363 A'

This agreement entered into on the
day of September 1874 by and between
the Imperial Government of the Empire
of Japan of the first part: and Messrs
Hudson Malcolm the Merchants of
Yokohama in Japan, and Messrs
Malcolm Hudson the Merchants of
London in the United Kingdom of
Great Britain and Ireland: each of
said firms acting for and on behalf
of and as agents of Messrs J and W.
Dudgeon Shipbuilders of Poplar and
London also of the United Kingdom of
Great Britain and Ireland of the second
part: Witnesseth:-

First: That the
parties of the second part agree to sell
and deliver to the Imperial Government
of Japan that certain Iron Clad Turret
Ship, inspected by Hon. Kawamoora and
his party in the month of August 1873;
then and now in Course of Construction
by the said J and W. Dudgeon at
and known as the" "
according to plans and details Exhibited
and furnished to Hon. Kawamoora by the
said builders; and as per Telegraphic
advices under dates. 20th August Yoko-
hama 22d August London 26th August
and London 2d September 1874. Yokohama

copies of each and all which are hereto attached. The said ships is to be fully Equipped and ready for sea at the latest during the month of February 1875 but every possible Exertion will be made by the parties of the second part to complete and deliver her to the purchasers sooner if possible and at the Earliest possible moment. By the term "fully Equipped" is understood and meant that said ships is to be supplied with every detail necessary to her class and in accordance with the specifications attached to the Contract Entered into by the Builders with the Brazilian Government and copies of which were Exhibited to the Kawamodra

The said Ships when fully Completed and Equipped as aforesaid will be delivered by the said parties of the second part to the agent of the Imperial Government of Japan to be designated by the Kawamodra at

Second: The Imperial Government of Japan agrees to pay to the said parties of the second part the sum of Five hundred and fifty thousand pound Sterling (£ 550,000) and as commission the further amount of two and one half percent thereon

to the said agents Messrs Hudson Malcolm & Co to wit the sum of thirteen thousand seven hundred and fifty pound Sterling (£ 13,750) in the aggregate amounting to the sum of five hundred and sixty three thousand seven hundred and fifty pound sterling (£ 563,750)

Third: The receipt of the Equivalent of the sum of twenty thousand pound sterling (£ 20000) is hereby acknowledged by the parties of the second part as Earnest money and the balance to wit five hundred and forty three thousand seven hundred and fifty pound sterling (£ 543,750) is declared to be due in Cash within a period of one month from the date of this agreement that is to say on the day of October 187x.

Fourth: The said Messrs Hudson Malcolm & Co are to advise by telegraph their London firm aforesaid of this agreement as per Copy of telegram hereto attached dated and on the receipt of a reply ratifying this Contract the mode and date of payment are to be settled on the following basis to wit: That of the said balance of five hundred and forty three thousand seven hundred and fifty pound sterling (£ 543,750) any portion thereof remaining unpaid on the said day of October 187x shall bear

without at the rate of one per cent
over and above the rate (rising and falling)
of the Bank of England until the whole
of such amount is paid.

Fifth: The said parties of the second
part agree that if by reason of
the action or interference of the British
Government they are prevented from
carrying out this agreement and
fail to deliver the said ships to the agents
of the Empire Government of Japan at
the time and in the manner provided for
by this agreement that they will forfeit
and pay unto the said party of the first
part the sum of

1 The Ship fully Equipped to be delivered by owners to the agent of the Jap. Govt. at port of Nagasaki in Jap. or as near thereto as is practicable at ~~date~~ latest during the month April 1875 Whether the Empire of Jap be ten at peace or war.

2 By fully Equipped is meant that said ship is to be supplyed with Every detail necessary to ~~be~~ her class & in accordance with the Specification attached to the Contract heretofor made with Brazilian Govt.

3 The Ship upon completion & Equipment will befor sailing for London be inspected ~~by~~ and Examened by a Naval Engineer to be designed by Govt. of Jap. and upon this approval be deemed to be Constructed & Equipped according to this Contract. The owners Guarantee that the delivery of the vessel shall not be delayed or prevents by the action of the British Government Either within the waters of ~~Great~~ Britain or on the high Sea. But the Japs Govt. deam the risk of the voyage from Coasts of the Sea

4 If it be that by owners to be advisable to reason more prompt and Safe delivery of the Ship that her Equipment be Sent ~~Sent~~ for another Ship to be placed on board by the owners at said port Nagasaki that may be done provided that the delivery of ship be within the time agreed.

5 The owners will show that Messrs N & M & Co are fully and Completely authorizes and empowered to act on their behalf and to ~~bind~~ them

them one and all in this Contract of sale of ~~ship~~ the Ship-

6 In consideration H. J. M.'s Govt. will pay upon Execution of contract to Messrs N M & Co.- £ 20.000.- as Earnest Money Half the balance £ 271875 to be paid 30 days from date of Contract 1/4 balance £ 135.937-10 in 60 days and the remainder or £ 135.937-10 upon the final delivery of Ship at Nagasaki- The latter amount £ 135.937 shall draw interest from date of approval of Ship by the Naval Engineer affected by Jap. Govt until date of payment in London at rate of 1% above the rate (rising & falling) of B of E -

7 If the owners fail to perform the Contract at the time at the place and in the Manner provided & agreed upon this Contract shall be void and the owners shall pay over to N.Y.K.'s Govt the full amount of all sums advanced & paid on this Contract up to the time fixed upon for the delivery of the ship with interest thereon at the rate of 1% / 1 Cent above the rate (rising & falling) of the B of E

8 Should it be determine by the Jap. Minister in London to Employ additional labour in order to hasten the Completion of the Ship the owners are bound to Employ such labour under the instruction of said Minister such additional cost as is so Entailed to be defrayed by the Jap Govt.

363
A"

The following offer made on behalf of the Japanese government of Japan by H E Kawamura Vice Minister of Naval depart. to Messrs Knudson Marleen and Company as agents for the owners of a certain iron clad ship now lying in the harbor England & inspected by said Kawamura in August 1878 is to be transmitted by Messrs K & Co Company by telegraph to the owners in London: and provided said owners accept the same the H I Japs Govt are hereby pledged to purchase the ship on these terms. K the offer is as follow

363 B

It is hereby mutually agreed between the Imperial government of Japan of the first part, and Hodson Malcolm and co. of Yokohama in the Empire of Japan, and Messers Malcolm Hodson and co. of London in the United Kingdom of Great Britain & Ireland both firms not only for themselves but adding as agents of Messers I. & W. Dugdeon Shipbuilders of Poplar and London also of the United Kingdom:-

1st

That the Imperial government of Japan agrees to buy, and the parties of the second part agree to sell an Iron clad Turret ship inspected by Mr Kawamura's party in August 1878. Now in course of construction by Messrs I. & W. Dugdeon according to plans and other detail furnished to Mr Kawamura by the builders and as per Telegraphic advices herewith under date 20th August. Yokohama, 22nd august. London 26th August London, and 2nd September Yokohama

2.

The Ship is to be fully equipped ready for sea, at latest during February 1879 but every possible exertion is to be made to complete and deliver her over at the earliest possible moment.

Fully equipped is understood to mean that the ship is to be supplied with

attached

with every detail necessary to her class and in accordance with the specifications attached to contract with the Brazilian Government. As purchase money for said ship the Imperial govt of Japan agree to pay to the parties of the second part the sum of Five hundred and fifty thousand pounds sterling (£550.000). and as commission at two and half per cent. Messers Hodson Malcolm & Co. the sum of (£13.750) Thirteen thousand seven hundred and fifty pounds in all the equivalent of £563.750. five hundred and sixty three thousand seven hundred and fifty pounds sterling.

The receipt of the equivalent of £20,000 (Twenty thousand pounds) of the second part, as earnest money, the balance say £543,750. (five hundred and forty three thousand seven hundred and fifty pounds sterling) is declared to be due cash within a month from this date say 2nd Oct. 1874.

Messers Hodson Malcolm & Co are to advice by telegram, their London firm of this agreement as per copy of telegram attached, and on receipt of the reply satisfying this contract, the modes and dates of payment are to be settled, on the basis that of the balance of £543,000. any portion remaining unpaid on the 2nd October 1874

1874 shall bear interest at the rate of one per cent over Bank of England rate, rising & falling until the whole amount is paid.

Hereby acknowledged by the parties

Memo of Telegram to be sent to
Malcolm Hudson & Co. London for
a/c of the Japanese Govt. Naval Department.

Private & Confidential

Your telegram of 22nd. received 28 August.
Telegram of 26th Aug. rec'd. first Sept.
In accordance with these we have today
concluded sale of an Ironclad to the
Japanese Govt. for their a/c £550.000, they
paying Commission at 2½ %. £20.000
payable on the 2nd Sept. Further " £11.825
will be paid in a month after receipt of
your telegram stating that the Contract has
been settled with Dudgeon. The balance
remaining in a reasonable time. ~~Be~~ You
must prevent the ship being sold to any
one else, as we have sold her for £550.000.
Chinese must not buy. Most essential
to get earliest delivery. War is imminent
Ship must be finished in every detail
according to contract with Brazilian
Government Reply by telegraph the
number of big guns, light guns, pattern, weight
and weight of shot;- Horse power;- description
of Engines, speed, earliest possible date of
delivery if work is pushed. Send by mail
exact copy of original specifications & plans.
Telegraph fully contract. Answer in
detail at Govt expense. Cash payments
depend on your reply. Call upon Japanese

Minister who is instructed to act with you to protect Government, but as it is secret and confidential you are hereby authorized to inform him Government has not Bolton's code. Give Japanese Minister one sending two here. The object is for Government to obtain possession and earliest delivery, and they paying as they are secure. Use every ~~exertions~~ to effect the object in view. Request ~~Desire~~ Japanese Minister telegraph fully every feature especially settlement of first contract.

+2 Do not publish the Japanese Government as buyers, but help it in Brazilian Govt, name.

* On condition that the name of the purchaser is not to transpire +2

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3
4

Memo. of Telegram to be
sent to Malcolm Hodson
and Co. London for account
of the Japanese Government
Naval Department.

Private and Confidential.

Your Telegram of 22nd
received 28th angust.

Telegram of 26th August,
received first September.

In accordance with these
We have today concluded sale
of an Iron clad to the Japanese
Government on condition that
the name of the purchaser is
not to transpire for their a/c
£ 500,000, they paying commis-
sion at 2½ %. £ 20,000 payable
on the 2nd September.

Further

Further, 261,825 will be paid in a month after receipt of your Telegram stating that the contract has been settled with Dudgeon. The balance remaining in a reasonable time. You must prevent the ship being sold to any one else, as we have sold her for £550,000. Chinese must not buy. most essential to get earliest delivery. War is imminent ship must be furnished in every detail according to contract with Brazilian Government.

Reply by telegraph the number of big guns, light guns, pattern, weight and weight of shot; horse power; description of Engines, speed, earliest possible date of delivery if work is pushed.

Send by mail exact copy of original specifications and plans. Telegraph fully contract. Answer in detail at government expense Cash payments depend on your reply.

Call upon Japanese Minister who is instructed to act with you to protect govt. but as it is secret and confidential ..... you are hereby authorized to inform him government has not Bolton's Code. Give Japanese Minister one sending two here— The object is for government

to

to obtain possession and
earliest delivery, and they
paying as they are secure.
Use every exertion to effect
the object in view. Request
Japanese Minister telegraph
fully every feature especially
settlement of first contract.

HUDSON, MALCOLM AND CO., YOKOHAMA, JAPAN.
MALCOLM HUDSON AND CO., 5, CROSBY SQ.RE LONDON, E.C.

383
B 41

Yokohama 187

It is hereby Mutually agreed between the Imperial Government of Japan of the first part, and Hudson Malcolm & Co. of Yokohama in the Empire of Japan, and Messrs. Malcolm Hudson & Co. of London. in the United Kingdom of Great Britain & Ireland, both firms acting as agents of Messrs. J. & W. Hodgson shipbuilders of Poplar & London also of the United Kingdom. —

1st That the Imperial Government of Japan agrees to buy, and the parties of the second part agree to sell. one Iron Clad Turret ship inspected by Mr. Rawlinson in part in August 1873, now in course of construction by Messrs. J. & W. Hodgson, according to plans and other detail furnished to Mr. Rawlinson by the builders and as per Telegraphic advices herewith under date 20th Augt. Yokohama, 22nd Augt. London 26th Augt. London. and 2nd Sept. Yokohama —

363 c

HUDSON, MALCOLM AND CO., YOKOHAMA, JAPAN

MALCOLM, HUDSON AND CO., 5, CHOSHY SQRE, LONDON, E.C.

Memo

Yokohama 1st Septr 1874

During the visit of Mr Kawamoora to England last year (Augt 1873) Septs Malcolm Hudson & Co introduced him to the firm of Septs J. & W. Hodgson, who were engaged in building a vessel of war for the Brazilian Government: —

Mr Kawamoora and party, with the assistance of Mr Reed Manager of the Yard inspected the ship and received detail particulars and plans of the vessel.—

Mr Kawamoora and party duly returned to Japan.—

The Japanese expedition to Formosa and the position generally of Japan in its relations with China, suggested that Mr Kawamoora's inspection of the vessel before mentioned, and his possession of plans and other detail concerning her would prove of value to the Imperial Government, therefore in accordance with a special invitation from Mr Kawamoora on the 19th August the writer

HUDSON, MALCOLM and Co.—YOKOHAMA, JAPAN.

MALCOLM, HUDSON and Co., 5, CROSBY Sqre LONDON, E.C.

Memo

Yokohama 187

Mr. Hudson waited upon Mr. Kawamoora at the Admiralty at 10.30 on the 20th.

At that interview Mr. Hudson received Mr. Kawamoora's verbal authority to telegraph to London with the object of publishing the Vessel.

A telegram as per copy hereunto was accordingly sent

Owing to a severe Typhoon immediately after the despatch of the Message Telegraphic communication with Nagasaki has been closed to the public up to the time of writing. Concerning this Mr. Hudson advised Mr. Kawamoora (on the as per copy of letter hereunto) and which accounts for our only receiving on the 28th inst: a reply (copy of Telegram enclosed) dated London 26th inst.

This latter date shows the promptness of our London Firm, and is a confirmation of their advice "that prompt steps must be taken, on receipt of this reply on

HUDSON, MALCOLM and Co.—YOKOHAMA, JAPAN.
MALCOLM, HUDSON and Co., 5, CROSBY SQre LONDON, E.C.

Memo

Yokohama 187

the evening of the 28th Mr. Hudson at once telegraphed to Mr. Kawamoora that he would wait upon him at 10.30 the following morning 29th.

Mr. Kawamoora and Mr. Hudson duly met when Mr. Hudson handed copy of telegram sent to London, and copy of reply stating price.-

This interview was adjourned till 6 p.m. the same day, when Mr. Hudson and Mr. Kawamoora again met by appointment: it was then verbally decided that the Japanese government would take the vessel, and an appointment was made for Mr. Hudson to meet Mr. Okuma & Mr. Kawamoora at 2 p.m. on 30th inst.

Mr. Hudson accompanied by Mr. Hyde of our firm duly met Mr. Kawamoora & Mr. Okuma at the house of the latter when it was agreed that the Japanese government should purchase the vessel paying £550000, and two and a half comm. on this amount to us

Memo

Yokohama 187

day in all £563750. Twenty per cent of this sum to be paid to us on signing of Contract.— Thirty per cent within One Month.— The remaining 50% within a reasonable time date to be hereafter settled such amount to bear interest at One per cent above Bank of England rate, (rising & falling) from One Month after date of signing of Contract until paid.—

It is understood that throughout these negotiations Mr Okuma is acting in his official capacity as Minister of Finance. and Mr Kawamoora as the Chief of the Admiralty of the Japanese government—

Mr Hudson represents his firm acting as agents for Messrs J & W Hudgson the Shipbuilders & Mr Rae as partner in our Firm —

On this basis (as stated in the foregoing) it was agreed that our Meeting should be adjourned until

HUDSON, MALCOLM and CO.—YOKOHAMA, JAPAN.
MALCOLM, HUDSON and CO., 5, CROSBY SQre LONDON, E.C.

5

Memo

Yokohama 187

Until 2. p m On the 1st Sept.r when a final Contract would be concluded

Whilst writing this at 11. a m. a telegram from London dated 26th Aug.t has arrived, reading in our last telegram instead of "for" read "four"

HUDSON, MALCOLM and Co., YOKOHAMA, JAPAN.

MALCOLM HUDSON and Co., 5, CROSBY SQre LONDON E.C.

At Mr Okumas
1st Sept 1874

Present: Mr Kawakmoora
& other officers.
Mr Hudson
Mr Ryde.

Memo of discussion

Yokohama 187

We the undersigned as Agents for Messrs J & W. Hudgeon of London agree to sell and the Japanese Government agree to buy the Iron Clad inspected by Mr Kawakmoora when in England last year, fully equipped and ready for sea according to telegrams

That One hundred thousand pounds is to be paid immediately the remainder to be paid in London by the Japanese Minister. It is agreed that 50% of the whole sum is to be paid within one month.

It is proposed by the Japanese Government that we shall telegraph to Mr. Malcolm asking him to see the Minister, and so write him and settle the affair. And on the receipt of the telegram advising that the matter is settled, half the Money is then to be paid in London.

The Government is to telegraph to

HUDSON, MALCOLM and Co., YOKOHAMA, JAPAN.

MALCOLM, HUDSON and Co., 5, CLOSING SQRE LONDON, E.C.

Yokohama 187

the Minister in London, telling him to see Mr. Malcolm, but at the same time giving him no particulars

Twenty Thousand pounds is to be paid to morrow here as bargain Money at 4/1 per Mex$

HUDSON, MALCOLM AND CO., YOKOHAMA, JAPAN.
MALCOLM, HUDSON AND CO., 5, CROSBY SQRE, LONDON, E.C.

Memo of Telegrams

Yokohama 1 Sept. 1874.

Sent to London. 20 August

Government authorize us to treat for the purchase of the Iron Clad from Dudgeon or Brazilian Government, Kawamoora had plans and inspected - Dudgeon must sell to us and so begin valuable business with this Government - State lowest possible price ready for sea, also the estimated cost coming out, when would it be ready, will pay to Brazilians reasonable profit Do your utmost to get here Government anxiously awaiting your reply Must be prompt and decisive -

Received 28 Aug, 4 pm, dated London 22nd

Man of War (lafoot) inspected by Kawamoora can be bought £550000 Fully equipped ‡ for 35 Ton Gunnery Turrets light Guns to be ready February Immediate steps must be taken

‡ read "four" see telegram received 1st Sept.
⊙ Read "lafone" say "known by (the)".

HUDSON, MALCOLM and CO., YOKOHAMA, JAPAN
MALCOLM, HUDSON and CO. 5, CROSBY SQRE LONDON, E.C.

Yokohama 1 Sept. 1874

HUDSON, MALCOLM & CO.
1 SEP 74
11 a.m.
YOKOHAMA, JAPAN

Received 1st Sept., dated 26 August -

In our last telegram, instead of "for" read "four"

Repetition received 2 September 10 am

London telegram of 22nd received 28 August reads "Man of War known by Kawamoora "can be bought &c."

(Translation)

Mr. Hudson presents his compliments to His Excellency Kawamura Kaigunshoyu & beg to say that the matter discussed at our last interview, received immediate attention and a lengthy telegram was at once despatched to London, the line has since not been in order and we have no London telegram in reply— Mr. Hudson hopes however to receive a satisfactory answer at any moment when he will once communicate with H. E. Kawamura & trust he will then find H. E. Kawamura prepared to settle the business at once —

Yokohama
25 Augt 1874

To His Excellency
Kawamura Kaigunshoyu
Tokio.

363

C. Tanimoto Esq
Navy Deptmt
Tokei