessary or convenient Provided always that the right and liberty aforesaid shall be exercised in such a manner as not to interfere with the working of the Railway or to cause any subsidence of the Railway or of any building or work connected therewith and provided also that the person or persons exercising such right and liberty shall make good or pay reasonable compensation for all damage thereby occasioned to the demised premises.

Liberty to construct  
telegraph and  
telephone line

(ii) Full and free right and liberty for the Government to construct maintain renew repair and use any telegraph or telephone line or lines for the use of the Government in along or over the demised premises or any part or parts thereof and full and free right and liberty for the Government and persons authorised by them to enter upon and occupy so much of the demised premises as may be necessary for the said purposes or any of them without making any compensation therefor but making good all damage done Provided always that the rights and liberties last aforesaid shall be exercised in such a manner as not to interfere with the efficient working of the Railway

Liberty to construct  
to take possession

(iii) Full and free right and liberty for the Government in any case of State urgency (as to the existence of which the Government shall be the sole judge) at any time or times without any consent of or notice to the Lessees to take temporary possession of the

whole or any part of the Railway and the rolling-stock telegraphs telephones buildings and other things of every description belonging to the Lessees in connection with the Railway and to use the same for its own purposes paying nevertheless therefor reasonable compensation to the Lessees.

(iv) Full and free right and liberty for the Government at any time or times to have any military marine or police force arms horses guns ammunition baggage or stores mails mail-bags or post office requisites or things conveyed over the Railway or to the Port in priority to any other traffic and in any case of State urgency (as to the existence of which the Government shall be the sole judge) with all the resources of the Railway.

Carriage of  
military etc.

To hold unto the Lessees for the term of 99 years from the 1st day of November 1924 if the Magadi Lease shall so long continue to subsist and be effective at the yearly rent of five shillings payable yearly in advance without any deduction on the 1st day of January in every year and so in proportion for any less period than one year the payments for the first two years of the said term having been made on the execution of these presents as the Crown Agents and the Government hereby acknowledge.

3. If the Magadi Lease shall be determined in any manner whatsoever then this Lease shall *ipso facto* determine also but subject to the provisions of Clause 18 of these presents and without prejudice to any right of action or remedy of the Crown Agents or the Government in respect of any antecedent breach by the Lessees of any of the covenants or provisions herein contained.

Lease to  
determine if  
Magadi-Lease  
determined

4. The Lessees for themselves their successors and assigns hereby covenant with the Crown Agents and also as a separate covenant with the Government as follows:—

LESSEES'  
COVENANTS

(i) The Lessees will pay the rent hereinbefore reserved at the times and in the manner aforesaid.

(ii) The sole and exclusive control and management of the Railway shall be vested in the High Commissioner for Transport and the following provisions shall have effect—

To pay rent

Sole management  
of the Railway  
to be vested in  
the High  
Commissioner for  
Transport

(A) The High Commissioner for Transport shall work the Railway as a branch of the Kenya and Uganda Railway and as part of the general system of railways operated by the General Manager.

The Railway to be  
worked as part of  
the Kenya and  
Uganda Railway

No preference to be given to Lessees.

The High Commissioner for Transport may make alterations and additions to the Railway.

The High Commissioner for Transport may allow the use of the Railway for the running of motor cars and trolleys.

The Lessees shall pay the charges for freight hereinafter specified at the times and in manner hereinafter provided and shall at all times ~~do~~ pay all such other charges and all such moneys and do and perform all such acts and things as under the provisions hereinafter in this Lease contained are by them to be paid, done or performed.

Yearly tonnage despatched by rail

(b) The Lessees shall not claim or be entitled to receive from the High Commissioner for Transport any preference or priority whatsoever as to transport or the supply of locomotives or rolling stock or the maintenance or equipment of the Railway or otherwise howsoever.

(c) The High Commissioner for Transport may at his own expense at any time or times make any alteration or addition to the Railway for the purpose of accommodating traffic other than traffic of the Lessees.

(d) The High Commissioner for Transport will allow the Lessees to run a motor or push-trolley over the Railway for the use of their Managers Staff and workmen on occasions when there is no convenient train available or on other occasions of emergency and provided such running does not interfere with the normal working of the Railway.

(iii) The Lessees shall pay the charges for freight hereinafter specified at the times and in manner hereinafter provided and shall at all times ~~do~~ pay all such other charges and all such moneys and do and perform all such acts and things as under the provisions hereinafter in this Lease contained are by them to be paid, done or performed.

(iv) (A) The Lessees will in each of the years ending on the 31st day of October 1927, 1928, 1929, 1930 and 1931 despatch by railway not less than 50,000 tons of Soda Goods and in the year ending on the 31st day of October 1932 and every subsequent year ending on the 31st day of October during the term hereby granted the Lessees will despatch by railway not less than 100,000 tons of Soda Goods.

Provided that subject to Clause 29 hereof whether the tonnage and weights set out above are despatched by the Lessees or not the Lessees shall be liable for and shall pay to the High Commissioner for Transport the amount of freight appropriate to and due in respect thereof.

(B) If and whenever the Lessees shall in any year have made default to an extent not exceeding 10 per cent. of the tonnage stipulated to be despatched by railway for that year then the Lessees may in the first three months of the next succeeding year make good such deficiency but the amount making good such deficiency shall not be taken as part of the tonnage stipulated for the latter year. No excess of tonnage in any preceding

year shall be allowed towards making good a deficiency in any subsequent year.

(c) Provided always and it is hereby agreed that any breach of the covenant contained in sub-clause (A) above not due to *force majeure* as hereinafter defined, shall be waived if the Lessees shall on or before the 1st day of April next following the date on which such breach shall have occurred pay the amount which would have been payable for freight for the period in respect of which such breach shall have occurred if the Lessees had duly performed the covenant contained in sub-clause (A) above.

Provided further and it is hereby agreed that nothing in this Lease contained except the provisions of Clause 29 hereof shall prevent the High Commissioner for Transport at his option from electing to sue the Lessees for any unpaid freight and to obtain satisfaction of any judgment by attachment of any of the Lessees' property.

(v) The Lessees will at the expiration or subject to the provisions of Clause 18 of these presents the sooner determination of the term hereby granted deliver up to the Government the demised premises with all buildings and fixtures thereon except such fixtures and things as the Lessees are by law entitled to remove in such state and condition in all respects as shall be consistent with the due performance and observance of the provisions herein contained and in proper order for the future working of the Railway.

(vi) (A) The Lessees shall not assign, underlet, or part with the possession of the demised premises or any part thereof (except to the High Commissioner for Transport in accordance with the provisions hereof) or suffer any corporation (other than the Lessees) or any person to occupy the demised premises or any part thereof as a licensee without the previous consent in writing of the Crown Agents but such consent shall not be unreasonably withheld.

Not to assign without license.

(B) Provided always that the Crown Agents may withhold such consent if the proposed transaction does not form part of a larger transaction which includes as well the premises demised by the Magadi Lease or unless the Lessees shall before the assignment or underlease or any agreement for the same shall be executed deliver to the Crown Agents an Indenture to be prepared by the solicitors for the time being of the Crown Agents at the cost of the Lessees containing a covenant by the intended

assignee or underlessee with the Crown Agents and also separately with the Government to perform and observe during the term assigned or granted to him the covenants by the Lessees and conditions in these presents contained in the same manner as if such covenants and conditions were therein repeated with the substitution of the name of the intended assignee or underlessee for the name of the Lessees and with such other alterations as the circumstances shall render necessary and also containing a provision determining the term thereby assigned or granted on breach of any of the said covenants by the intended assignee or underlessee.

(c) Provided also that upon any assignment of the demised premises or any part thereof being made in accordance with these presents if such indenture as hereinbefore in this clause mentioned shall have been duly executed by the assignee and delivered to the Crown Agents then the Lessees making the assignment shall thereupon cease to be personally liable under any of the covenants or obligations of these presents so far as the same relate to the premises comprised in such assignment but without prejudice to any right of action or remedy of the Crown Agents or the Government in respect of any antecedent breach by the Lessees of any of such covenants or obligations.

(vi) If and whenever any excepted mineral (that is to say any mine mineral or mineral substance precious stone coin treasure relic antiquity or other similar thing excepted out of the demise hereby made) shall be found in or upon the demised premises the Lessees shall forthwith give notice thereof to the Government and take all reasonable steps for the safe preservation thereof.

(viii) (A) If and whenever any of the demised lands shall in the opinion of the General Manager be or become unnecessary for the purposes of the Railway whether immediate or prospective purposes the Lessees shall at any time thereafter upon the request in writing of the Government forthwith surrender the same to the Government.

(c) If any difference shall arise as to whether any land is or is not unnecessary for the immediate or prospective purposes of the Railway such difference shall be referred to arbitration under the provisions in that behalf hereinafter contained.

(ix) The Lessees shall comply with all obligations which may be imposed on them by any General Ordinance for the time being in force in the Colony.

To give notice of finding any excepted mineral

Superfluous to text

To comply with Ordinances

(x) In everything done hereunder the Lessees shall interfere with public and private conveniences and rights as little as possible and shall take all such precautions and provide and maintain all such temporary and permanent accommodation works as shall be reasonably required for the prevention of damage or injury to any property or person or for the due preservation or maintenance of any public right or property.

Not to interfere with public or private rights

(xi) The Lessees shall be solely responsible for and shall indemnify and keep indemnified the Government against all accidents damages claims and losses which may occur or be incurred or sustained in or by reason of anything done upon the demised premises or any part thereof and if the Government shall by reason of the default of the Lessees make any payment in respect of such damages claims or losses then and in every such case the Lessees shall repay to the Government on demand the amount of the money so paid and of the costs incurred therein by the Government but this clause shall not extend to any accident damage claim or loss which may occur or be incurred or claimed in or by reason of the working of the Railway by the High Commissioner for Transport unless the same shall have arisen from some neglect or default of the Lessees.

To indemnify Government against claims

(xii) The Lessees shall at all times provide a suitable office on the site of the Railway of the Kenya and Uganda Railway where notices may be left for or addressed to the Lessees.

Contractors to provide office

(xiii) The Lessees shall not at any time during the term hereby granted sell give barter or otherwise dispose of any arms or ammunition of any description to any native or permit or suffer any such sale gift barter or other disposition to be made by any employee or agent of the Lessees.

No arms or ammunition to be sold to natives

(xiv) The Lessees shall not at any time during the term hereby granted sell give barter or otherwise dispose of any spirituous liquor to any native or permit or suffer any such sale gift barter or other disposition to be made by any employee or agent of the Lessees or import or authorise the importation of any spirituous liquor into the Colony except for the use of the European agents or employees of the Lessees and in accordance with and subject to such rules as may from time to time be made by the Governor in that behalf.

No spirituous liquor to be sold to natives nor imported except for Europeans

(xv) If the Government shall at any time during the term hereby granted incur any expenditure in erecting or maintaining any sanitary works or regulations upon or in the neighbourhood of the Railway the Lessees shall so far as such expenditure is

As to liability of Lessees to special sanitary measures

rendered necessary or increased by the operations of the Lessees or by the presence of the agents or workmen of the Lessees upon or in the neighbourhood of the Railway pay to the Government on demand as a contribution towards the said expenditure such proportion as shall be just and equitable in the circumstances such proportion in case of difference to be settled by the Governor.

Native labour

(xvi) The Lessees shall at all times during the term hereby granted comply with all such requirements and make all such arrangements as may be made or directed by the Government to secure the suitable treatment of native labourers or workmen.

To surrender in exchange for the Lease when Government survey road

(xvii) (A) If and when the demised lands shall have been surveyed by or on behalf of the Government the Lessees shall at any time thereafter upon the request in writing of the Crown Agents or the Government forthwith surrender this Lease and accept in exchange therefor a new Lease containing a proper description of the property as ascertained by such survey.

(B) The new Lease shall be for the residue then unexpired of the term hereby granted and shall contain *mutatis mutandis* the same terms and provisions in all respects as this Lease.

(C) The Lessees will pay the costs of the Crown Agents and the Government of and incidental to the preparation and execution of the Surrender and new Lease.

(D) The Surrender shall be and shall be expressed to be without prejudice to any right of action or remedy which may have accrued to the Crown Agents or the Government in respect of any antecedent breach by the Lessees of any of the covenants or provisions herein contained.

5. (a) The High Commissioner for Transport shall at his own expense maintain the Railway so completed and equipped as aforesaid and keep the same in working order.

(b) Nothing in this Lease contained shall impose or be deemed or construed to impose any liability upon the Crown Agents the Government or the High Commissioner for Transport to fit equip or maintain the Railway so as to be capable of carrying more than 160,000 tons of soda goods in any one year.

Extraordinary repairs

6. The Lessees shall at their own cost make all such additions to and betterments of the Railway as may be necessary for the accommodation of their traffic. In the event of any difference of opinion as to the necessity for any such additions or betterments the matter

shall be referred to arbitration under the provisions in that behalf hereinafter contained.

7. (i) The High Commissioner for Transport shall provide and maintain all locomotives and rolling stock necessary for the efficient working of the Railway.

(ii) The High Commissioner for Transport shall not be bound to provide tank cars or any special wagons or conveniences for the carriage of liquid fuel and the Lessees shall at their own expense provide such tank cars special wagons and conveniences (if any) as the Lessees shall from time to time deem necessary or proper for the carriage of the Lessees' liquid fuel. Provided nevertheless that the Lessees shall not be entitled to any special reduction of freight on liquid fuel over and above that allowed to any other traders providing their own cars by reason of the provision of any cars provided by the Lessees.

8. The High Commissioner for Transport shall carry all soda goods in trucks properly protected from the weather and from dirt.

9. The service of loading and unloading the Lessees' goods at the respective places of departure and destination shall in all cases be performed by and at the sole expense of the Lessees but the service (if any) of loading and unloading at any intermediate place shall in all cases be performed by and at the sole cost of the High Commissioner for Transport.

10. The rates of freight for soda goods consigned by the Lessees direct from Lake Magadi or any other point on the Railway to the Magadi Pier and Depot Works by the Railway to Magadi Junction and thence over the Uganda Railway shall be as follows:—

(A) For the purposes of this clause each year shall end on the 31st day of October.

(B) In each year during the first period of five years and thereafter until the same shall be increased as hereinafter provided the rate shall according to the total weight of soda goods carried be as follows:—

TOTAL WEIGHT CARRIED.	RATE PER TON FOR EVERY TON CARRIED.
Not exceeding 50,000 tons	Sh. 18.00.
Exceeding 50,000 tons but not exceeding 150,000 tons	.. 17.00.
Exceeding 150,000 tons	.. 16.50.



14

Provided that whenever in any year the total weight of soda goods carried shall be greater than 50,000 tons or greater than 150,000 tons respectively the amount payable in respect of freight shall not be less than the amount which would be payable on 50,000 tons or 150,000 tons as the case may be

And provided further that in any year until the total weights of 50,000 tons and 150,000 tons have been exceeded the amount charged and payable in respect of freight shall be at the rate of Shs. 18/- per ton or Shs. 17/- per ton respectively and if and when these total weights are exceeded the High Commissioner for Transport shall credit the Lessees with the difference between the higher and lower rate or rates then appropriated.

- (c) (i) At the expiration of the first and every subsequent period of five years, the General Manager may increase the rate for the time being payable but so that the rate in force in each year during the second or third period of five years shall not exceed the following:

TOTAL WEIGHT CARRIED.	RATE PER TON FOR EACH TON CARRIED.
Not exceeding 150,000 tons	Sh. 20.00.
Exceeding 150,000 tons	18.00.

Provided that whenever in any year the total weight of soda goods carried shall be greater than 150,000 tons the amount payable in respect of freight shall not be less than the amount which would be payable on 150,000 tons

And provided further that in any year until the total weight of 150,000 tons has been exceeded the amount charged and payable in respect of freight shall be at the rate of Shs. 20/- per ton and if and when this weight is exceeded the High Commissioner for Transport shall credit the Lessees with the difference between Shs. 20/- and Shs. 18/-.

- (ii) Every increase of rate as aforesaid shall be made by the General Manager who shall give to the Lessees not less than six months' notice in writing in that behalf to expire at the end of the then current period of five years.
- (iii) The General Manager shall not give notice of any such increase unless he shall consider the same reasonable having regard to

the prevailing and probable cost of working the traffic and the selling price of the soda goods or any of them.

- (iv) The General Manager shall so soon as conveniently may be after service of any such notice deliver to the Lessees a statement of the cost of working the traffic of the soda goods during the period of the first six months of the last year of the then current period of five years.
- (v) The Lessees may within one month after receipt of any such statement of cost serve upon the General Manager notice referring the increase to arbitration in accordance with the provisions in that behalf hereinafter contained and in such case the validity of such increase shall be determined accordingly.
- (vi) In such arbitration regard shall be had to the prevailing and probable cost of working of the traffic and to whether the prevailing and probable selling price of the soda goods permits an increase in the rate of freight and to all other considerations which the arbitrators or their umpire may consider material.
- (vii) The award may allow the increase or any part thereof or may disallow the same and shall be confined and restricted within these limits accordingly.
- (viii) If the award shall not be made before the commencement of the period of five years to which the notice of increase relates the Lessees shall pay the increased rates specified in the notice as from the commencement of the said period and all proper adjustments and allowances consequential upon the award shall be made after award made.
- (ix) An increased rate shall continue in force for the period of five years to which it relates and thereafter until again increased as hereinbefore provided or decreased as hereinafter provided.
- (x) The General Manager may at any time by notice to the Lessees decrease the rate for the time being in force and such decrease shall take effect from the time mentioned in the notice but any such decrease may be revoked at any time by the General Manager by a further notice in that behalf given to the Lessees.

11. Except as hereinbefore provided the rates for goods and the fares for passengers carried over the Railway shall be fixed from time to time by the General Manager according to the scale for the time being and from time to time in force on the Kenya and Uganda Railway.

Rates for other goods and fares for passengers

12. (i) All freight charges shall be payable to the High Commissioner for Transport in advance, or if the Lessees desire it the same shall be

Freight to be payable in advance

carried to a Ledger Account which shall be secured by guarantees to the satisfaction of the Crown Agents.

(ii) Any freight charge not paid in advance shall carry interest from and after the day on which the same should have been so paid in advance or in the event of the Lessees having desired the freight charges to be carried to a Ledger Account and having secured the same as aforesaid from and after the customary date for payment of Ledger Accounts until actual payment thereof at the following rates that is to say during the first six months at the rate of £4 per cent. per annum and thereafter at the rate of £6 per cent. per annum.

13. The Lessees shall pay demurrage on trucks belonging to the High Commissioner for Transport according to the rates of the High Commissioner for Transport for the time being in force.

14. Provided always and these presents are upon the express conditions following:-

(i) The Lessees and any company or corporation becoming by assignment or otherwise entitled to the term hereby granted or any part thereof or to possession of the demised premises or any part thereof shall be and remain British in constitution and character registered in Great Britain or in a British Colony and having their principal place of business within His Majesty's dominions and the Chairman and at least four-fifths in number of the Directors of the Lessees or any such company or corporation as aforesaid shall at all times be and remain British subjects.

(ii) In the event of any alteration being proposed in the Memorandum or Articles of Association or constitution of the Lessees or any such company or corporation as aforesaid notice thereof shall be given in writing to the Crown Agents who if in their opinion the said alteration shall be contrary to the cardinal principle that the Lessees and any such company or corporation as aforesaid shall be and remain a British Company under British control may refuse their consent to such alteration.

(iii) If and whenever any such alteration shall be made without the written consent of the Crown Agents or if the Chairman and at least four-fifths in number of the Directors thereof shall not be British subjects the Crown Agents may thereupon forthwith by notice served on the Lessees or such company or corporation as aforesaid as the case may be determine the demise hereby made without making any compensation but subject to the provisions of Clause 18 of these presents and without prejudice

to any right of action or remedy of the Crown Agents or the Government in respect of any antecedent breach of any of the covenants by the Lessees or conditions herein contained.

15. The Crown Agents hereby covenant with the Lessees as follows:-

(i) The Lessees paying the rent hereby reserved and observing and performing the covenants and conditions herein contained and on the Lessees' part to be observed and performed shall and may peaceably and quietly possess and enjoy the demised premises during the said term without any lawful interruption from or by the Crown Agents or the Government or any persons rightfully claiming from or under them.

(ii) That the High Commissioner for Transport and the General Manager will at all times observe the provisions of this Lease so far as the same relate to acts and things to be performed or done by the High Commissioner for Transport or the General Manager.

(iii) No land within a quarter of a mile on either side of the railway from Magadi Junction to Lake Magadi shall be sold leased or otherwise disposed of by the Government to any person persons or corporation other than the Lessees without first giving to the Lessees the option of acquiring from the Government the whole of the land so proposed to be sold leased or otherwise disposed of on the same or similar terms and conditions as those on which the Government may be willing to sell lease or otherwise dispose of the same to any other person persons or corporation and such option shall be exercisable by the Lessees within two months from and after service upon the Lessees of notice in that behalf.

16. Provided always that if and whenever the said rent hereby reserved or any freight charges hereby covenanted to be paid or any part thereof respectively shall be in arrear for the space of sixty days next after any of the days whereon the same ought to be paid as aforesaid (whether the same shall or shall not have been legally demanded) or if there shall be any breach or non-observance of any of the covenants on the part of the Lessees (whether negative or affirmative) herein contained or if the Lessees while the demised premises or any part thereof remain vested in them shall go into liquidation whether voluntary or compulsory (except with the consent in writing of the Government a voluntary liquidation for the purpose of reconstruction only) or suffer a receiver of their undertaking or any part thereof to be appointed by any Court of competent jurisdiction or commit any act which would render the Lessees liable to be wound up on petition or in the case of assigns

of the Lessees not being a corporation shall or any of them shall become bankrupt or make any assignment for the benefit of or enter into any arrangement for composition with their or his creditors then and in any of the said cases it shall be lawful for the Crown Agents or the Government although they may not have taken advantage of some previous default of the like nature at any time thereafter into and upon the demised premises or any part thereof in the name of the whole to re-enter and the same to have again repossess and enjoy as in their former estate but subject to the provisions of Clause 18 of these presents. And thereupon this Lease shall cease and determine but without prejudice to any right of action or remedy which may have accrued to the Crown Agents or the Government in respect of any antecedent breach by the Lessees of any of the covenants or provisions herein contained provided that this proviso for re-entry shall be subject to all such restrictions and conditions and such relief against forfeiture as shall for the time being be applicable under the laws of England to provisos for re-entry contained in leases of similar property in England.

17. At the expiration of the term of 99 years hereby granted (but not on the sooner determination of the said term) the Railway and all the assets and property whatsoever of the Lessees used for the purposes of or in connection with the Railway shall immediately on the expiration of the said term and free from all payment to and become the property of the Government.

18. If this Lease shall be determined otherwise than by effluxion of the said term of 99 years the Government shall have the right to purchase the Railway and all the assets and property whatsoever of the Lessees used for the purposes of or in connection with the Railway at the price hereinafter mentioned upon giving to the Lessees one month's notice in writing in that behalf such notice to be given within one month next after the determination of the Lease. If such notice be not given the Lessees shall be entitled within 12 months from the determination of the Lease to remove the Railway material and the assets and property of the Lessees used for the purposes of or in connection with the Railway.

19. (i) The Government shall have the right at any time during the continuance of the term hereby granted to purchase the Railway and all the assets and property whatsoever of the Lessees used for the purposes of or in connection with the Railway and all the interest of the Lessees under these presents at the price hereinafter mentioned upon giving to the Lessees one year's notice in writing in that behalf.

(ii) If the Government shall exercise this present right then from and after the completion of the purchase until the expiration or sooner

determination of the Magadi Lease the Lessees shall be entitled to the following rights and privileges:—

- (A) The right without payment to use and work for the purpose of the Lessees' own business in connection with the working of the Magadi Soda Deposit such telegraph and telephone lines as the Lessees or the Company whose assets they have acquired before the date of the notice exercising the said option may have constructed under the liberty in that behalf hereinbefore granted. Telegraph and telephone lines
- (B) The right to have their goods conveyed in the manner and ~~at~~ <sup>the</sup> rates hereinbefore prescribed. Carriage of goods
- (C) The right to have the Railway with all necessary rolling stock and other equipment and the traffic thereon maintained worked and managed in accordance with the provisions of Clauses 4 (ii) 5 and 7 of these presents.

20. The price payable by the Government upon a purchase under the exercise of either of the aforesaid rights shall be ascertained by deducting the sums hereinafter mentioned from the aggregate of the two following sums namely:—

- (A) The sum of £560,682 being the agreed amount of the capital outlay made by the Lessees or the Company whose assets they have acquired in the construction of the Railway prior to the date hereof.
- (B) All sums expended by the Lessees after the date hereof and prior to the date of the notice exercising the option upon additions or betterments.

The sums (if any) to be deducted from the aggregate of the two above-mentioned sums shall be ascertained as follows: If and whenever after the 31st day of October 1926 in any year ending on the 31st day of October during the continuance of the term hereby granted the aggregate amount payable by the Lessees by way of freight charges hereunder and by way of royalties under the Magadi Lease shall fall short of a sum equal to the aggregate amount of a Railway rate of seventeen shillings and seventy-two cents of a shilling per ton on the freight despatched by Railway or agreed to be despatched by Railway during that year and the amount payable by way of royalties under the Magadi Lease (provided that for the purpose of this clause such royalties shall be deemed to be payable from the date of these presents) then and in any such case the amount of the deficiency together with compound interest thereon at the rate of 4 per cent. per annum calculated with yearly rests from the expiration of the

At end of the 99 years term the Railway and all assets to belong to the Government.

Option to the Government to purchase the Railway and all assets and property whatsoever of the Lessees used for the purposes of or in connection with the Railway.

Option to the Government to purchase the Railway and all assets and property whatsoever of the Lessees used for the purposes of or in connection with the Railway.

If option exercise of the Lessees to have certain rights.

year in which such deficiency occurs down to the date of completion of the purchase shall be deducted in ascertaining the price to be paid by the Government as aforesaid.

Limitation of extent of option

21. The options of purchase conferred by Clauses 18 and 19 (i) of these presents shall not extend to any land which may have been acquired by the Lessees under Clause 15 (iii) of these presents

Rights of purchaser not to prejudice other rights

22. The rights of purchase hereinbefore conferred on the Government are without prejudice to all or any other the rights of the Crown Agents of the Government under or by virtue of these presents.

Notice of these provisions to be endorsed on debentures

23. Every debenture or other instrument creating or purporting to create any charge upon the Railway or any other asset or property of the Lessees subject to the rights of purchase aforesaid shall contain or have endorsed thereon notice of the said rights of purchase.

Property to be conveyed free from incumbrances

24. All and every the assets and property purchased by the Government as aforesaid shall be conveyed or delivered to the Government on completion of the purchase free from incumbrances.

General Manager may delegate

25. The General Manager may from time to time and at any time delegate to assistants all or any of his powers rights authorities or discretions whether vested in him hereunder or otherwise as he may think fit and the Lessees shall on written notice of such delegation recognise such assistants as lawfully exercising the powers rights authorities or discretions so delegated to them.

No member or officer of Government or the Crown Agents shall be in anywise bound personally for the acts and obligations of the Government under these presents or answerable for any default or omission in the observance or performance of any of the acts matters or things which are hereby made obligatory on the Government or the Crown Agents.

26. No member or officer of the Government or the Crown Agents shall be in anywise bound personally for the acts and obligations of the Government under these presents or answerable for any default or omission in the observance or performance of any of the acts matters or things which are hereby made obligatory on the Government or the Crown Agents.

Certificate of the Government

27. A certificate signed by the Governor shall be conclusive evidence of any order requirement determination or appointment of the Government mentioned in such certificate.

Notices how to be given to Lessees

28. Every approval consent or notice to be given or served by or on behalf of the Government or the Crown Agents for the purposes of these presents shall be in writing under the hand of the Governor or of the Crown Agents or one of them or any person authorised on their behalf or of the General Manager and shall either be delivered to or left for the Lessees at the office hereinbefore covenanted to be provided and maintained by them or at their registered office for the time being in England or at their principal or last known place of business in the Colony.

29. Except in cases (if any) in which these presents expressly provide to the contrary no failure or omission by the Lessees in the observance or performance of any of the stipulations agreements or conditions herein contained and on the part of the Lessees to be observed or performed shall give rise to any claim or demand against the Lessees or in any manner operate to the prejudice of the Lessees or be deemed a breach of any covenant or obligation on the part of the Lessees hereunder whether express or implied if it be shown to the reasonable satisfaction of the Governor that the default has arisen from *force majeure* that is to say any of the following causes namely: the act of God insurrection riots war strikes or combinations or lockouts of workmen not properly attributable to the improper acts or defaults of the Lessees or any other circumstances whether *ejusdem generis* with the foregoing circumstances or not which in the opinion of the Governor may be beyond the reasonable control of the Lessees And if and so often as anything which the Lessees hereby agree to do within any specified time shall be delayed by any such cause such specified time shall be proportionately extended.

30. (i) In case and so often as any dispute difference or question shall arise between the parties hereto or any Government Corporation Company or person claiming through or under them respectively or between any of such parties Governments Corporations Companies or persons concerning or relating to the subject matter of these presents or any part thereof or the construction meaning or effect of these presents or of any award made in pursuance hereof or any clause or thing contained herein or in any such award as aforesaid or the rights or liabilities of any party hereto or of any such Government Corporation Company or person as aforesaid hereunder or under any such award as aforesaid then (except in any case and as to any matter for which other provision is herein made) the subject of every such dispute difference or question shall in every case on the demand in writing of either party be referred to the arbitration and award of an umpire if the parties can agree to an umpire and in case they cannot so agree then of two arbitrators one to be appointed by each party to the reference, and an umpire to be appointed by the two arbitrators or if such two arbitrators fail for one month after their appointment to appoint an umpire by His Majesty's Secretary of State for the Colonies for the time being. The decision of such umpire or arbitrators as the case may be shall be final and without appeal and binding upon all parties. If either party to any dispute difference or question make default in appointing an arbitrator within three months after the other party has given him or them notice to appoint the same the party who has appointed an arbitrator may appoint that arbitrator to act as sole arbitrator in the

Provision for arbitration

reference and his award shall be final and binding upon all parties and all the provisions herein contained with reference to the proceedings of two arbitrators and an umpire shall *mutatis mutandis* be applicable to such sole arbitrator.

Arbitrators may  
make partial awards

(ii) The arbitrators and umpire shall have full power to make if they or he think fit several awards instead of one award and every such award though not on the whole matter shall be final so far as it extends and as if the matter awarded on were the whole matter referred.

May proceed  
ex parte

(iii) The arbitrators and umpire shall have full power to proceed in the absence of both or either of the parties after giving to both parties such notice as the arbitrators or umpire may think sufficient of their or his intention to proceed.

May inspect books  
and accounts and  
examine on oath

(iv) The arbitrators and umpire shall have full power to inspect the books documents and accounts of both parties to the reference or either of them and to examine on oath or affirmation or on statutory declaration in lieu of oath the officers agents servants and witnesses of the parties respectively.

And provide for  
costs

(v) The costs of the reference and award shall be in the discretion of the arbitrators and umpire and such costs may be awarded as between solicitor and client.

Marginal notes

31. The marginal notes hereto are for the sake of convenience only and shall not affect the interpretation or construction of these presents.

In witness whereof one of the Crown Agents has hereunto set his hand and seal and the Lessees have caused their common seal to be hereunto affixed the day and year first above written.

Signed Sealed and Delivered by  
one of  
the Crown Agents for the Colonies  
in the presence of

The Common Seal of the Magadi  
Soda Company Limited was here-  
unto affixed in the presence of

Directors.

Secretary.

69

- Mr. Allen
- Mr. E. V. Harding
- Sir C. Strachey
- Sir J. Shuckburgh
- Sir G. Grindale
- Sir C. Davis
- Sir S. Wilson
- Mr. Ormsby-Gore
- Lord Lovat
- Mr. ...



Sir,

13<sup>th</sup> Dec., 1927

Such ref. to my rel.

DRAFT

Kenya

No. 1022

Sao Paulo

66 of the 29<sup>th</sup> of this paper connected notes, I have etc. to u. to you a copy of notes, as noted on the accompanying schedule, showing the present position of the negotiations with regard to the leases in respect of the Magadi Soda Company in Kenya.

of the schedule

2. I would advise

with reference to your tel.

No. 297 of the 2nd of Sept., <sup>no. 38.</sup>

that the Seed Plan is

be attached to the Port

Lease, ~~in that so that~~

referred to in para. 7 (F)

of your despatch no. 8 of the

10th of January, was found <sup>no. 2.</sup>

on examination by the

Solicitors to be numbered

24328 & that no action has,

therefore, been taken regarding

the reference made to you

your tel.

I have etc..

(for the Secretary of State)  
(Signed) W. ORMSBY GORE.

Mr. Whitehead 9/21

Mr. Allen 8/7

Mr.

Mr. Bottomley

Mr. E. J. Harding

Sir J. Spycborough

Sir G. Grindle

Sir G. Davis

Sir S. White

Mr. Ormsby Gore

Lord Lovat

Mr. Amery

DRAFT Schedule

33

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52

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57

Date	Description
4th July	To the Magadi Soda Coy
4th Aug	From " (with enclosure)
25th Sept	To the Magadi Soda Coy
29th "	From "
6th Oct	To "
"	Messrs. Sutton, Gimmoney & Co. Ltd.
13th "	From the Magadi Soda Coy
26th "	To Messrs. Sutton, Gimmoney & Co. Ltd.
26th "	From " (with enclosure)
27th "	Messrs. Sutton, Gimmoney & Co. Ltd.
29th "	To the Magadi Soda Coy
5th Nov	"

OVER.

9th. 1927	From the Magadi Soda Coy.
18th. "	"
22nd. "	From
25th. "	"
2nd. Dec.	No

66. D. ...  
 65.  
 68.  
 67.

- Mr. Seel
- Mr. Allen
- Mr. E. J. Harding
- Sir C. Strachey
- Sir J. Shuckburgh
- Sir G. Grindle
- Sir C. Davis
- Sir S. Wilson
- Mr. Ormsby-Gore
- Lord ...
- Mr. ...

C. G.  
 R. SNOW  
 D. J. ...

10/110  
 67  
 Kenya

2 DEC 1927

Gentlemen,

**DRAFT**

The Magadi Soda Coy. Ltd.

copy to ... 130/1027

I am directed to ask the rest of your letter of the 22nd of Nov from which it is noted that you have approved the draft Deed of Surrender in respect of the former Magadi Soda Company's property in Kenya & that the drafts have been sent to the solicitors of the Liquidator & the Director of the former debenture holders.

2 cpls

2/11/27



The information asked for in

will regard to the second

and third paras. of your letter,  
is not available in this Department, but  
the Governor of Kenya has been

asked, by telegram, to send

by an early mail a statement  
<sup>amount & stamp,</sup>

showing the total duties payable  
and registration fees payable  
on the new Lake, Railway &

Port Leases respectively and, at

the same time, to indicate

what duties or fees, if any, &

remain to be paid in respect

of the former Company's Railway

contract of 1911 and <sup>the</sup> Port Lease

of 1911. A further letter on these

points will be sent to you

when the Governor's reply is

received.

Yours sincerely,  
[Signature]

The information asked for  
 with regard to the record  
 and third paras. of your letter  
 is not available in this Department, but  
 the Governor of Kenya has been  
 asked, by telegram, to send  
 by an early mail a statement  
 showing the total <sup>amount of stamp</sup> duties payable  
 and registration fees payable  
 on the new Lake, Railway &  
 Port Leases respectively and, at  
 the same time, to indicate  
 what duties or fees, if any,  
 remain to be paid in respect  
 of the former Company's Railway  
 Leases of 1911 and <sup>the</sup> Port Lease  
 of 1911. A further letter on these  
 points will be sent to you  
 when the Governor's reply is  
 received.

- Mr. Allenby
- Mr. Bottomley
- Mr. E. J. Harding
- Sir J. Shackburgh
- Sir G. Grindle
- Sir C. Davis
- Sir S. Wilson
- Mr. Ormsby-Gore
- Lord Lovat
- Mr. Amery

**DRAFT. Tel.**

Governor handle  
 Copy to  
 7/2/11

15  
 Kenya  
 No 2 on 15/2/11  
 15/2/11  
 your tel. int.

No. 56 on 10/11/10  
 9/2/11  
 has 40 339 Please send  
 by early mail statement  
 showing the total <sup>stamp</sup> duties  
 and registration fees  
 payable on (a) Lake  
 Lease (b) Railway Lease  
 (c) Port Lease; at the  
 same time indicating  
 what duties or fees, if  
 any, remain to be paid

in respect of  
of the old Railway

Contract of 1911 & the Port

Lease of 1919.

Sever.

TELEGRAMS: MAGADI, NORTHWICH.  
TELEPHONE: NORTHWICH 1.

WORKS: MAGADI, KENYA COLONY.  
KILINDINI " 20

# The Magadi Soda Company Limited.

DIRECTORS:-

THE RT. HON. SIR ALFRED MOND, BT., M.P. (CHAIRMAN)

W. B. HOUSTON.

H. F. MARRIOTT.

J. G. NICHOLSON.

SIR E. K. ALLEN, C.B.E.

A. R. GREGORY.

D. MARSH.

L. COLLETT.

OUR REFERENCE O.F. M10

YOUR REFERENCE 10110/27

Winnington.

Northwich.

ENGLAND.

22nd November 1927

RECEIVED  
23 NOV 1927  
COL. OFFICE

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

*30*  
*1 copy*

Dear Sir,

We are obliged for your letter of the 18th November. With regard to the concluding sentence thereof, the draft Surrenders have been approved by us, but as the Liquidator and the Trustees for the former debenture-holders are parties to the documents, it has been necessary to send the drafts to their respective Solicitors for approval.

We note meanwhile your remarks in paragraph 2 of your letter to the effect that the Governor, while reporting that the maximum duty upon each Deed of Surrender will be 20/-, did not make any statement as to the duties which will be payable on the actual leases when these are registered in the Colony. At this stage we feel we should ascertain our precise liability for stamp duties and registration fees, and we should be greatly obliged if you could inform us of the total amounts of stamp duties

*Copy to Osborn 9/12/27*  
*Copy to Osborn 2 DEC 1927*  
*Copy to Osborn 10 DEC 1927*

and registration fees on (a) the new Lease of the Lake property, (b) the new Port Lease, and (c) the new Railway Lease. In this connection we have in mind the statement in paragraph 1 of your letter of the 8th November which indicates that before the new grants can issue "all the existing title deeds in respect of all the properties concerned must ~~be~~ stamped and registered in the Colony before the Deeds of Surrender can be registered". We find that the old Lease of the Lake was duly registered in the Colony, and that stamp duty amounting to 1875/- and 35/- registration fees were paid in respect thereof. Of the Port Lease we have only a copy, the original probably being with the Liquidator or the Trustees for the Debenture-holders, and the copy does not show whether the deed was duly stamped and registered. Apparently the position with regard to the Railway was dealt with by a Contract, which was stamped in this country but, so far as we are aware, was not registered in the Colony.

We should be greatly obliged therefore if in addition to the information asked for in the second paragraph of this letter, you would inform us whether any duties or fees remain to be paid on the old Port Lease and the Rail way Contract, and if so their amount. With these figures before us, and bearing in mind the 20/- duty on the Surrenders of the Lake, Railway, Port and Kajiado properties, we shall be able to calculate our total liability.

Yours faithfully,  
For The Magadi Soda Company, Limited.

*J. B. S. J.*

60183

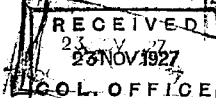
SUTTON, OSMANNEY & OLIVER,  
E.G. OLIVER,  
M.M. OSMANNEY,  
TELEGRAPHIC ADDRESS: "OSMANNEY, LONDON"  
TELEPHONE: NO. 1259 } LONDON WALL.  
NO. 9316 }

3 & 4, GREAT WINCHESTER STREET,  
LONDON, E.C.2.

10110/27

22nd November 1927.

Sir,



Magadi Soda Company Limited.

*Mo 62*  
We beg to acknowledge receipt of your letter of 18th November on the subject of the arrangements with the Magadi Soda Company Ltd.

We note that the Company has now waived its objections to the execution of Deeds of Surrender in respect of the old Magadi Soda Company's properties in Kenya. In this connection we have to inform you that we sent to the Company draft Deeds of Surrender of the old Port-Lease and of the property known as L.O.1833/1 and 2 for approval on 28th October last. We have not yet received any reply from the Company regarding these documents.

We understand that the Company has already approved the draft Deed of Surrender of the Lake and Railway Leases.

The Under Secretary of State,  
Colonial Office.

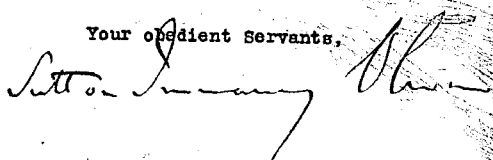
We note the instructions contained in paragraph 2 of your letter, and will see that the amendments to the Railway Lease indicated in your letter of 29th October are incorporated in the engrossment of the Railway Lease.

We will write to you again directly we hear that the draft Deeds of Surrender have been approved by the Company.

We have the honour to be,

Sir,

Your obedient Servants,



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

63  
30

Mr. Seel 12/11

Mr. [unclear]

Mr. [unclear]

Downing Street,

18 November, 1927.

Mr. E. J. Harding.

Mr. J. Strachey.

Sir J. Shuckburgh.

Sir G. Grindle.

Sir C. Davis.

Sir S. Wilson.

Mr. Ormsby-Gore.

Lord Lovat.

Mr. Amery.

Gentlemen,

With reference to the

(No. 44)

letter from this Dept. of the 6th of October, I am to transmit to you

for your information, the accompany

ing copy of a letter <sup>addressed</sup> to the Magadi

Soda Company dated the 29th of

October, setting out certain amend-

ments to the proposed lease of the

Lake Magadi <sup>Railway</sup> which have been sug-

gested by the Governor of Kenya.

2. These amendments have

now been accepted by the Magadi

**DRAFT.** for consen.

The C.As. for the Colonies.

To M. S. Coy. 29th Oct.  
(No 55)

(3 drafts)

Soda



Soda Company, and Messrs. Sutton,  
Ozmanney and Oliver have been in-  
sulted to incorporate them in the  
Railway lease when embodied for  
execution.

Law, etc.,

(Signed) R. A. WISEMAN;

X.10110/1927 Kenya

6231

12/11  
Mr. Allen  
Mr. Bushe

Downing Street,

November, 1927.

also  
advise no 64  
Aust 15823/1/28

Mr. E. J. Harding  
Sir C. Strachey  
Sir J. Shackburgh  
Sir G. Grindall  
Sir C. Davis  
Sir S. Wilson  
Mr. Ormsby-Gore  
Lord Lovat  
Mr. Amery

C. O.  
R 10 NOV  
D 1

(No. 58)

Gentlemen,

With reference to the

letter from this Dept. of the 8th of  
November, I am directed to transmit  
to you, for your information, the  
accompanying copy of further corres-  
pondence with the Magadi Soda Coy.  
from which it will be observed that  
the Company have waived their  
objections to the execution of Deeds  
of Surrender in respect of the  
former Magadi Soda Company's pro-  
perty in Kenya.

**DRAFT.** For conson.

Messrs. Sutton, Ozmanney and  
Oliver.

From Magadi Soda Coy. 9. 11. 27  
To Magadi Soda Coy (Mherunkh)  
18 NOV 1927

2. In accordance with par. 2

of the Company's letter of the 9th  
of November, the amendments to the  
Railway lease indicated in the  
letter from this Dept. of the 29th  
of October should be incorporated

(3 drafts)

in

C.D.  
19 NOV  
Downing Street

6131

18 November 1927

Mr. Seel 12/11

Allen 16

Mr. B. 15

Mr. E. J. Harding.

Sir C. Strachey.

Sir J. Shuckburgh.

Sir G. Grindle.

Sir C. Davis.

Sir S. Wilson.

Mr. Ormsby-Gore.

Lord L...

Mr. Amery.

Gentlemen,

I am directed to acknowledge the receipt of your letter of the 9th of November, from which it is noted that you are prepared to waive your objections to the execution of the Deeds of Surrender in respect of the former Magadi Soda Company's property in Kenya.

2. The S. of S. notes that you understand that, by doing so, you will not be liable for any but purely nominal stamp duties, but he thinks it desirable to make it clear, in connection with this part of your letter, that the Governor's statement, which was repeated in the letter from this Dept. of the 8th November that no ad valorem duty will be payable on

**DRAFT.** for conson

The Magadi Soda Coy., Ltd.

Sluck 18 NOV 1927

Copy to Sutton, Ommamway  
For 10 x 2 13 DEC 1927

(3 drafts)

(57)

in the Railway lease when engrossed

for execution.

3. You will no doubt inform this Dept. in due course when the terms of the Deeds of Surrender have been settled between yourselves and the Company.

I am, etc.,

(Signed) R. A. WISEMAN.

of the Deeds of Surrender, and the maximum  
sum payable upon each such Deed will be  
*twenty shillings,*  
~~not~~ referred to the Deeds of Surrender only,  
and that the Governor did not make any state-  
ment as to ~~any~~ <sup>the</sup> duties which ~~would~~ <sup>will</sup> be payable  
~~upon~~ <sup>related</sup> ~~the~~ <sup>when these are</sup> leases, which are to be registered  
in the Colony.

It is also noted that you accept  
the conditions of the Railway lease suggested  
in a letter from this Dept. of the 29th of (No. 55)  
October, and that you are proceeding to  
approve draft Deeds of Surrender submitted  
by Messrs. Nelson, O'Rourke and Oliver, and  
The S. of N. will now await <sup>a notification</sup> ~~the confirmation~~  
by the Solicitor that the terms of these Deeds  
of Surrender are settled.

(Signed) R. A. WISEMAN:

TELEGRAMS, MAGADI, NORTHWICH.  
TELEPHONE, NORTHWICH, I.

WORKS: MAGADI, KENYA COLONY  
KILINDINI " "

50  
33

# The Magadi Soda Company Limited

Winnington,

Northwich,

ENGLAND.

5th Nov. 1927.

DIRECTORS:-

- BY: HON. SIR ALFRED MOND, BT, M.P. (CHAIRMAN)
- ARTHUR COOPER, A.S. GREGORY
- B. BROUSTON.
- H.F. MARRIOTT.
- J.G. NICHOLSON. OUR REFERENCE
- SIR E. K. ALLEN, C.B.E.
- D. MARSH. YOUR REFERENCE
- LT.-COL. G. P. POLLITT, D.S.O.

1110/27

RECEIVED  
-7 NOV 1927  
COL. OFFICE

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

Dear Sir,

We thank you for your letters of the 26th and 29th October, from which we note that you are in communication by telegram with the Governor regarding the suggestion made in our letter of the 13th October. The Solicitors to the Official Receiver have been approached with a view to expediting the dissolution of the former Magadi Soda Company, and they have promised to take immediate steps for the purpose of obtaining the discharge of the Official Receiver.

We regret we are unable to let you know the date by which it is expected that the winding up will be completed, an application to Court being involved. Probably the winding up will take some three or four months longer.

Referring to your letter of the 9th October, we are in communication by cable with our local Manager regarding the

No. 48

No. 44

No. 55

No. 55

FROM THE MAGADI SODA CO., LIMITED. CONTINUATION SHEET No. 1.

34  
END

suggested amendment to Clause 10 (B) and Clause 10 (C)(i) of the draft Railway Lease, and we will write you further on receiving his reply.

Yours faithfully,  
for The Magadi Soda Company Limited.

*Quiberty*