

108

In your letter of the 19th May, 1966 you considered the management fee to be on the high side, we agree with the view expressed in the last paragraph of your letter, viz. that it will be difficult to raise any serious objection to this, particularly since costs have undoubtedly risen in the meantime. We can in any case reconsider the whole agreement after a year as Southern Lines have agreed that the contract should be open to renegotiation after 12 months; this proviso has been made as the running of the vessel is a new venture, and it will give us a chance to think again should unforeseen problems arise.

5. As previously explained the vessel is expected to be ready for delivery very shortly, and as we have in mind to ask Southern Lines to arrange delivery, with possibly a cargo for East Africa, we should be most grateful if you would examine the draft. Subject to your assurance that this is in an acceptable form we will then telegraph the Commissioner to enable him to complete the formalities in sufficient time to allow Southern Lines to send a crew to Elmsborn to take over the vessel immediately it is ready to sail.

Our own legal adviser has no comments to make on the substance of the draft but he has queried the attestation clause at the end "In Witness etc.". This is different from the draft supplied by you, and we are an English Company, although it may be correct under Seychelles law. We shall draw the attention of the Commissioner to this point.

*advised that it is
not correct for*

(C. A. SEMER)