

1925

172B

KENYA

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DATE

13th July 1925.

RE^{CD}
R. 14 JUL 25

GUTTON OMMANNEY AND
OLIVER.

IN CIRCULATION -

Mr. *Dudge*
Mr. *Bottomley*

MAGADI SODA CO.

Asst. U.S. of S.

State that the Company apparently desire further discussion regarding leases. Request instructions as to terms of reply to Company's enquiry regarding interest on freight charges not paid in advance, covered by draft Railway Lease.

Perm U.S. of S.

Part U.S. of S.

Secretary of State.

Previous Paper

Doc 31330

MINUTES

The memorandum is on 23752/221 at the very bottom of the bundle. For the Railway lease (Clause 12) see immediately below.

The Coy's amendments are in red; the Secy's reply in green.

I agree with the Coy that

(1) payment in advance and carrying on a guaranteed ledger account are alternatives

(2) "due date of payment" in the memo. appears to mean

(a) the date ^{when} of payment in advance becomes due, or, if the other alternative is adopted,

(b) the date when the ledger is normally settled up.

Subsequent Paper

M.I. 32197

21 JUL 1925
copy comes to Gov. Secy 25 JUL 1925

But I was not present at the discussion

of the memorandum.

Clause 12 might be altered ^{to read} as follows:-

12 All freight charges shall be payable to the Uganda Railway Administration in advance and any freight charge not paid in advance shall carry interest until from and after the day on which the same should have been so paid in advance 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.

Provided that if the terms so ^{not be paid in advance but shall} ~~denied~~ freight charges shall be carried to a ledger account which shall be secured by guarantees to the satisfaction of the Crown Agents and in such case all freight charges not paid upon the customary date of ~~such~~ ^{payment of such} ~~payment~~ ^{per such date} account shall carry interest 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.

In form the Sol^{on}. accordingly,
copy of cons^o. to go to O.K. L.F.

SJ
16.7.25

of the memorandum.

Clause 12 might be altered ^{to read} as follows:-

12. All freight charges shall be payable to the Uganda Railway Administration in advance and any freight charge not paid in advance shall carry interest until from and after the day on which the same should have been so paid in advance 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.

Provided that if the terms so ^{not be paid in advance but shall} ~~denies~~ freight charges shall be carried to a ledger account which shall be secured by guarantees to the satisfaction of the Crown Agents and in such case all freight charges not paid upon the customary date of ~~such~~ payment of such ^{from such date} account shall carry interest 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.

Inform the Sol^r accordingly,
copy of cover v. 1070 to OAG. LF.

8/1
16725

-2-

Company Limited as to which we shall be glad to have your instructions as soon as possible.

We have the honour to be,

Sir,

Your obedient Servants

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

20

EXTRACT

10th July 1928

Messrs. Saiton Gormanney & Oliver,
Solicitors
3 & 4, Great Winchester Street,
London, E.C.2

Dear Sirs,

Kenya Colony
Crown Agents for the Colonies and Ourselves.

Leases.

.....

When we discussed clause 9 of the Memorandum relating to the Railway Lease at the Colonial Office we were certainly under the impression that "the due date of payment" therein mentioned meant, in the case of a guaranteed ledger account, "date of payment customary in connection with ledger accounts" and we contend that is what the words of the Memorandum do mean. The carrying to a ledger account on guarantee is made clearly and completely alternative to payment in advance and "the due date of payment" can only be "the date of payment in advance" if the alternative is not adopted. If it is adopted "the due date" means the customary date for payment of ledger accounts.

On consideration we think our amendment did not entirely secure your clients position in the case of the

SUTTON, OSMANNEY & OLIVER.
E. O. OLIVER.
H. M. OSMANNEY.

TELEGRAPHIC ADDRESS: "OSMANNEY, LONDON"

TELEPHONE: NO 1222 } LONDON WALL.
NO 2212 }

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

RECEIVED
23 JUL 1925
COL OFFICE

22nd July 1925.

51987/25

Sir,

Magnal Soda Co. Ltd.

We beg to acknowledge receipt of your letter of the 11st
inst which will receive our attention.

We have the honour to be,

Sir,

Your obedient servants,

[Handwritten signature]

*20/11/25
relief office
R. J.*

The Under Secretary of State,
Colonial Office,

S.W.1.

*SRECA
YES
C. S.*

Seel 20/7/25

B. Stanley 20/7/25

~~Allen~~~~2nd~~

N.C. 5195/25 Kewra

Tracy

Shuckburgh.

Davis.

Grindle.

Masterion Smith.

Hampby Gore.

The Ansty.

S4^e 21 July 1925DRAFT.

Gen Sutton.

Chinamsey, Blunier.

Copy to Gen. 611 - 25 JUL 1925

Gentlemen

I am able to ack. the receipt of your letter of the 15th of July, for which he asks that the Nagadi Soda Coy. Ltd. desire to have further discussion with this Deptⁿ regarding the draft leases of the property in Kewra of the former Nagadi Soda Coy.

2. With regard to the

Enclosed

question of ^{interest} freight charges on
freight charges not paid in
advance, as to which provision
is made in para 12 of the
draft lease of the ^{Railway} ~~Co.~~ ^{Co.}
The American views with the view
of the Company that the due
date of payment referred to in the
Recorandum of Agreement with
Messrs. Pullman, Port and Co.,
Ltd. meant, in the case of a
guaranteed ledger account, the
date of payment of customary in
connection with ledger accounts;
and I ^{I am to request you} ~~request you~~ ^{request}
to arrange for the amendment
of Clause 12 of the draft Railway
lease ~~in~~ in accordance with his view.

(Signed) W. O. RYTON