

1906, which you claim are involved in the panoramic sight, I am commanded by the Army Council to acquaint you that they consider the royalties suggested by you are excessive.

They desire me to point out that they are of opinion that there can be no valid claim in respect of Patent No. 20321/02.

The Army Council are, however, prepared to order the payment of royalty on sights and carriers obtained from sources other than your company for use by His Majesty's Government, including the Governments of India and the colonies, at the following rates, and subject to the following conditions:—

			Per Sight covered by 15150/02.			Carrier covered by 15323/06.		
			£	s.	d.	s.	d.	
(1.)	On the first 500, royalty at the rate of	3	15	0	15	0
	„ second 500	„	...	2	18	0	12	0
	„ third 500	„	...	2	1	6	8	6
	„ fourth 500	„	...	1	5	0	5	0

(2.) The use of the sights and carriers to be free of all royalty after a total of 2,000 sights and carriers have been obtained for the use of His Majesty's Government, including the Governments of India and the colonies, the payment of royalty to cease at the date of expiry of the Patents Nos. 15150 of 1902 and 15323 of 1906 respectively, or at any time if either of those patents be revoked or found invalid, or their use be discontinued, whichever shall first occur.

(3.) That the payment of royalty at the above-mentioned rates is accepted by you in full satisfaction of your claim.

(4.) That your company allows the adoption of any improvements which it may make in the sight and carrier free of additional royalty.

(5.) That an indemnity be given by your company against claims from any other person or persons in connection with the sight and carrier.

(6.) That the payment of royalty as above mentioned will be made without prejudice to the question of the validity of Patent No. 15150 of 1902, or of any of the other patents which you claim cover the sight or carrier, and without prejudice to the rights of the Crown, including any department of the Government, to raise this question at any time.

On receipt of your notification of acceptance of the above proposals payment will be made accordingly.

I am, &c.,

E. W. D. WARD.

Messrs. C. P. Goerz, Optical Works (Limited), 1 to 6 Holborn Circus, E.C.

GENTLEMEN,—

31st July, 1911.

In reply to your letter of the 6th March, 1911, regarding the amount of royalty to be paid for the use of patents covering the panoramic sight, I am commanded by the Army Council to acquaint you that the question has been again under consideration, and they are prepared to order the payment to you of royalty at the following revised rates, viz.: £5 (five pounds) per sight on the first 2,000 sights covered by Patent No. 15150/02 obtained from sources other than your company; 12s. (twelve shillings) per carrier on the first 2,000 carriers covered by Patent No. 15323/06 obtained from sources other than your company.

This offer is made subject to the conditions of paragraphs 2, 3, 4, 5, and 6 of this office letter dated 22nd December, 1910, with the exception that the Indian and Colonial Governments are not specifically included; but it must be understood that those Governments have the option of participating in the agreement should they so desire.

On receipt of your notification of acceptance of these terms payment will be made accordingly.

I am, &c.,

R. H. BRADE.

Messrs. C. P. Goerz, Optical Works (Limited), 1 to 6 Holborn Circus, E.C.

No. 123.

New Zealand, No. 370.

MY LORD,—

Downing Street, 26th October, 1911.

I have the honour to transmit to you, for the information of your Ministers, the accompanying copies of a new rule respecting decked lifeboats as life-saving appliances on ships, which the Board of Trade have made under the provisions of section 427 of the Merchant Shipping Act of 1894, together with copies of circular instructions which have been issued to the surveyors of the Board of Trade on this subject.

I have, &c.,

L. HARCOURT.

Governor the Right Hon. Lord Islington, K.C.M.G., D.S.O., &c