



# Official Gazette

## OF THE Government of Palestine.

PUBLISHED FORTNIGHTLY BY AUTHORITY.

No. 179

JERUSALEM

16th. January, 1927.

### CONTENTS

	Page
<b>I. DRAFTS OF ORDINANCES</b>	
(a) Width and Alignment of Roads Amendment Ordinance 1927. ... ..	30
(b) Pensions Amendment Ordinance 1927 ... ..	30
(c) Deputy District Commissioner's Powers Ordinance 1927 ... ..	31
<b>II. ORDERS</b>	
(a) Promulgating the Village Roads and Works Ordinance ... .. No. 1 of 1927	31
(b) Promulgating the Criminal Law Amendment Ordinance ... .. No. 2 of 1927	31
(c) Promulgating the Prevention of Intimidation Ordinance ... .. No. 3 of 1927	32
(d) Promulgating the Workmen's Compensation Ordinance ... .. No. 4 of 1927	32-33
(e) Under the Determination of Areas of Municipalities Ordinance 1925 ... ..	33-35
<b>III. REGULATIONS</b> under the Correction of Land Registers Ordinance 1926 ... ..	35-37
<b>IV. GOVERNMENT NOTICES</b>	
(a) Certificates under the Expropriation of Land Ordinance 1926 ... ..	37-38
(b) Appointment of Coroners ... ..	38-39
(c) Notice under the Plant Protection Ordinance ... ..	39
(d) Notice under the Municipal Franchise Ordinance 1926 ... ..	39
(e) Professional Licences ... ..	39
(f) Adjudication of Contracts ... ..	40
(g) Registration of Partnerships, etc ... ..	40
(h) Teacher's Examination 1926 ... ..	40
(i) Sale of Unclaimed Goods ... ..	41
(k) Financial Statement ... ..	42-43
(l) Notices from the District Courts ... ..	44
(m) Appointments, etc ... ..	44
(n) Quarantine Summary ... ..	45

## SCHEDULE II.

## CORRECTION OF LAND REGISTERS ORDINANCE 1926.

Objection to registration in the Official Registers.

Town or Village \_\_\_\_\_ No. \_\_\_\_\_

Registrar of Lands,

I \_\_\_\_\_  
 of \_\_\_\_\_ hereby object to the registration in  
 the Official Registers of the interest applied for by \_\_\_\_\_

in his application No. \_\_\_\_\_ dated \_\_\_\_\_ for the following reasons:-

*(here state whether objector's name appears in the Official Registers or the unofficial Land Books and quote numbers, or whether it does not appear in either, and give reasons for the objection).*

Date \_\_\_\_\_

Signature \_\_\_\_\_

## SCHEDULE III.

## CORRECTION OF LAND REGISTERS ORDINANCE 1926.

Declaration of service of notice of application upon the registered owner.

I \_\_\_\_\_ hereby declare that  
 I have personally  
 by registered letter served upon \_\_\_\_\_  
 \_\_\_\_\_ who is the registered owner of the land, a notice of the ap-  
 plication dated \_\_\_\_\_ which has been lodged by me with the  
 Registrar of Lands of \_\_\_\_\_ District.

Signature of Applicant. \_\_\_\_\_

## EXPROPRIATION OF LAND ORDINANCE 1926.

## CERTIFICATE:

I, Field Marshal Herbert Charles Onslow, Baron Plumer, High Commissioner for Palestine and Commander-in-Chief therein, certify that the following works in connection with the erection of a Dam on the River Yarmuk and of a Power House near Jisr el Mejamie, in accordance with the Concession to the Palestine Electric Corporation dated the 5th of March, 1926, are works of a public nature within the meaning of Section 3 of the Expropriation of Land Ordinance, 1926:-

- (a) The works set out in sub-clauses "A" and "B" of the First Schedule of the Concession.

- (b) The artificial lake to be created above the dam of the River Yarmuk.
- (c) The dwelling houses for the staff.
- (d) The temporary fuel power house, stores, and workshops to be erected for the purpose of the said works.
- (e) The railway sidings and roads to be built for the said purposes.
- (f) The workers camps for the like purposes.

5th January, 1927.  
(19204/26)

PLUMER, F. M.  
*High Commissioner.*

#### CORONERS' ORDINANCE, 1926.

In exercise of the powers vested in me by Section 2 of the Coroners' Ordinance, 1926, I, Field Marshal Herbert Charles Onslow, Baron Plumer, High Commissioner for Palestine and Commander-in-Chief therein, do hereby appoint Ruhi Bey Abdulhadi, Administrative Officer, Jerusalem Division, to be Coroner in and for the Jerusalem Division, and to have and to exercise all the functions appertaining to the office of Coroner as prescribed by the said Ordinance.

5th January, 1927.  
(3/1927)

PLUMER, F. M.  
*High Commissioner.*

#### CORONERS' ORDINANCE, 1926.

In exercise of the powers vested in me by Section 2 of the Coroners' Ordinance, 1926, I, Field Marshal Herbert Charles Onslow, Baron Plumer, High Commissioner for Palestine and Commander-in-Chief therein, do hereby appoint Mahmud Effendi Abu Khadra, District Officer, Gaza, to be Coroner in and for the Southern District, and to have and to exercise all the functions appertaining to the office of Coroner as prescribed by the said Ordinance.

11th January, 1927.  
(379/27)

PLUMER, F. M.  
*High Commissioner.*

#### CORONERS' ORDINANCE, 1926.

In exercise of the powers vested in me by Section 2 of the Coroners' Ordinance, 1926, I, Field Marshal Herbert Charles Onslow, Baron Plumer, High Commissioner for Palestine and Commander-in-Chief therein, do hereby appoint Mr. Reginald Stuart Champion, District Officer, Beersheba, to be Coroner in and for the Southern District, and to have and to exercise all the functions appertaining to the office of Coroner as prescribed by the said Ordinance.

11th January, 1927.  
(379/27)

PLUMER, F. M.  
*High Commissioner.*

12



# Official Gazette

## OF THE Government of Palestine.

JERUSALEM	GAZETTE EXTRAORDINARY	7th. March 1927.
-----------	-----------------------	------------------

### CONTENTS Page

**I. DRAFT ORDINANCE**

The Electricity Concessions Ordinance 1927 ... ..	154-186
---	---------

Price 5 P.T.

Supplement No. 6/1927

*The following draft of an Ordinance is made public in accordance with Article 17 (1) (d) of the Palestine Order in Council, 1922, as amended by Article 3 of the Palestine (Amendment) Order in Council, 1923.*

An Ordinance to Validate Certain Concessions for the Generation and Distribution of Electricity.

BE IT ENACTED by the High Commissioner for Palestine with the advice of the Advisory Council thereof:-

Short title.

1. This Ordinance may be cited as the Electricity Concessions Ordinance, 1927.

Concessions in Schedule validated.

2. The Concessions set out in the Schedule hereto shall be deemed to be valid for all their purposes, and the High Commissioner shall hereby be vested with all powers necessary for carrying out his part thereunder.

Power of High Commissioner to make orders in Council with regard to the use of the waters of the Jordan for irrigation.

3. The High Commissioner may by Order in Executive Council from time to time regulate the use of the waters of the Jordan River and all its affluents for purposes of irrigation subject to the provisions of Clause 11 (a) of the Concession set out in Part I of the Schedule hereto.

Power of High Commissioner to expropriate existing electrical undertakings.

4. The High Commissioner may expropriate, on payment of fair compensation to the owner, any existing undertakings for the generation, supply, distribution, or sale of electrical energy, other than those embraced within the Concessions mentioned in Section 2 hereof. In case of dispute as to the amount of compensation, the matter shall be referred to the arbitration of a single arbitrator to be appointed by the Chief Justice.

SCHEDULE.

PART I.

Concession granted to the Palestine Electric Corporation for the utilisation of the waters of the Rivers Jordan and Yarmuk for generating and supplying electrical energy, dated the 5th day of March 1926.

## PALESTINE.

**This Indenture** made the 5th day of March 1926 BETWEEN FIELD-MARSHAL THE RIGHT HONOURABLE HERBERT CHARLES ONSLOW, BARON PLUMER, G.C.B., G.C.M.G., G.C.V.O., G.B.E., High Commissioner for Palestine of the one part and THE PALESTINE ELECTRIC CORPORATION LIMITED a Company incorporated in the year 1923 in Palestine having its registered office at Jerusalem in Palestine (which and its successors and permitted assigns are hereinafter called "the Company") of the other part WITNESSETH AND IT IS HEREBY AGREED AND DECLARED as follows: that is to say:—

1. In these presents the following words and expressions shall have the following meaning respectively:—

Definitions.

(a) "The High Commissioner" means the High Commissioner for Palestine for the time being;

(b) "The Concession Area" means and includes Palestine and Trans-Jordan and such additional territories as shall for the time being and from time to time be under the jurisdiction of the High Commissioner;

(c) "The Undertaking" means the business of generating supplying and distributing electrical energy under this Concession and all assets of the Company in relation to such business but not money or securities for money or book debts;

(d) "Works" means all dams, weirs, canals, and water races and all buildings for power houses and transformer stations;

(e) "Plant" means all engines, turbines, dynamos, transformers, machinery, lines, wires, cables, poles and all other apparatus and equipment necessary and proper to be utilised for the efficient generation, transmission, distribution, supply or sale of electrical energy, and for or in connection with any telegraph, telephone or wireless installation erected and operated by the Company under the Concession;

(f) "Month" means calendar month;

(g) The singular number shall where the context so requires or admits be deemed to include the plural and vice versa.

2. The provisions of any Ordinance for the time being in force regulating the generation transmission or supply of electrical energy in Palestine and any regulations made in pursuance of any such Ordinance shall apply to the Company and the works authorised by this Concession; provided that in the event of any conflict between the provisions of such Ordinance and/or Regulations and the terms of this Concession the provisions of this Concession shall prevail.

Application of Electricity Ordinances.

3. The High Commissioner hereby grants to the Company for the period of 70 years computed from the day of the date hereof an exclusive Concession for the utilization (a) of such of the waters of the River Jordan and its basin including the Yarmuk River and all other affluents of the River Jordan and its basin as are now or shall hereafter be brought within the control or supervision of the High Commissioner and (b) of such of the waters of those parts of the River Jordan and its basin together with the affluents thereof including the River Yarmuk and its affluents outside the boundaries of the territories under

Grant of Concession for 70 years.

the control of the High Commissioner as shall under the Anglo-French Convention dated 23rd December 1920 or otherwise howsoever have been or be determined to be available for utilization for the purposes of Palestine and/or Trans-Jordan, for the purpose of generating by power derived from such waters and supplying and distributing within the Concession Area electrical energy: and for those purposes or any of them to erect a power house near Jisr-el-Majami and to employ and use Lake Tiberias as a reservoir for the storage of water in connection therewith and to erect any other power house or power houses (with the corresponding reservoirs if necessary) which the Company may think fit to erect and with liberty also for the Company during the said period to produce supply and distribute electrical energy within the Concession Area generated by any other means than water power: and it shall be lawful for the Company to grant licences to others for all or any part of the said term to utilize the said waters or any part thereof for the purpose of generating electrical energy and to generate electrical energy by any other means as aforesaid and to execute and operate all works necessary for that purpose and for supplying and distributing the same, but so always that no such licence shall in any case be granted unless the proposed licence shall in each case have been first approved of in writing by the High Commissioner: Provided always that the Company shall not exercise any of the rights powers or privileges granted by this Concession in such manner as to derogate from prejudice or affect the rights powers or privileges granted by either (A) The Concession dated the 12th September 1921 granted to Pinhas Rutenberg for the utilization of the waters of the Auja Basin for generating and supplying electrical energy now vested in the Jaffa Electric Company and known as "The Auja Concession" or (B) A Concession granted by the Jerusalem Municipality in the year 1914 for electric supply and electric tramways or (C) A Concession granted to Mohammed Effendi Omar Beyhoun and Michael Effendi Sursock by the Turkish Government in June 1914 relating to the Huleh Lands or (D) Any Concessions which may be substituted for the above-mentioned Concessions (B) and (C) for the purpose of carrying out the provisions of the Protocol appended to the Treaty of Lausanne which require that certain Concessions granted in the Ottoman Empire shall be put into conformity with the new economic conditions for so long and so far as such Concessions respectively may be subsisting or capable of taking effect.

Works to be executed.

4. The works to be built erected and set up and the plant to be provided for the purpose of this Concession shall be the works and plant described in the First Schedule hereto and all such further and other works as may be approved from time to time by the High Commissioner and the plant for the same.

All works to be in accordance with plans.

5. All works and distribution system to be built constructed made and set up by the Company under this Concession shall be built made constructed and set up in accordance with the plans drawings and designs from time to time submitted by the Company to and approved in writing by the High Commissioner with such modifications or variations only as shall be first approved of in writing by the High Commissioner.

Plans, etc., to be submitted.

6. In every case before commencing the works of the distribution system the Company shall submit for the approval of the High Commissioner three copies of the respective plans and drawings in the manner following, viz.:—(a) plans and drawings, executed to a scale of not less than one in ten thousand, showing the location of the works and the boundaries of all public and private property, if any, directly affected by the construction of the works, (b) plans and drawings of dams and weirs executed to a scale of not less than one in five hundred,

(c) plans showing the high tension overhead transmission lines between different towns drawn on a map to a scale of not less than one in two hundred and fifty thousand, (d) plans and drawings of power houses to a scale of not less than one in five hundred, (e) plans of distribution system within municipal areas to a scale of not less than one in two thousand. The High Commissioner shall notify his approval or disapproval of or objections to any plans and drawings submitted under sub-clauses (a), (b) and (c) hereof before the expiration of three months and under sub-clauses (d) and (e) hereof before the expiration of twenty-eight days after the same shall have been submitted to him: and in the event of the High Commissioner not notifying the Company within the respective periods aforesaid then at the expiration of the said respective periods the said respective plans and drawings shall be deemed to have been approved and the Company shall be at liberty to commence the said works and distribution system. The foregoing provisions shall also apply to any amended plans and drawings which the Company may submit to the High Commissioner to meet any disapproval or objections raised by him, provided that the High Commissioner shall notify his approval or disapproval of or objections to any such amended plans and drawings before the expiration of twenty-eight days in the cases falling under sub-clauses (a), (b) and (c) hereof and before the expiration of fourteen days in the cases falling under sub-clauses (d) and (e) hereof as from the date when the same shall have been so submitted, and in the event of no notification being made within the respective periods aforesaid the Company shall be at liberty to proceed as if approval had been given.

7. The Company shall within twelve months from the date of this Concession commence to build make construct and set up with proper materials of their several kinds the works set forth in the First Schedule hereto and thenceforth diligently proceed with and shall within five years from the date of this Concession complete and finish the same fit for use, together with all necessary plant for the proper working of the power house near Jisr-el-Majami and the transmission and distribution of electrical energy therefrom in accordance with the same Schedule, subject to all such alterations variations and modifications and together with all such further or other works and the plant for the same as the High Commissioner may from time to time in writing approve: Provided always that the Company shall be granted an extension of the said respective periods of twelve months and/or five years if and as often as the Company shall be prevented by circumstances not due to its own act neglect or default from commencing or completing as the case may be within the said respective periods of twelve months and five years: and if a dispute arise between the High Commissioner and the Company as to whether the circumstances constitute a sufficient and proper reason for an extension or extensions of time such dispute shall be determined by arbitration as provided by Clause 50 hereof. In case the Company shall fail or neglect to finish and complete the said works together with the necessary plant within the said period of five years or within any such extended period as aforesaid, the Company shall pay to the High Commissioner for every subsequent month's delay in completing the same the sum of £2,000 per month and so in proportion for any part of a month as liquidated and ascertained damages and not as a penalty. And in case the Company shall fail or neglect to finish or complete the said works in all respects together with the necessary plant within twelve months from the expiration of the said period of five years or of any such extended period or periods as aforesaid, it shall be lawful for the High Commissioner (subject and without prejudice to the continuing liability of the Company to pay the liquidated damages aforesaid up to the time of the notice) at any time after the expiration of such twelve months by notice in writing to the Company to cancel this Concession

Company to complete certain works fit for use within five years.



without paying to the Company any compensation for work theretofore done by the Company in part performance of their obligations or otherwise: and in the event of such cancellation the Company shall not for a period of twelve months from such cancellation be entitled to remove any of the said works erected or set up by the Company under this Concession or any of the plant so as to give time to the High Commissioner to decide whether or not he desires to take over the said works and plant or any of them: and if he shall at any time within such lastmentioned period of twelve months give notice in writing to the Company signifying his desire to take over the said works and plant or any of them then and in that case the things specified in such notice shall not be removed by the Company but shall be purchased by the High Commissioner at a price to be determined in case of dispute by arbitration under the provisions of Clause 50 hereof and for twelve months after the receipt of such notice the Company shall be at liberty without let or hindrance to remove any of the said works and plant not specified in the said notice: and in default of such notice the Company shall be at liberty without let or hindrance to remove the whole of the said works and plant during the twelve months following upon the expiration of the said twelve months during which the High Commissioner might have given the said notice.

Power to Company to dam up waters of Lake Tiberias.

8. It shall be lawful for the Company to dam up the water in Lake Tiberias to a maximum level and to draw off the water to a minimum level as may be agreed upon between the High Commissioner and the Company, and to conduct the water from Lake Tiberias by means of a canal or canals to the said power house or other power houses: and the Company shall as soon as is practicable and with all expedition make good all damage done to and restore all roads bridges drains culverts and watercourses which may be disturbed or interfered with in the execution by the Company of the works incidental to this Concession and so that such restoration shall be effected and proceed so far as may be contemporaneously with the progress of the said works. And the Company shall at all times keep indemnified the High Commissioner from and against all actions proceedings damages expenses and costs which may be occasioned by any breach of this clause.

Power to Company to divert waters of Yarmuk River and its affluents.

9. It shall be lawful for the Company to divert and use the waters of the Yarmuk River and its affluents either into the canal or canals mentioned in Clause 8 hereof or into Lake Tiberias by means of a dam and a canal beginning near El Hama and ending in such canal or canals as aforesaid or Lake Tiberias, and to use the fall of such water for the production of electrical energy if the Company shall so require, and to divert and use the waters of the Yarmuk River and its affluents if and where necessary for the purposes of the due execution of this Concession.

High Commissioner to expropriate lands, buildings, or easements in certain cases.

10. At the request in writing of the Company the High Commissioner shall, on behalf and at the cost of the Company, expropriate when purchase cannot be effected by mutual agreement on payment of fair compensation agreed by the Company, or failing agreement determined in accordance with the law in force for the time being in Palestine, any property land buildings or easements required for exercising the rights or fulfilling the obligations of the Company under this Concession including the building of the dams the creating of the storage reservoirs the construction of the canals the erection of the power houses transformer-stations poles standards overhead lines and underground cables and the necessary buildings premises offices warehouses houses stores and other establishments and conveniences of the Concession for the production transmission and distribution of energy within the Concession Area, and for the building of roads bridges private sidings wharves and any other

means of communication required for the purposes of the Concession: Provided always that the Company shall, if and whenever required so to do, deposit with the High Commissioner or give satisfactory security for the payment to the High Commissioner of such a sum of money as the High Commissioner shall consider likely to prove to be the fair compensation for the property land buildings or easements proposed to be expropriated which sum shall in the event of the property in question being expropriated be applied in or towards payment of the compensation payable for such expropriation; and on demand any balance required for that purpose shall be paid by the Company and any surplus shall be repaid to the Company. And the Company shall have the right subject to payment of fair compensation as aforesaid to establish any easements in respect of the said works and for the proper effective and convenient working of the Concession.

11. Where by reason of the construction or maintenance of any works of the Company the water supply of any owner of land or user of water within the Concession Area is diminished or cut off the Company shall supply such owner or user with such an amount of water as shall be necessary for his daily use for drinking and other domestic purposes and for his animals and for the irrigation of such part of his lands as may be irrigated and planted with trees or other permanent plantations at the date hereof. The Company shall further supply such owner or user with such an amount of water as shall be necessary for the irrigation of such part of his land as has been irrigated and planted with trees or other permanent plantations since the date hereof and before the date of approval by the High Commissioner of any works of the Company by reason of which the supply of water has been diminished or cut off, or in default of supplying such amount of water shall pay him compensation. The Company shall be liable to pay compensation to any such owner or user who by reason of the diminution or cessation of the water supply is unable to grow vegetables or other annual plants or crops or suffers loss by reason of the damage to or destruction of such plants or crops already planted on land which at the date of the approval by the High Commissioner of any works by reason of which the supply of water diminishes or ceases he has been accustomed to plant with such plants or crops: Provided that if any dispute shall arise between such owner or user and the Company regarding the amount of water so necessary or the compensation so payable, such dispute shall be referred to a single arbitrator appointed by the High Commissioner and the award of such arbitrator shall be final.

Company to supply water to certain persons.

11A. The High Commissioner shall procure legislation to be enacted making unlawful the use of such waters of the Jordan and its basin including the Yarmuk and all other affluents of the Jordan and its basin as may be now or shall hereafter be brought into the Concession Area in such a manner as to reduce the quantity of water available to the Company below the quantity required for the generation of electrical energy by the Company's works from time to time approved by the High Commissioner: Provided that no order under such legislation shall be issued save on the application of the Company: Provided also that no such order shall deprive any owner of land or user of water of such an amount of water as shall be necessary for his daily use for drinking and other domestic purposes and for his animals and for the irrigation of any land which he has irrigated and planted with trees or other permanent plantations at the date hereof.

High Commissioner to regulate use of waters of Jordan, etc.

If in consequence of any order made as aforesaid under such legislation the owner of land or user of water at a place up the stream above any works of the Company approved by the High Commissioner is prevented from using the quantity

of water which he has been accustomed to use before the approval of such works, the Company shall be liable to pay him compensation for any loss caused by such diminution or cessation of the supply of water in accordance with the provisions of Clause 11 hereof.

Compensation for damage to adjacent lands and buildings.

12. In the event of any adjacent lands and buildings suffering damage as a direct consequence of the execution of any of the works of the Company in the Concession Area, the Company shall pay to the owners and occupiers of such lands fair compensation for the loss which such owners and occupiers may prove that they have sustained and if the Company and such owners and occupiers cannot agree the amount of such compensation then the Company shall pay by way of compensation such a sum as may be approved by the High Commissioner as being reasonable and proper.

Company not to pollute streams.

13. The Company shall not pollute or foul any of the waters of the said Rivers Jordan and Yarmuk or of their affluents or any other rivers or streams or Lake Tiberias which may be used under this Concession. The Company shall compensate all persons or corporations who may suffer damage by the failure of the Company to comply with the provisions of this clause and the Company shall at all times keep indemnified the High Commissioner from and against all actions proceedings damages expenses and costs which may be occasioned by any breach of this clause by the Company.

Distribution systems.

14. Subject to the provisions of Clause 30 hereof the Company shall have the exclusive right to build establish and maintain the necessary distribution systems in every centre of consumption of electrical energy: Provided that the Company shall not construct in Trans-Jordan any distribution system for the supply and sale of electric light or energy in that territory without the previous approval of the Trans-Jordan Government which shall not be unreasonably withheld. Should the Company submit that approval is unreasonably withheld the matter shall be referred to the High Commissioner whose decision shall be final.

Power to Company to erect poles and standards for transmission lines and to lay underground cables.

15. It shall be lawful for the Company to build and equip transformer stations and to erect poles and standards for the high medium and low tension transmission lines upon, and to lay underground cables under, public roads and streets or any private property wherever required: Provided that in the case of private property the consent of the owner or failing such consent the approval of the High Commissioner shall first have been obtained, and provided further that immediately after every disturbance of any roads or streets for the purposes aforesaid the same shall be restored to their former condition by and at the expense of the Company and the Company shall in respect of any damage to private property directly and immediately consequent to such disturbance pay fair compensation to the owners thereof. The Company shall at all times have full access for any purposes of the Concession to any transformer station pole standard and overhead or underground high tension medium or low tension transmission lines wherever situated.

Company to connect with consumers' premises.

16. The Company shall undertake the connection of the said electrical system with the consumers' premises and the Company shall be entitled to charge an annual rental for any electrical meters or other apparatus supplied and installed by the Company for the purpose of measuring the amount of electrical energy consumed by each consumer, all rates and charges for such services to be fixed by the rules and regulations to be made by the Company under Clause 25 hereof.

17. The Company shall at all times during the continuance of this Concession carry on and work the business of generating supplying and distributing electrical energy under and in accordance with this Concession in a proper and efficient manner and provide and pay a proper and sufficient and competent staff of employees for that purpose and maintain and renew the plant so far as may from time to time be required for the purposes of such business. The Company shall at all times take all adequate and appropriate measures required by the High Commissioner to give protection against the high tension lines including protection for any telegraph or telephone lines.

Company to carry on work efficiently.

18. During the continuance of this Concession the Company shall have the exclusive right for the production distribution supply and sale of electrical energy within the Concession Area, and no other installation for the production supply distribution or sale of electrical energy within the Concession Area shall be permitted by the High Commissioner, and no further Concession shall be granted within the Concession Area to any other Company or person for any of the purposes following viz.: (1) To construct canals dams reservoirs watercourses pumping stations or other works of whatever kind for the generation of electrical energy from water power (2) to construct equip instal or operate water or fuel or other electric power stations (3) to construct equip instal or operate overhead lines or underground cables (4) to instal electric lighting in streets dwellings or buildings of whatever kind (5) to supply electrical energy for consumption by docks wharves railways plantations mills factories workshops laboratories offices houses or by any agricultural industrial commercial and public or private establishments or undertakings of whatever kind unless in each instance the Concession shall have first been offered to the Company upon similar terms which shall be fair and reasonable and such offer shall not have been accepted in writing by the Company within six months: Provided always that nothing in this clause contained shall be construed so as to prevent any person or persons firm or Company from generating electrical energy to be used by them exclusively for the sole purposes of lighting or heating their own premises or for the supply of energy to the machinery on such premises which may be used by them for manufacturing purposes, but so that no such electrical energy shall be sold either directly or indirectly or otherwise used or disposed of for the benefit of third parties or for public purposes, nor to prevent the High Commissioner from generating electrical energy and supplying the same to any Government office or works or to any Government official or servant within the Concession Area, nor as prohibiting the installation of fuel power-houses for the supply and distribution of electrical energy within the municipal areas of Amman, Es Salt and Kerak in Trans-Jordan, nor as restricting the carrying out or construction or operation by the High Commissioner or any other person or persons Company or Companies of any telegraph or telephone works within the Concession Area.

No other electrical installations permitted.

19. The Company, shall if required by the High Commissioner in writing, transfer and make over to the municipalities or local councils or authorities the low tension system for the distribution of electrical energy in the various localities on terms and conditions to be agreed between the parties and to be approved of in writing by the High Commissioner. And in the event of any such transfer being agreed and approved as aforesaid the Company shall generate and transmit to the municipalities or local councils or authorities concerned the electrical energy which is required to be transmitted to them in respect of such localities but the Company shall nevertheless be free to supply electric power to private consumers if so requested.

Company to make over distribution of energy to local authorities.

High Commissioner to expropriate existing undertakings.

20. At the request in writing of the Company the High Commissioner shall so far as he lawfully can and may on behalf of and at the cost of the Company expropriate on payment of fair compensation agreed by the Company, or failing agreement determined by arbitration or other appropriate procedure between the owners or owner of such property and the High Commissioner, any existing undertakings for the generation supply distribution or sale of electrical energy within the Concession Area: Provided always that the Company shall if and whenever required by the High Commissioner so to do deposit with the High Commissioner or give satisfactory security for the payment to the High Commissioner of such a sum of money as the High Commissioner shall consider likely to prove to be the fair compensation to be paid for the undertaking proposed to be expropriated which sum shall in the event of the undertaking in question being expropriated be applied in or towards payment of the compensation payable for such expropriation, and any balance required for that purpose shall be paid by the Company on demand and any surplus shall be repaid to the Company on demand.

Provisions in event of Company acquiring other similar concessions.

21. If the Company shall absorb take over or acquire any other concession or concessions having amongst its objects the production supply distribution and sale of electrical energy then the period or respective periods of the concession or concessions so acquired shall be altered so as to be coterminous with the term hereby granted. And the provisions of this Concession (including the provisions as to rates chargeable to consumers) shall (so far as the same may be applicable to the concession or concessions so acquired by the Company) apply to the concession or concessions so acquired and shall be in addition to any special provisions contained in such acquired concession or concessions respectively: Provided always that any rights or powers which the High Commissioner may possess or enjoy under any and every such acquired concession to purchase or acquire the same shall be modified or varied and made exercisable so as to conform with the powers and provisions herein contained for the purchase by the High Commissioner of the undertaking under this present Concession.

Rates for the supply of electrical energy.

22. Subject to the provisions of Clauses 23, 24, 34 and 35 hereof the Company shall be entitled to charge every consumer for electrical energy generated by hydro-electric works rates not exceeding the following, that is to say:—

(1) for electric lighting other than street lighting three piastres per kilowatt hour;

(2) for street lighting water supply irrigation and industrial purpose one and half piastres per kilowatt hour;

Provided that during such time as the Company may be supplying electrical energy generated otherwise than as aforesaid to any part of the Concession Area, then the Company shall in respect of the localities hereinafter referred to and subject to the conditions hereinafter set out be entitled to charge any consumer in respect of such electrical energy such rates exceeding the respective maxima hereinbefore stated as the Company may from time to time determine but not in any case exceeding the following maxima viz. :—

(1) for electric lighting other than street lighting five piastres per kilowatt hour;

(2) for street lighting and water supply two and half piastres per kilowatt hour;

(3) for irrigation and for industrial purposes two piastres per kilowatt hour;

Provided always that the rates last mentioned shall apply as aforesaid (a) in respect of any of the sub-districts mentioned in Clause (c) of the First Schedule hereto only for the period of five years fixed under Clause 7 hereof for the completion of the works therein mentioned, and in the event of any extension of such period by the High Commissioner then subject to such revision within the said maxima as may be agreed between the Company and the High Commissioner or failing agreement may be settled by arbitration as hereinafter provided (b) in respect of any parts of the Concession Area other than the said sub-districts for the period of this Concession and any extension of the same, but so that the High Commissioner may at intervals of seven years during the first twenty-one years from the date of this Concession and at intervals of five years thereafter call for a revision of such rates to be made within the said maxima whereupon such rates shall be revised accordingly either by agreement with the Company or failing agreement by arbitration as hereinafter provided. In all cases whether energy is generated by hydro-electric works to be executed hereunder or otherwise the rates for large consumers shall be fixed by special agreement between the Company and the consumers, and for other purposes such as heating and cooking the rates shall be fixed in agreement with the High Commissioner: Provided further that in the event of changes being made in the currency of Palestine then all rates shall thenceforth be charged in the corresponding equivalents of the new currency.

23. The Company may at any time and from time to time submit and obtain the approval of the High Commissioner to a sliding scale or sliding scales of rates to be charged to consumers or groups of consumers of electrical energy and shall not charge to any such consumers rates in excess of those authorised by the approved sliding scale.

Sliding scale of rates.

24. If at any time during the period of this Concession in consequence of depreciation in the value of the currency of Palestine or other economic cause arising whether before or after the introduction of a sliding scale it shall become necessary and proper that an increase should be made by the Company in the charges for electrical energy, then and so often as the occasion may require the High Commissioner shall on the application of the Company authorise such increases in the rates and for such periods as may be necessary and proper having regard to all the circumstances of the case.

Increase in rates through economic causes.

25. The Company shall be entitled at all times to make rules and regulations to be observed by consumers of electrical energy supplied by the Company but such rules and regulations shall not be put into force nor issued until the same shall have been first approved of in writing by the High Commissioner.

Power to make rules and regulations.

26. The Company shall not in making any agreements for the supply of electricity show any undue preference as between consumers in the same locality and where the conditions of supply are similar, but save as aforesaid the Company may make such charges for the supply of electrical energy to any consumer within the Concession Area as may be agreed upon between the Company and such consumer so always that such charges shall not exceed the rates chargeable under Clauses 22, 23 and 35 hereof.

No undue preference.

27. During the term of this Concession (as well the said original term of seventy years as any extended term) the High Commissioner shall have the right to exercise such financial and technical supervision over the operations of the undertaking as may be necessary for the purpose of ensuring the due and proper working of the Concession in accordance with

Financial and technical supervision.

the best prevailing practice as far as applicable to the circumstances and the Company shall conform with all the requirements of the High Commissioner necessary for insuring such due and proper working.

Power to local authorities to require light between dusk and dawn.

28. The Company shall whenever any local authority within the Concession Area with the consent of the High Commissioner so requires provide in the area of such local authority for public or private purposes electric light between dusk and dawn and power at reasonable hours: Provided always that a sufficient guarantee to the Company be given to cover the current annual cost to be incurred by the Company in respect of such supply of electric light and energy.

High Commissioner may require supply of electrical energy.

29. The High Commissioner may at any time after the completion of the works set out in the First Schedule hereto require the Company to provide to any part of the Concession Area electrical energy generated by the said hydro-electric works: Provided always that a sufficient guarantee to the Company be given to cover the current annual cost to be incurred by the Company in respect of such supply of electrical energy.

Power to require supply of additional energy.

30. If at any time after the completion by the Company of the works provided for in the First Schedule hereto the requirements of the Concession Area for electrical energy (including light and power required by private consumers) shall be such that the works of the Company for the time being in existence shall be unable to supply the amount required, then and in such case and as often as the same may happen the High Commissioner and with the consent of the High Commissioner any and every local authority within the Concession Area requiring the same shall be entitled upon furnishing satisfactory guarantees to the Company that such required additional energy will be used to give to the Company notice in writing to produce the same. Should the Company be willing to comply with such notice an Agreement containing all necessary and proper terms and conditions and to be approved of by the High Commissioner shall be entered into between the Company and the party requiring such electrical energy. If the Company shall within one year after the date of such notice refuse or fail to undertake such additional supply or after consenting shall refuse to enter into the Agreement as approved by the High Commissioner as aforesaid, then the High Commissioner or the local authority or authorities shall from and immediately after the date of any such refusal or the expiration of the said one year whichever shall first happen, be at liberty to obtain such additional energy elsewhere, and for the purpose of procuring such additional energy the High Commissioner may empower any other company firm or person or persons to generate and supply the same within the same local area (but not on more favourable terms and conditions) notwithstanding any provision to the contrary herein contained.

Supply of electrical energy outside the Concession Area

31. Unless the needs for the time being of the Concession Area shall in the opinion of the High Commissioner have been satisfied the Company shall not be entitled to commence the supply and distribution for consumption outside the Concession Area of electrical energy generated under this Concession nor materially to increase the annual amount of electrical energy supplied outside the Concession Area.

Financial plan.

32. The Company shall at all times perform observe and abide by the rules and regulations as to Amortisation of Capital and Depreciation and Reserve contained in the financial plan set forth in the Second Schedule hereto: Provided that no part of the Depreciation or Reserve Funds shall be capitalised but any income derived from such Funds shall be treated as part of the profits of the undertaking.

Company to keep accounts and permit inspection by High Commissioner.

33. The Company shall at all times during the continuance of this Concession keep at the Principal Office in Palestine of the Company all proper and usual books and accounts showing the capital expenditure for the time being upon the

undertaking and also all receipts and expenditure by the Company on account of revenue in connection with the undertaking which books and accounts shall be open at all reasonable times to inspection by the High Commissioner. The Company shall appoint some duly qualified person or firm approved of by the High Commissioner to act as Auditor, and such Auditor shall not less than once in every year during the term of the Concession prepare and certify a proper balance sheet and profit and loss account of the undertaking and a copy of each such balance sheet and profit and loss account so certified shall forthwith be furnished to the High Commissioner.

34. If at the expiration of ten years from the date hereof or at the expiration of any subsequent year it shall appear that the Company is unable out of its profits derived from the undertaking to write off the sums for Amortisation Depreciation and Reserve indicated in the financial plan set forth in the Second Schedule hereto, and to pay a dividend of not less than eight per centum per annum tax free on such part of its share capital as has been expended on the undertaking, the Company shall have the right to increase the said rates to such an extent and for such periods as may be calculated in the opinion of the High Commissioner to enable the Company to pay future dividends on such capital at such rate per annum. And if in any years such profits shall be sufficient to enable it to write off the sums required for Amortisation Depreciation and Reserve during the same year as indicated in the said financial plan and to declare a dividend of not less than ten per centum per annum tax free and less than twenty per centum per annum tax free for the same year on that part of its share capital so expended as aforesaid, then one-half of such profits in excess of such amount which would be necessary to enable the Company to write off the sums aforesaid and to pay a dividend at the rate of ten per centum per annum tax free on such capital shall be paid to the High Commissioner. And if in any year the profits of the Company from the undertaking shall be sufficient to enable it to write off the sums required for Amortisation Depreciation and Reserve during the same year as indicated in the said financial plan and to declare a dividend amounting to or exceeding twenty per centum per annum tax free for the same year, then the whole of the profits of the Company from the undertaking during the same year in excess of the amount which would be necessary to enable it to write off the sums (if any) last aforesaid and to pay a dividend of fifteen per centum per annum tax free on such capital shall be paid to the High Commissioner. All sums of money which under this clause are to be paid to the High Commissioner shall be applicable to the reduction of rates or to such other purposes as shall from time to time be agreed by the High Commissioner with the Company.

Provisions as to profits.

35. If any taxation shall be imposed in Palestine which would fall upon the profits of the Company from the undertaking during the first ten years of the term of the Concession, any part of such profits as is actually devoted to Amortisation Depreciation and Reserve in accordance with the said financial plan shall for the purpose of such taxation be deemed to be expenses and not profits so as to be free of tax: and during the same period of ten years no tax shall be levied on any profits of the Company from the undertaking over and above the expenses aforesaid unless the undertaking shall have made profits over and above such expenses sufficient to pay during the year for which the tax is levied and each preceding year of the said period a cumulative dividend of not less than six per centum per annum tax free on the share capital expended thereon: Provided always that after the expiration of the said period of ten years all the profits of the undertaking after

Partial relief of Company from taxation.



writing off Amortisation Depreciation and Reserve shall be liable to tax and taxable at the appropriate rates for the time being in force in Palestine whatever the profits of the undertaking shall have been during the said period of ten years, and the taxes at the appropriate rates for the time being in force shall thenceforth be liable in respect of all the profits of the undertaking and shall be paid by the Company accordingly. If any tax shall be imposed after the date of this Concession upon electrical energy or if any tax or additional tax shall be imposed upon any fuel employed in the production of electrical energy the Company shall be entitled to increase the aforesaid rates of charge to be made to consumers mentioned in Clause 22 hereof.

Power to defer payment of customs duties.

36. (i) All customs duties and import dues for the time being and from time to time leviable or chargeable upon imports into Palestine or Trans-Jordan imported by the Company shall be payable by the Company upon all machinery or other materials imported by the Company but so that the actual payment thereof upon imports by the Company for the purposes of its works or plant shall if the Company so request be deferred until the profits of the undertaking after writing off Amortisation Depreciation and Reserve are first sufficient to enable the Company to pay a dividend of at least eight per centum per annum tax free upon so much of the subscribed capital for the time being invested in the undertaking, and thereafter the customs duties and import dues payable by the Company the payment whereof shall so have been deferred shall be paid by yearly instalments not exceeding five per centum of the total amount payable in respect of the customs duties and import dues the payments whereof shall have been so deferred. And the first of such instalments shall be payable and paid at the expiration of twelve months from the time when such profits of the undertaking shall first have been sufficient to enable the Company to pay such dividend as aforesaid and the subsequent instalments at successive intervals of twelve months until the whole is paid.

(ii) The foregoing provisions shall apply to purchases by the Company of such machinery or other materials as aforesaid when the same have been or are to be imported into Palestine or Trans-Jordan for the purpose of fulfilling an order given by the Company to third persons, provided that the Company give to the Customs authorities before the customs duty or import dues shall have been paid thereon a certificate giving the exact descriptions and quantities of such machinery and other materials together with the name of the importers and all other necessary information to enable the same to be identified exactly in which case the relative customs duties and import dues shall be charged against the Company instead of the importers and shall be payable under sub-clause (i) hereof: Provided further that this clause shall not apply to purchases by the Company of machinery or other materials in Palestine the import duties on which have already been paid.

Any prospectus or advertisement to be submitted for approval.

37. Every statement or representation having reference to this Concession to be set forth in any prospectus notice advertisement or circular inviting public subscriptions to the capital of the undertaking to be issued in Palestine or the United Kingdom by or on behalf of the Company shall be first submitted to the High Commissioner or the Crown Agents for the Colonies as the case may be together with the whole of such prospectus or other document before the same shall be issued, and the same shall not be issued if the High Commissioner or the said Crown Agents as the case may be shall within fourteen days after any such statement or representation has been so submitted serve on the Company notice disapproving of the same. If after the service of such notice the Company shall issue any prospectus notice advertisement or circular so disapproved of as aforesaid

it shall be lawful for the High Commissioner by notice in writing to be served on the Company to determine this Concession: Provided that any approval given under this clause shall in no way extend or be deemed to extend to any other statement or representation contained in or implied by any such prospectus or other document as aforesaid and that neither the High Commissioner nor the said Crown Agents shall by reason of any such approval be represented or deemed to have in any way authorised the issue of such prospectus or other document as aforesaid.

38. The Company shall not issue or raise any Debentures or other loan capital to be charged upon the undertaking except with the consent in writing of the High Commissioner first had and obtained and subject to such terms and conditions as may be approved by him and to proper provisions for the complete amortisation of such Debentures or other loan capital at the expiration of the said term of seventy years: but the Company shall be at liberty to provide for such complete amortisation at an earlier date.

Debentures and loan capital.

39. The undertaking of the Company under this Concession shall be recognised as a public utility body under Government control and all the installations and property of the undertaking shall receive protection as such and the Company shall be entitled only to such rights to compensation for damage as are provided by law.

Company's undertaking to be recognised as a public utility body.

40. The Company shall be entitled to set up and operate a telegraph and telephone system and (subject to the Wireless Telegraph Ordinance) a wireless installation connecting the power houses of the Company with the various offices and establishments of the Company's undertaking within the Concession Area, but so that the said telegraph and telephone system and wireless installation shall be used exclusively for the purposes of this Concession and shall be subject to the control and supervision of the High Commissioner and shall not be so constructed or worked as to interfere with the working of any telegraphs telephones or wireless installations of the Postal Authorities in Palestine or of any person or company for the time being owning a concession for telegraphs telephones or wireless installations.

Power to set up telegraph and telephone systems.

41. Except as otherwise herein provided the Company shall not assign sub-let or otherwise dispose of this Concession or any interest therein or any powers conferred hereby without the previous consent in writing of the High Commissioner.

Company not to assign Concession.

42. Without prejudice to the provisions hereinbefore contained for the High Commissioner terminating this Concession and for the liability of the Company hereunder for liquidated damages, if at any time during the continuance of this Concession the Company shall make default in performing or observing any of the other provisions of this Concession which ought to be performed or observed by the Company, then and in any such case the High Commissioner may give to the Company notice in writing specifying the matter or matters in respect of which default has been made and requiring the Company to make good such default and if within six months from such notice being given the Company shall through its wilful neglect or default not have made good such default then the High Commissioner may by giving notice in writing to the Company forthwith determine this Concession: and in the event of such determination the provision in Clause 7 hereof with regard to the works and plant of the Company after cancellation shall apply as if the same were herein repeated.

Power to determine Concession in case of default by Company.

Power to extend term of Concession in certain events.

43. If at the end of the term of seventy years for which this Concession is granted the part of the share capital of the Company expended on the undertaking shall not have been completely amortised then on the application of the Company the High Commissioner shall extend the said term until such capital shall have been completely amortised and thereafter for an additional period equal to the period of such extension.

Power to purchase.

44. If the High Commissioner shall be desirous of purchasing the undertaking at the expiration of the thirty-seventh forty-seventh fifty-seventh or sixty-seventh year of the said term hereby granted and of such desire shall give to the Company twelve months' previous notice in writing, then the High Commissioner may at the expiration of the said thirty-seventh forty-seventh fifty-seventh or sixty-seventh year of the said term as the case may be purchase the undertaking and the benefit of all then existing contracts (subject to the obligations thereof) on the following terms: and in the event of the High Commissioner deciding to make such purchase the last day computed from the date hereof of the thirty-seventh forty-seventh fifty-seventh or sixty-seventh year of the said term as the case may be for which such notice to purchase shall be so given shall be and the same is hereinafter referred to as "the date of purchase": -

(a) The High Commissioner shall pay to the Company any sum or sums necessary to complete so far as the same shall be then incomplete the amortisation of the capital of the Company in accordance with the financial plan set forth in the Second Schedule hereto;

(b) The High Commissioner shall further pay to the Company a sum equal to the capitalized value at the time of purchase of the estimated profits of the Company for the residue then unexpired of the term of this Concession less an amount equal to interest on the issued capital of the Company for the same period. The said estimated profits shall be computed on the basis of the average annual profits of the Company which shall during the five years immediately preceding the purchase remain available (whether so used or not) for dividend after writing off the sums for amortisation and depreciation and reserve in accordance with the financial plan; and the rate of discount adopted in computing the said capitalized value shall be the average rate of discount for 3 months British Treasury Bills during the 12 months preceding the purchase; and the rate of interest aforesaid shall be identical with the said rate of discount: provided that in no case shall the deduction in respect of interest exceed the amount due to the Company in respect of estimated profits nor shall the sum payable to the Company under this sub-clause exceed 50 per cent. of the issued capital of the Company;

(c) The High Commissioner shall also pay to the Company adequate compensation for installations and repairs (other than repairs required by ordinary wear and tear) effected during the 15 years immediately preceding the said purchase in so far as the payment or recoupment for such installations and repairs is not covered by the provision for depreciation hereinbefore referred to, and in so far as such installations and repairs have been paid for out of profits which if not so used would have been available for distribution to the shareholders as dividend;

(d) The High Commissioner shall take over the benefits and obligations and keep the Company indemnified in respect of any contracts entered into by the Company for the purposes of the undertaking;

(e) In the event of the purchase of the undertaking by the High Commissioner under this clause, then so much of the said reserve as shall be existing at the date of the purchase shall in the first place be appropriated and applied in or towards paying or making good to the Company the deficiency (if any) by which the annual profits of the Company to the same date shall have been insufficient to pay (whether actually paid or not) an average dividend of 12½ per cent. per annum tax free from the formation of the Company to the date of purchase. And any balance of the reserve remaining after such appropriation and payment shall belong to and be paid to the High Commissioner;

(f) If at the date of such purchase there shall be outstanding any Debenture or other loan capital of the Company authorised under Clause 38 hereof the High Commissioner shall take over the liabilities of the Company in respect thereof but shall be entitled to the benefit of any existing funds for the amortization of the same;

(g) Save as hereinbefore provided the Company shall pay satisfy and discharge all their debts and liabilities in connection with the said undertaking existing on the date of purchase and shall indemnify the High Commissioner against all proceedings claims and demands in respect thereof;

(h) The staff in the employ of the Company at the date of purchase of the undertaking by the High Commissioner shall remain in the service of the undertaking in the hands of the High Commissioner during at least one year after the date of purchase or shall be given adequate compensation in accordance with or on the basis of the conditions of their engagement of service with the Company.

45. If the High Commissioner shall not in the meantime have purchased the undertaking then the Company may at any time during the sixty-eighth year of the term hereby granted apply to the High Commissioner for an extension of the term of this Concession, and in the event of such application being made by the Company the High Commissioner shall be under no obligation to grant any such extension but the High Commissioner shall nevertheless before the expiration of the sixty-ninth year of the said term definitely assent to or refuse such extension and in the same case but in the event of such application not being made by the Company then at the expiration of the said term of seventy years or of any actual extension thereof as aforesaid this Concession may if the High Commissioner so desires be renewed and in that case the Company shall have the first refusal of such renewal.

Provisions for  
renewal of  
Concession.

46. At the expiration of the Concession the undertaking together with all fittings accessories and stores shall pass into the ownership of the High Commissioner free of charge subject to the payment by him of adequate compensation for any supplies of fuel materials apparatus meters and instruments in stock or in transport or on order belonging to and/or paid for by the Company. Should the Company in the meantime have set up any laboratory or other scientific establishment or established a library and should the High Commissioner take over such establishment and/or library, the High Commissioner shall pay adequate compensation therefor. And the Company shall be entitled to claim adequate compensation at the date of taking over for such installations and repairs (other than repairs required by ordinary wear and tear) as shall have been effected within fifteen years immediately preceding the date of the expiration of this Concession and are not covered by the provisions for depreciation hereinbefore referred to and in so far as such installations and repairs have been paid for out of profits which if not so used would have been available for distribution to the Shareholders as dividend.

Expiration of  
Concession.

Power to High Commissioner to delegate.

47. The High Commissioner may from time to time delegate to any other person or persons any of the powers and discretions vested in him under or by virtue of this Concession.

not to be personally liable hereunder.

48. The High Commissioner grants this Concession in virtue of his office and neither the High Commissioner nor any person to whom he may delegate his powers shall be in any way personally liable for or in respect of any act matter or thing executed done or omitted under or in connection with this Concession.

Notices.

49. Any notice hereunder may be given to the Company by sending the same by registered post addressed to the Company at their Principal Office in Palestine and any such notice shall be deemed to have been given forty-eight hours after it was so posted.

Arbitration.

50. Except where otherwise expressly provided in these presents any and every dispute difference or question which shall arise between the High Commissioner and the Company as to the meaning or effect of any of the provisions of this Concession or otherwise in relation to the premises which cannot be settled by mutual agreement shall be referred to a board of arbitration which board shall consist of one arbitrator nominated by each of the parties to the dispute together with a third arbitrator agreed between the other two arbitrators or failing agreement some impartial person nominated by His Majesty's Principal Secretary of State for the Colonies: and such arbitration shall be held in accordance with the provisions of the Imperial Act of Parliament known as the Arbitration Act 1889 with such modifications as may be necessary.

Provided that if either the High Commissioner or the Company shall in writing so require, the third arbitrator shall be some person not ordinarily resident in Palestine: And provided further that where a difference dispute or question on a technical matter shall arise between the High Commissioner and the Company which cannot be settled by mutual agreement the same shall on the application of the Company be referred to a consulting engineer who shall be selected by His Majesty's Principal Secretary of State for the Colonies and whose fees shall be paid by the Company.

Marginal notes.

51. The marginal notes of the contents of this Concession are for the purpose of convenience only and shall not affect the construction or interpretation of this Concession.

Interpretation.

52. These presents shall be interpreted and construed according to the laws of England and shall be given effect to accordingly.

IN WITNESS whereof the High Commissioner has hereunto set his hand and seal and the Company have caused its Common Seal to be affixed hereto the day and year first above written.

#### THE FIRST SCHEDULE ABOVE REFERRED TO.

Works to be Executed and Plant to be Provided by the Company in pursuance of Clause 7 hereof.

(a) A dam on the River Yarmuk adjacent to the Yarmuk Waterfall and near the junction of the Rivers Yarmuk and Jordan with the corresponding canal and another dam or weir if necessary on the River Jordan.

(b) A power house situated near Jisr-el-Majami together with head-works tail-race and pipe lines.

(c) High tension transmission lines with corresponding transformers for supplying hydro-electric energy within the Haifa, Tiberias Jaffa and Ramleh Sub-Districts.

(d) A reserve fuel power house of at least 1,000 horse-power together with a high and low tension distribution system and transformers in Haifa and a reserve fuel power house of at least 100 horse-power together with a low tension distribution system in Tiberias.

#### THE SECOND SCHEDULE ABOVE REFERRED TO.

#### Financial Plan.

##### 1. AMORTISATION.

The Company shall not later than the expiration of the tenth year of the term of the Concession make provision for the amortisation of such part of the share capital as has been expended on the undertaking by setting aside in each year such a sum as computed on the basis of 4 per cent. compound interest with yearly rests would produce at the expiration of the term of the Concession the full amount of the share capital so expended as aforesaid. The sums so set aside shall be invested by the Company in securities to be approved by the High Commissioner as well as all dividends or interest received therefrom to form an Amortisation Fund and such annual payments (subject to the proper provision of the revenue for Depreciation hereinafter referred to) shall be a first charge on the profits of the undertaking. If in any year the profits of the undertaking after making proper provision for Depreciation shall be insufficient to meet the annual payment to be made to the Amortisation Fund then the deficiency shall be made good out of the first profits of the undertaking available for amortisation.

##### 2.—DEPRECIATION.

The Company shall be at liberty to set aside in respect of each year of the term of the Concession after the first delivery of electrical energy to the Consumers for the depreciation of:—

(i) Canals dams penstocks sluices pressure pipes power houses buildings machinery transmission lines etc. 4.5 per cent. of cost;

(ii) Distribution system; 7 per cent. of cost.

##### 3. RESERVE.

The Company shall be at liberty to establish a Reserve Fund by setting aside not more than 10 per cent. in any one year of the monies for the time being expended upon the

undertaking provided that the whole of such Reserve Fund shall at no time exceed 50 per cent. of such monies but that any depletion of the Reserve Fund from time to time may be made good.

4. The total of the Depreciation and Reserve Funds shall at no time exceed the total amount of the monies for the time being expended upon the undertaking.

SIGNED SEALED and DELIVERED by Field Marshal  
The Right Honourable Herbert Charles Onslow,  
Baron Plumer, G.C.B., G.C.M.G., G.C.V.O., G.B.E.,  
in the presence of

PLUMER, F.M.

G. S. SYMES,  
*Chief Secretary.*

THE COMMON SEAL of the Palestine Electric  
Corporation Limited was affixed hereto in the  
presence of

PINHAS  
RUTENBERG,  
*Chairman.*

HARRY SACHER.

I. BAHARAW,  
*Secretary.*

## PART II.

Concession granted to Pinhas Rutenberg in connection with the provision and supply of electrical energy for lighting and power purposes and for irrigation in what is described therein as the District of Jaffa, dated the 12th September, 1921.

**This Indenture** made the 12th day of September 1921 BETWEEN THE RIGHT HONOURABLE SIR HERBERT SAMUEL G.B.E. High Commissioner for Palestine by virtue of his office by THE CROWN AGENTS FOR THE COLONIES of the one part and PINHAS RUTENBERG of Jerusalem Palestine Civil Engineer of the other part.

WITNESSETH and it is hereby agreed and declared as follows—that is to say:—

1. In these presents the following words and expressions shall have the following meanings respectively Definitions.

(a) "The High Commissioner" means the High Commissioner for Palestine for the time being;

(b) "The Concession Area" means and includes the District under the jurisdiction of the Governor of Jaffa at the date hereof;

(c) "The Undertaking" means the business of the Concessionaire of generating supplying and distributing electrical energy and of irrigation under this Concession and all buildings works engines dynamos plant machinery wires cables fixtures and other like property which shall for the time being be used by the Concessionaire for any of the purposes of this Concession but not money or securities for money;

(d) "The Company" means the Limited Liability Company intended to be formed by the said Pinhas Rutenberg to take over and work this Concession;

(e) "The Concessionaire" means the said Pinhas Rutenberg or other the person or persons Company or Corporation for the time being entitled to the benefit of this Concession as the permitted assign thereof;

(f) "Month" means calendar month.

2. The High Commissioner by virtue of his office hereby grants to the Concessionaire for the period of 32 years from the day of the date hereof an exclusive concession for the utilization of the waters of the Auja Basin in Palestine for the purpose of generating by such water power and utilizing and supplying within the concession area electrical energy and for utilizing the said waters for the purpose of irrigation with liberty for the Concessionaire during the said period to produce and supply electrical energy within the concession area by any other means than water power.

Grant of concession for 32 years.

3. The Concessionaire shall within 9 months from the date of this concession commence to build and erect and shall within 18 months thereafter well and completely finish erect and set up fit for use with proper materials of their several kinds an electric generating station or power house in the neighbourhood of Jerishe to be called the Yarkon Power House with proper and sufficient engines dynamos transformers machinery plant mains lines wires cables poles and other

The Concessionaire to commence works within nine months and to finish within 18 months thereafter.



apparatus equipment and things as shall be capable of producing supplying and distributing and maintaining electrical energy for the use of all local authorities companies corporations and persons desirous of using the same. Provided always that the Concessionaire shall be granted an extension of the said respective periods of 9 months and 18 months for the commencement and completion of the works aforesaid if and as often as the Concessionaire shall be prevented by force majeure from commencing or completing the same within the said respective periods of 9 and 18 months or for any other reason which shall from time to time be agreed between the High Commissioner and the Concessionaire to be a sufficient and proper reason for an extension or extensions or which (failing such agreement) shall be determined to be a sufficient and proper reason by arbitration as provided by Clause 44 hereof.

Penalties on failure to commence or complete works within time specified.

4. In case the Concessionaire shall fail to perform the obligation hereinbefore imposed on the Concessionaire within the respective periods aforesaid or within any such extended period as aforesaid the Concessionaire shall pay to the High Commissioner for every subsequent month's delay in completing the said works the sum of £ 250 per month and so in proportion for any part of a month as liquidated and ascertained damages and not as a penalty. And in case the Concessionaire shall fail or neglect to finish or complete the said works in all respects within 12 months from the expiration of the respective periods aforesaid or any extended period, it shall be lawful for the High Commissioner (subject and without prejudice to the continuing liability of the Concessionaire to pay the liquidated damages aforesaid up to the time of the notice) at any time after the expiration of such 12 months by notice in writing to the Concessionaire to cancel this concession without paying to the Concessionaire any compensation for work theretofore done by the Concessionaire in part performance of his obligations or otherwise and in the event of such cancellation the Concessionaire shall not for a period of 12 months from such cancellation be entitled to remove any buildings works machinery or apparatus erected or set up by the Concessionaire under this concession so as to give time to the High Commissioner to decide whether or not he desires to take over the same or any of them and if he shall at any time within such last mentioned period of 12 months give notice in writing to the Concessionaire signifying his desire to take over the said buildings works machinery and apparatus or any of them, then and in that case the things specified in such notice shall not be removed by the Concessionaire but shall be purchased by the High Commissioner at a price to be determined in case of dispute by arbitration under the provisions of Clause 44 hereof. And for 12 months after the receipt of such notice the Concessionaire shall be at liberty without let or hindrance to remove any buildings works machinery or apparatus not specified in the said notice, and in default of such notice the Concessionaire shall be at liberty without let or hindrance to remove all the said buildings machinery works and apparatus during the 12 months following upon the expiration of the said 12 months during which the High Commissioner might have given the said notice.

Works to be in accordance with plans.

5. The power house buildings engines dynamos transformers machinery plant fixtures and works to be built made and set up by the Concessionaire under this concession shall be built made and set up in accordance with the plans referred to in the First Schedule hereto with such modifications or variations as shall be first approved of in writing by the High Commissioner.

First Installation.

6. The power house installation referred to in the said plans shall consist of water turbines of not less than 500 horse power and of one reserve water turbine of not less than 250 horse power. And each turbine shall be connected with a corresponding electric generator.

7. The power furnished by the Concessionaire if required by the demand shall not be less than 500 horse power. It shall satisfy in the first instance the demand for electrical energy by the local authorities and population of Jaffa Tel-Aviv and Petach Tikvah for water supply and for street and private lighting. Any surplus of electrical energy over and above such requirement shall be utilized by the Concessionaire for the purpose of industrial establishments or for irrigation of orange groves and gardens.

Quantity of power to be furnished.

8. The Concessionaire shall have the right during the said term to raise the height of the existing Hadrah Dam by one metre so that the water level of the Auja at the said dam becomes 6.90 metres above sea level and conduct the water by means of a Canal to the power house near the Jerishe Mill and shall have the right to construct and operate a flour mill to take the place of the existing Jerishe Mill and in the event of all or any of these works being effected the same (except the flour mill) shall form part of the undertaking to which the provisions for purchase or acquisition by the High Commissioner under Clauses 21 and 22 hereof are to apply. The Concessionaire shall at all times take the necessary measures to preclude the formation of stagnant waters in the bed of the Auja between the Hadrah Dam and the Jerishe Dam and shall if required in writing by the High Commissioner pull down the Jerishe Dam.

Power to raise the Hadrah Dam.

9. The power produced shall be transmitted to the centres of consumption by means of high tension transmission lines and the Concessionaire shall take all measures required by the High Commissioner to give protection against the high tension lines including protection for any telegraph or telephone lines.

Transmission of power by high tension lines.

10. The Concessionaire shall have the right to erect poles for the high medium and low tension transmission lines and to lay an underground cable or cables through the streets wherever required but so that the Concessionaire shall be under the obligation to restore such streets to their former state and condition immediately after every disturbance thereof for any of the purposes aforesaid.

Power to Concessionaire to erect poles and to lay underground cables.

11. The Concessionaire shall also lay in addition to the high tension lines low tension lines wherever necessary and proper for town planning municipal and local areas.

Concessionaire to lay low tension lines for local areas.

12. The Concessionaire shall undertake the connection of the said electrical system with the meters on the Consumers' premises at cost price plus a moderate charge and the Concessionaire shall be entitled to charge a moderate annual rental for electrical meters supplied and installed by the Concessionaire for the purpose of measuring the amount of electrical energy consumed by each consumer. The Concessionaire shall be entitled to make rules and regulations to be observed by the consumers of electrical energy supplied by the Concessionaire but such rules and regulations shall not be put in force or issued until the same shall have been first approved of in writing by the High Commissioner.

Meters and rules for consumers.

13. At the request in writing of the Concessionaire the High Commissioner shall on behalf and at the cost of the Concessionaire appropriate on payment of fair compensation to be agreed by the Concessionaire or failing agreement determined in accordance with the law of expropriation in force for the time being in Palestine the Jerishe Mill and any property land buildings or easement required for the building of the Hadrah Dam, for the construction of the canal, for the erection of the power house at or near Jerishe, for the building of the flour mill, for the necessary premises offices warehouses houses stores

High Commissioner to appropriate any land &c. required.

and other establishments and conveniences of the Concession for the production transmission and distribution of electrical energy within the Concession area and for the building of roads bridges private sidings wharves and any other means of communication required for the purposes of the Concession. Provided always that the Concessionaire shall if and whenever required so to do deposit with the High Commissioner or give satisfactory security for the payment to the High Commissioner of such a sum of money as the High Commissioner shall consider likely to prove to be the fair compensation for the property proposed to be expropriated which sum shall in the event of the property in question being expropriated be applied in or towards payment of the compensation payable for such expropriation, and on demand any balance required for that purpose shall be paid by the Concessionaire and any surplus shall be repaid to the Concessionaire. The Concessionaire shall have the right subject to payment of fair compensation as aforesaid to establish any easement in respect of the said works and for the proper effective and convenient working of the Concession.

High Commissioner to expropriate existing undertakings within Concession area.

14. At the request in writing of the Concessionaire the High Commissioner shall on behalf of and at the cost of the Concessionaire expropriate on payment of fair compensation agreed by the Concessionaire or failing agreement determined in accordance with the provisions of any Treaty in force at the time or by arbitration between the owner or owners of such property and the High Commissioner any existing undertakings for the generation supply distribution or sale of electrical energy within the Concession area; provided always that the Concessionaire shall if and whenever required by the High Commissioner so to do deposit with the High Commissioner or give satisfactory security for the payment to the High Commissioner of such a sum of money as the High Commissioner shall consider likely to prove to be the fair compensation to be paid for the undertaking to be expropriated, which sum shall in the event of the undertaking in question being expropriated be applied in or towards payment of the compensation payable for such expropriation and any balance required for that purpose shall be paid by the Concessionaire on demand and any surplus shall be repaid to the Concessionaire on demand.

Concessionaire to make over distribution of electrical energy to local authorities.

15. The Concessionaire shall if required by the High Commissioner in writing transfer and make over to the municipalities or local councils or authorities the distribution of electrical energy in the various localities on terms and conditions to be agreed between the parties and to be approved of in writing by the High Commissioner. And in the event of any such transfer being agreed and approved as aforesaid, the Concessionaire shall generate and transmit to the corresponding substations of the municipalities or local councils or authorities concerned the electrical energy which is required to be transmitted to them respectively.

Concessionaire to provide electric light for public and private purposes.

16. The Concessionaire shall if so required by the Local Authorities provide electric light in their respective areas for public or private purposes between dusk and dawn in priority to any other supply of electricity by the Concessionaire but subject thereto the Concessionaire shall be free to supply electric light and power to private consumers at their request. The Concessionaire shall have the right (subject to the obligation to provide light between dusk and dawn as aforesaid) to distribute the surplus power available among the individual subscribers in such a way as to secure the best utilisation of the energy available and to secure that the maximum number of consumers shall take advantage of the installation.

17. Subject to the provisions of Clauses 18 and 29 hereof the Concessionaire shall provide electrical energy to the consumers' meters at rates not exceeding the following that is to say:—

- |     |   |                              |  |
|-----|---|------------------------------|--|
| (a) | For electric lighting in private houses                             | 5 Piastres per Kilowatt hour |  |
| (b) | For street lighting ...   | 2½ „ per „                   |  |
| (c) | For water supply ...  | 2½ „ per „                   |  |
| (d) | For the irrigation of orange groves and for industrial purposes ... | 2 „ per „                    |  |

Charges for supply.

And for large consumers of energy the rates shall be fixed by special agreement between the Concessionaire and the Consumers and for other purposes such as heating and cooking the rates shall not exceed maximum rates to be fixed in agreement with the High Commissioner.

18.—(i) The Concessionaire shall within a period of 7 years from the date of this Concession submit to the High Commissioner for his approval a scheme for a sliding scale of rates to be charged to consumers of electrical energy but such scheme of rates shall not be put in force or charged without the consent in writing of the High Commissioner first obtained and subject as aforesaid and subject to the provisions of Clause 29 hereof the rates mentioned in Clause 17 hereof shall not be increased for a period of 7 years from the date of this Concession and shall not thereafter be increased except under and in accordance with the provisions hereinafter contained.

Provisions as to charges and profits.

(ii) If at the expiration of seven years from the date hereof it shall appear that the Company to be formed as provided in Clause 34 hereof by the said Pinhas Rutenberg for taking over and working this Concession is unable out of its profits to write off the sums (a) for the amortisation of the Capital of the Company (b) for depreciation and (c) for reserve indicated in the Financial plan set forth in the Second Schedule hereto and to pay a dividend of not less than 8 per cent. per annum tax free on its share capital for the time being issued, the Company shall have the right to increase the said rates of charge for electrical energy to such an extent as may be calculated in the opinion of the High Commissioner to enable the Company to pay future dividends at such rate per annum. If in any year the profits of the Company shall be sufficient to enable it to write off the sums (if any) required for amortisation of capital depreciation and reserve during the year as indicated in the said financial plan and to declare a dividend of not less than 10 per cent. per annum tax free and less than 20 per cent. per annum tax free for the same year on its Capital for the time being issued, then one half of the net profits of the Company during the same year in excess of the amount which would be necessary to enable the Company to write off the sums aforesaid (if any) and to pay a dividend at the rate of 10 per cent. per annum tax free shall be paid to the High Commissioner. And if in any year the profits of the Company shall be sufficient to enable it to write off the sums (if any) required for amortisation of capital depreciation and reserve during the same year as indicated in the said financial plan and to declare a dividend amounting to or exceeding 20 per cent. per annum tax free for the same year, then the whole of the profits of the Company during the same year in excess of the amount which would be necessary to enable it during the same year to write off the sums (if any) last aforesaid and to pay a dividend of 15 per cent. per annum tax free on its capital for the time being issued shall be paid to the High

Commissioner. All sums of money which under this sub-clause are to be paid to the High Commissioner shall be applied by the High Commissioner to the reduction of rates or to such other purposes as shall from time to time be agreed by the High Commissioner with the Company.

(iii) The Company shall at all times perform and observe and abide by the rules and regulations as to amortisation of capital depreciation and reserve contained in the financial plan set forth in the Second Schedule hereto. Provided that no part of the depreciation or reserve funds shall be capitalised but any income derived from such funds shall be treated as part of the profits of the Company.

Provision for extension of term of concession.

19. The said term of thirty-two years for which the Concession is hereinbefore expressed to be granted shall be extended:

(a) If the scheme for the amortisation of the Capital of the Company is not carried out within the time limited by the said financial plan set forth in the Second Schedule hereto, then by two years for every year by which such amortisation is delayed beyond the time specified in the said plan;

(b) If this Concession is within the first 16 years of the term of 32 years hereby granted absorbed in a concession granted by the High Commissioner relating to the provision of electrical energy and/or irrigation or is taken over by an undertaking holding such a concession granted by the High Commissioner for a term longer than the term hereby granted, then for the term granted for such other concession or undertaking.

Financial and technical supervision.

20. During the term of this Concession (as well the said original term of thirty-two years as any extended term) the High Commissioner shall have the right to exercise such financial and technical supervision over the operations of the Concessionaire as shall be necessary for the purpose of ensuring the due and proper working of the Concession and the Concessionaire shall conform with all the requirements of the High Commissioner necessary for ensuring such due and proper working. The Concessionaire shall not issue or raise any debenture or other loan capital except with the consent in writing of the High Commissioner first had and obtained and subject only to such terms and conditions as may be approved by him and to proper provisions for the complete amortisation of such debenture or other loan capital at the expiration of the said term of 32 years but the Concessionaire shall be at liberty to provide for such complete amortisation at an earlier date.

Power to purchase undertaking.

21. If the High Commissioner shall be desirous of purchasing the undertaking at the expiration of the 17th or 22nd or 27th year of the said term hereby granted and of such desire shall give to the Concessionaire 12 months previous notice in writing then the High Commissioner may at the expiration of the 17th 22nd or 27th year of the said term as the case may be purchase the Undertaking and the benefit of all then existing contracts (subject to the obligations thereof) on the following terms: that is to say:

(a) The High Commissioner shall pay to the Company any sum or sums necessary to complete so far as the same shall then be incomplete the amortisation of the capital of the Company in accordance with the financial plan set forth in the Second Schedule hereto.

(b) The High Commissioner shall further pay to the Company a sum equal to the capitalized value at the time of purchase of the estimated profits of the Company for the residue then unexpired of the term of this Concession less an amount equal to interest on the issued capital of the Company

for the same period. The said estimated profits shall be computed on the basis of the average annual profits of the Company which shall during the 5 years immediately preceding the purchase remain available (whether so used or not) for dividend after writing off the sums for amortisation depreciation and reserve; and the rate of discount adopted in computing the said capitalized value shall be the average rate of discount for 3 months British Treasury Bills during the 12 months preceding the purchase, and the rate of interest aforesaid shall be identical with the said rate of discount; provided that in no case shall the deduction in respect of interest exceed the amount due to the Company in respect of estimated profits nor shall the sum payable to the Company under this sub-clause exceed 50 per cent. of the issued capital of the Company.

(c) The High Commissioner shall also pay to the Company adequate compensation for installations and repairs (other than repairs required by ordinary wear and tear) effected during the 15 years immediately preceding the said purchase in so far as the payment or recoupment for such installations and repairs is not covered by the provision for depreciation hereinbefore referred to and in so far as such installations and repairs have been paid for out of profits which if not so used would have been available for distribution to the shareholders as dividend.

(d) The High Commissioner shall take over the benefits and obligations and keep the Company indemnified in respect of any contracts for fuel materials supplies meters apparatus and instruments.

(e) In the event of the purchase of the undertaking by the High Commissioner under this clause then so much of the said reserve as shall be existing at the date of the purchase shall in the first place be appropriated and applied in or towards paying or making good to the Company the deficiency (if any) by which the annual profits of the Company to the same date shall have been insufficient to pay (whether actually paid or not) an average dividend of 12½ per cent. per annum tax free from the formation of the Company to the date of purchase. And any balance of the reserve remaining after such appropriation and payment shall belong to and be paid to the High Commissioner.

(f) If at the date of such purchase there shall be outstanding any debenture or other loan capital of the Company authorised under Clause 20 hereof the High Commissioner shall take over the liabilities of the Company in respect thereof but shall be entitled to the benefit of any existing funds for the amortisation of the same.

(g) Save as hereinbefore provided the Company shall pay satisfy and discharge all their debts and liabilities in connection with the said undertaking existing on the date of purchase and shall indemnify the High Commissioner against all proceedings claims and demands in respect thereof.

(h) The staff in the employ of the Company at the date of the purchase of the undertaking by the High Commissioner shall remain in the service of the undertaking in the hands of the High Commissioner during at least one year after the date of purchase or shall be given adequate compensation in accordance with or on the basis of the conditions of their engagement of service with the Company.

Provided always and it is hereby expressly agreed and declared that in the event of this Concession being absorbed or taken over under the provisions of Clause 19 (b) hereof with

the time therein limited, then the provisions in this clause contained for purchase by the High Commissioner of the undertaking shall cease to operate and for all purposes this Concession shall be deemed to be an integral part of the concessions or undertaking in or by which it has been absorbed or taken over.

Provisions  
for renewal.

22. If the High Commissioner shall not in the meantime have purchased the undertaking under the powers aforesaid then at the expiration of the said 32 years term or of any actual extension or extensions thereof as aforesaid this Concession may if the High Commissioner so decide be renewed and the Concessionaire shall in that case have the first refusal of such renewal which offer shall be made in writing to the Company twelve months before the expiration of this concession. Should the High Commissioner decline to renew this Concession or should the Concessionaire within six months after the offer decline the renewal thereof, the undertaking shall pass into the ownership of the High Commissioner free of charge subject to the payment by the High Commissioner of adequate compensation for any supplies of fuel materials apparatus meters and instruments in stock or in transport or on order belonging to and/or paid for by the Company. Should the Concessionaire set up any laboratory or other scientific establishment or establish a library and should the High Commissioner take over such establishment and/or library, the High Commissioner shall pay adequate compensation therefor. The Concessionaire shall be entitled to claim adequate compensation at the date of taking over for such installation and repairs (other than repairs required by ordinary wear and tear) as shall have been effected within fifteen years immediately preceding the date of the expiration of the Concession on terms and conditions similar to those set out in Clause 18 (c) hereof.

Concessionaire to conform with anti-malarial regulations.

23. The Concessionaire shall at all times conform with the terms of any anti-malarial regulations issued by the High Commissioner.

Concessionaire to provide two bridges.

24. The Concessionaire shall if called upon by the High Commissioner so to do and as soon as conveniently may be thereafter provide not more than two bridges over the said Canal to give facilities for access to the land between the Canal and the Auja River.

Rights of existing users of Auja waters.

25. The Concessionaire shall supply all existing owners of land within and all existing users of the waters within the Auja basin with such an amount of water from the River Auja and its tributaries as shall be reasonably necessary for the requirements and purposes of such existing owners and users but not exceeding the quantity which they now respectively enjoy upon such conditions as the High Commissioner shall from time to time approve, and in the event of any diminution in the quantity of such supply the Concessionaire shall pay to the said owners and users or such of them as shall suffer a diminution in his or their supply fair compensation in respect of such diminution.

No similar concession to others in this area.

26. During the continuance of this Concession no further concession shall be granted by the High Commissioner in or over the concession area to any person or Company other than the Concessionaire for any of the purposes following viz:—

(1) To construct canals dams reservoirs channels water courses pumping stations and other works of whatever kind necessary for the generation of electrical energy from water power and for irrigation;

(2) To construct equip instal and operate water or fuel electric power stations;

(3) To construct equip instal and operate overhead and underground cables;

(4) To instal electric lighting in streets dwellings and buildings of whatever kind;

(5) To supply electrical energy for consumption by docks wharves railways plantations mills factories workshops laboratories offices houses and by all agricultural industrial commercial and public or private establishments and undertakings of whatever kind;

Unless in each instance the concession shall have first been offered to the Concessionaire upon similar terms which shall be fair and reasonable and such offer shall not have been accepted in writing by the Concessionaire within six months of the offer. Provided always that nothing in this clause contained shall be construed as restricting the carrying out or construction or operation by or on behalf of the High Commissioner or any other person or persons Company or Companies of any telegraph or telephone works within the concession area, and the provisions of this clause are to be subject and without prejudice to the provisions of Clause 31 hereof.

27. (a) If the requirements of the concession area for electrical energy shall increase to such an extent that the works of the Concessionaire for the time being in existence shall be unable to supply the amount required the local authorities within the concession area or any of them shall be entitled with the consent of the High Commissioner to give to the Concessionaire notice in writing to produce the required additional energy. Should the Concessionaire be willing to comply with such notice an agreement to be approved of by the High Commissioner shall be entered into between the Concessionaire and the party requiring such energy determining the terms and conditions regulating the supply of such additional energy. If the Concessionaire shall refuse to enter into such agreement or having entered into such agreement shall be unable or shall neglect to provide the additional energy within one year after the date of the agreement aforesaid, then the local authority or authorities shall from and immediately after the date of any such refusal or the expiration of the said one year whichever shall first happen be at liberty to obtain such additional energy elsewhere and for the purpose of procuring such additional energy the High Commissioner may empower any other company firm person or persons to generate and supply electrical energy within the concession area notwithstanding any provision to the contrary herein contained.

Power to require supply of additional energy.

(b) If the High Commissioner or with the consent of the High Commissioner any local authority or authorities within the concession area shall require the building or constructing by the Concessionaire of an electric tramway or tramways railway or railways the Concessionaire shall within 12 months from the date of the requisition decide whether or not the Concessionaire is prepared to construct the same and if and so soon as the Concessionaire shall within the said 12 months decide so to do the Concessionaire shall proceed with all due diligence to construct and complete the work required on terms and conditions to be incorporated in an agreement between the Concessionaire and the High Commissioner or local authority or authorities as the case may be: but if the Concessionaire shall at any time within the said 12 months decline to construct such work or if he shall neglect to comply with the terms and conditions contained in such last mentioned agreement, then forthwith and immediately after the Concessionaire shall have declined so to do or upon the neglect of the Concessionaire to comply with the said terms and conditions, the High Commissioner or the local authority as the case may be shall be at liberty to procure the building and construction of the work required by any other person or persons firm or company.

Power to require Concessionaire to construct electric tramway or railway.



Undertaking to be recognised as public utility body.

28. The Undertaking of the Concessionaire under this Concession shall be recognised as a public Utility Body under Government control and all the installations and property of the Undertaking shall receive protection as such, and the Concessionaire shall be entitled only to such rights to compensation for damage as are provided by law.

High Commissioner to annul any existing competing concession.

29. In the event of there being any valid pre-existing concession covering the whole or any part of the present Concession the High Commissioner if requested in writing by the Concessionaire so to do shall take the necessary measures for annulling such concession in so far as it affects this present Concession and the Concessionaire shall indemnify the High Commissioner against any compensation that may be due or become payable in respect of any such annulled concession to the extent to which it affects this present Concession and shall be entitled to increase the capital of the Company and the rates of charge to be made to consumers of electrical energy correspondingly. And the amount of any compensation to become payable and to be paid in respect of any such annulled concession shall be paid in agreement with the Concessionaire and in default of agreement shall be determined by arbitration between the owner or owners of such pre-existing concession and the High Commissioner or other appropriate procedure.

No undue preference to consumers.

30. Subject to the provisions for the benefit of the Local Authorities contained in Clause 16 hereof the Concessionaire shall not in making any agreements for the supply of electricity show any undue preference to any company or person but save as aforesaid the Concessionaire may make such charges for the supply of electrical energy to any consumer within the concession area as may be agreed upon between the Concessionaire and such consumer so always that such charges shall not exceed the rates chargeable under Clauses 17 18 29 and 38 hereof.

Nothing to prevent generation and supply of electrical energy for Government offices.

31. Nothing herein contained shall prevent the High Commissioner from generating electrical energy and supplying the same to any Government office within the concession area or to any Government official or servant or prevent any person or persons, or any firm or company generating electrical energy and using the same for his or their own purposes within the concession area but so that no such electrical energy shall be sold within such area.

Concessionaire to carry on works efficiently and properly.

32. The Concessionaire shall at all times during the continuance of this Concession carry on and work the business of generating supplying and distributing electrical energy under and in accordance with this Concession in a proper and efficient manner and provide and pay a proper sufficient and competent staff of employees for that purpose and maintain and renew the installation so far as may from time to time be required for the purposes of such business.

Concessionaire may supply electrical energy outside concession Area.

33. The Concessionaire shall be entitled during the continuance of this Concession to supply and distribute for consumption outside the Concession Area electrical energy generated under this Concession provided that the needs of the Concession Area shall have been satisfied and provided also that such supply outside the Concession Area shall not in any way whatsoever interfere with or prejudice the grant by the High Commissioner of any existing or future similar concession outside the said Area or the holder thereof and the Concessionaire shall not permit or suffer any such electrical energy to be consumed outside the Concession Area so as in any way whatsoever to interfere with or prejudice any such other concession or the holder thereof.

34. The Concessionaire shall before the completion of the works and in any case not later than two years from the date hereof form a limited company to be registered in Palestine for the purpose of taking over this Concession. Such Company shall have an authorised capital of £100,000 or such other amount as shall be determined by the High Commissioner in agreement with the said Pinhas Rutenberg and shall have a constitution approved by the High Commissioner with the advice and co-operation of the Jewish Agency referred to in the Mandate for Palestine. Provided further that there shall have been subscribed in cash the sum of £50,000 at the least of the share capital of such Company and that on the completion of such arrangement or transfer the said Pinhas Rutenberg shall be deemed to be released from his liabilities and obligations under this Concession. Save as aforesaid the Concessionaire shall not assign transfer or otherwise divest himself of this Concession without the previous consent in writing of the High Commissioner.

Concessionaire to form a company and not to assign without consent.

35. The Concessionaire shall be entitled to erect and operate a telegraph and telephone system connecting the power house of the Concessionaire with the various offices and establishments of the Concessionaire's undertaking within the Concession Area but so that the said telegraph or telephone system shall be used exclusively for the purposes of this Concession and shall be subject to the control and supervision of the Postal Authorities in Palestine.

Concessionaire to have power to operate telegraphs, etc.

36. The Concessionaire shall at all times during the continuance of this Concession keep at the principal office in Palestine of the Concessionaire all proper and usual books and accounts showing the capital expenditure for the time being upon the undertaking and also all receipts and expenditure by the Concessionaire on account of revenue in connection with the undertaking which books and accounts shall be open at all times to inspection by the High Commissioner. The Concessionaire shall appoint some duly qualified person or firm approved of by the High Commissioner to act as Auditor, and such Auditor shall not less than once in every year during the term of the Concession prepare and certify a proper balance sheet and profit and loss account of the undertaking and a copy of each such balance sheet and profit and loss account so certified shall forthwith be furnished to the High Commissioner.

Concessionaire to keep proper accounts and permit inspection.

37. The Concessionaire shall not pollute or foul any of the waters of the River Auja or any other river or stream which may be used under this Concession. The Concessionaire shall compensate all persons or corporations who may suffer damage by the failure of the Concessionaire to comply with the provisions of this clause and the Concessionaire shall at all times keep indemnified the High Commissioner from and against all actions proceedings damages expenses and costs which may be occasioned by any breach of this Clause by the Concessionaire.

Concessionaire not to pollute streams.

38. If any taxation shall be imposed in Palestine which would fall upon the profits of the Company in respect of this Concession during the first seven years of its currency any part of the profits of the Company which is actually devoted to the amortisation of the capital of the Company depreciation and reserve in accordance with the said financial plan shall for the purpose of such taxation be deemed to be expenses and not profits so as to be free of tax; and during the same period of seven years no tax shall be levied on any profits of the Company over and above the expenses aforesaid unless the Company shall have made profits over and above such expenses sufficient to pay during the year for which the tax is levied and each preceding year of the said period a cumulative dividend of not less than six per centum per annum tax free. Provided always that after the expiration of the said period of seven years all

Partial relief of Company from taxation.

the profits of the Company in respect of this Concession after writing off amortisation depreciation and reserve shall be liable to tax and taxable at the appropriate rates for the time being in force in Palestine whatever the profits of the Company shall have been during the said period of seven years, and the taxes at the appropriate rates for the time being in force shall thenceforward be leviable in respect of all the profits of the Company and shall be paid by the Company accordingly. If any tax shall be imposed after the date of this Concession upon electrical energy or if any tax or additional tax shall be imposed upon any fuel employed in the production of electrical energy, the Concessionaire shall be entitled to increase the aforesaid rates of charge to be made to consumers mentioned in Clause 17 hereof by an equivalent amount, subject nevertheless to the provisions of Clause 18 hereof.

Power to High Commissioner to delegate.

39. The High Commissioner may from time to time delegate to any other person or persons any of the powers and discretions vested in the High Commissioner under or by virtue of this Concession.

Any prospectus or advertisement to be submitted for approval.

40. Every statement or representation having reference to this Concession to be set forth in any prospectus notice advertisement or circular inviting subscriptions to the capital of the undertaking to be issued in Palestine or the United Kingdom by or on behalf of the Concessionaire shall be first submitted to the High Commissioner or the Crown Agents as the case may be together with the whole of such prospectus or other document before the same shall be issued and the same shall not be issued if the High Commissioner or the Crown Agents as the case may be shall within fourteen days after any such statement or representation has been so submitted serve on the Concessionaire notice disapproving of the same and in the event of any breach of this clause it shall be lawful for the High Commissioner by notice in writing to be served on the Concessionaire to determine this Concession. Provided that any approval given under this clause shall in no way extend or be deemed to extend to any other statement or representation contained in or implied by any such prospectus or other document as aforesaid and that neither the High Commissioner nor the Crown Agents shall by reason of any such approval be represented or deemed to have in any way authorised the issue of such prospectus or other document as aforesaid.

Crown Agents and High Commissioner not to be personally liable.

41. The Crown Agents execute this Concession on behalf of the High Commissioner and the Crown Agents shall not nor shall the High Commissioner nor any Government officer be in any way personally liable for or in respect of any act matter or thing hereby made obligatory upon the High Commissioner.

Notices.

42. Any notice hereunder may be given to the Concessionaire by sending the same by registered post addressed to the Concessionaire at the principal office in Palestine of the Concessionaire and any such notice shall be deemed to have been given forty-eight hours after it was so posted.

Provisions in case of default.

43. Without prejudice to the provisions hereinbefore contained for the High Commissioner terminating this Concession and for the liability of the Concessionaire hereunder for liquidated damages, if at any time during the continuance of this Concession the Concessionaire shall make default in performing or observing any of the other provisions of this Concession which ought to be performed or observed by the Concessionaire, then and in any such case the High Commissioner may give to the Concessionaire notice in writing specifying the matter or matters in respect of which default has been made and requiring the Concessionaire to make good such default: and if within six months from such notice being

given the Concessionaire shall through his wilful neglect or default not have made good such default the High Commissioner may by giving notice in writing to the Concessionaire forthwith determine this Concession and in the event of such determination the provisions in Clause 4 hereof with regard to the property of the Concessionaire after cancellation shall apply as if the same were herein repeated.

44. Except where otherwise expressly provided in these presents any and every dispute difference or question which shall arise between the High Commissioner and the Concessionaire as to the meaning or effect of any of the provisions of this Concession or otherwise in relation to the premises which cannot be settled by mutual agreement shall be referred to a board of arbitration which board shall consist of one arbitrator nominated by each of the parties to the dispute together with a third arbitrator agreed between the other two arbitrators or failing agreement some impartial person nominated by the Chief Justice of Palestine; and such arbitration shall be held in accordance with the provisions of the Imperial Act of Parliament known as the Arbitration Act 1889 with such modifications as may be necessary. Arbitration.

Provided that if either the High Commissioner or the Concessionaire shall in writing so require the third arbitrator shall be some person not ordinarily resident in Palestine.

45. The marginal notes of the contents of this Concession are for the purpose of convenience only and shall not effect the construction or interpretation of this Concession. Marginal notes.

46. These presents shall be interpreted and construed according to the laws of England and shall be given effect to accordingly. Interpretation clause.

In Witness Whereof Sir William Hepworth Mercer one of the Crown Agents for the Colonies for and on behalf of the High Commissioner for Palestine and the said Pinhas Rutenberg have hereunto set their respective hands and seals the day and year first above written.

Signed sealed and delivered by the above-named Sir William Hepworth Mercer K.C.M.G. in the presence of

W. H. MERCER.

L.S.

CHARLES BURCHELL,

5, The Sanctuary, Westminster,  
*Solicitor.*

Signed sealed and delivered by the above-named Pinhas Rutenberg in the presence of

PINHAS RUTENBERG

L.S.

H. L. NATHAN,

1, Finsbury Square, London,  
*Solicitor.*

---

THE FIRST SCHEDULE ABOVE REFERRED TO.

---

The plans of the works to be executed are contained in a bundle of documents which for the purpose of identification have been signed by Sir William Hepworth Mercer on behalf of the High Commissioner and by the said Pinhas Rutenbesg.

---

THE SECOND SCHEDULE ABOVE REFERRED TO.

---

FINANCIAL PLAN.

---

1.—AMORTISATION.

The Share Capital of the Company from time to time paid up shall be amortised by the establishment of a Fund on the basis of 4 per cent. compound interest computed with yearly rests on the amount thereof. Provided that the Amortisation Fund shall at no time exceed the amount of the Capital for the time being paid up and provided that any arrears of amortisation shall be a first charge on future profits.

2.—DEPRECIATION.

The Company shall be at liberty to set aside in each year of the term of the Concession after the first delivery of electrical energy to the Consumers for the depreciation of:—

- (i.) Hydraulic Works and Power Houses an amount not exceeding 16.6 per cent. of the cost thereof.
- (ii.) Transmission lines, transformers, wiring systems, mill, etc., an amount not exceeding 6.25 per cent. of the cost thereof.

3.—RESERVE.

The Company shall be at liberty to establish a Reserve Fund by setting aside not more than 10 per cent. in any one year of the monies for the time being invested in the Concession provided that the whole of such Reserve Fund shall at no time exceed 50 per cent. of such monies but that any depletion of the Reserve Fund from time to time may be made good.

4. The total of the Depreciation and Reserve Funds shall at no time exceed the total amount of the monies for the time being invested in the Concession.

---



# Official Gazette

## OF THE Government of Palestine.

PUBLISHED FORTNIGHTLY BY AUTHORITY.

No. 197

JERUSALEM

16th October, 1927.

### CONTENTS

Page

#### I. DRAFTS OF ORDINANCES

(a) Commutation of Tithes Ordinance, 1927	...	...	...	...	...	...	712-716
(b) Tobacco Amendment Ordinance, 1927	...	...	...	...	...	...	716
(c) Education Ordinance, 1927	...	...	...	...	...	...	717-721

#### II. ORDERS

(a) Order promulgating							
(i) The Cinematograph Films Ordinance	No. 27 of 1927	...					} 721-722
(ii) The Public Performances (Censorship) Ordinance	No. 28 of 1927	...					
(iii) The Magistrates Courts Jurisdiction Amendment Ordinance	No. 29 of 1927	...					
(iv) The Railways Ordinance	No. 30 of 1927	...					
(b) Order promulgating the Stamp Duty Ordinance	No. 31 of 1927	...					722-723
(c) Order promulgating the Electricity Concessions Ordinance	No. 9 of 1927	...					723-724
(d) Order under the Plant Protection Ordinance, 1924	...	...	...	...	...	...	724-725

#### III. REGULATIONS

Department of Health Laboratories	...	...	...	...	...	...	725
-----------------------------------	-----	-----	-----	-----	-----	-----	-----

#### IV. GOVERNMENT NOTICES

(a) Notice under the Diseases of Animals Ordinance, 1926	...	...	...	...	...	...	726
(b) New Palestine Currency	...	...	...	...	...	...	726-727
(c) Postal Service, etc. on introduction of New Currency	...	...	...	...	...	...	728
(d) Immigration to Mexico	...	...	...	...	...	...	728
(e) Travel of Palestinian citizens to the United Kingdom	...	...	...	...	...	...	729
(f) Immigration and Emigration	...	...	...	...	...	...	729-730
(g) Change of Names	...	...	...	...	...	...	730-732
(h) Teachers Examination and Award of Scholarships	...	...	...	...	...	...	733
(i) Disposal of State Domains	...	...	...	...	...	...	733
(j) Tenders and Adjudication of Contracts	...	...	...	...	...	...	733-734
(k) Registration of Partnerships, etc.	...	...	...	...	...	...	734
(l) Bankruptcies	...	...	...	...	...	...	735
(m) Notices from District Courts	...	...	...	...	...	...	735
(n) Sittings of Court of Criminal Assize	...	...	...	...	...	...	735
(o) Corrigenda and Amendments of General Regulations	...	...	...	...	...	...	735-736
(p) Quarantine Summary	...	...	...	...	...	...	736

“Bond given by or on account of a registered Cooperative Agricultural Society or a registered Cooperative Credit Society, or by the Treasurer or other Officer thereof in accordance with the Rules of the Society”.

5. In Clause 33 of the Schedule, Receipt, the following paragraph shall be added to the list of exemptions:-

“15. Receipt given by or to a registered Cooperative Agricultural Society or registered Cooperative Credit Society or any Officer or member thereof in respect of money payable by virtue of the Rules of the Society”.

14th October, 1927.

PLUMER F. M.  
High Commissioner.

## PROMULGATION OF ORDINANCE.

### PALESTINE.

### ORDER.

(Gazetted 16th October, 1927.)

The Electricity Concessions Ordinance, No. 9 of 1927, is hereby promulgated in the form in which it was published in the Gazette Extraordinary dated the 7th of March, 1927, subject to the modifications hereinafter set out; and shall be in force as from the date of the publication of this Order:-

(1) In Article 22 of the Concession set out in Part II of the Schedule the words “Clause 21 (c)” shall be substituted for the words “Clause 18 (c).”

(2) The following agreement shall be added to Part II of the Schedule:

THIS AGREEMENT made the 13th day of October, 1927, between Field-Marshal the Right Honourable Herbert Charles Onslow, Baron Plumer, G.C.B., G.C.M.G., G.C.V.O., G.B.E., High Commissioner for Palestine and Commander in Chief therein, of the one part and the Jaffa Electric Company Limited, whose registered office is situate at the Power House, Tel-Aviv (which and its successors and permitted assigns are hereinafter called “the Company”), of the other part, supplemental to an Indenture (hereinafter called “the Principal Agreement”) made the 12th of September, 1921, between the High Commissioner for Palestine of the one part and Pinhas Rutenberg (who together with his permitted assigns is hereinafter referred to as “the Concessionaire”) of the other part:

WHEREAS by the Principal Agreement a concession was granted to the Concessionaire for the utilisation of the waters of the Auja Basin in Palestine for the purpose of generating by water power and utilising and supplying within the concession area as therein defined electrical energy and for utilising the said waters for the purpose of irrigation, with liberty for the Concessionaire to produce and supply electrical energy by any other means than water power;

AND WHEREAS under the Principal Agreement the Concessionaire was under an obligation to build, erect and equip a hydro-electric power house to be called the Yarkon Power House in manner therein more particularly described;

AND WHEREAS by reason of circumstances arising subsequently the Concessionaire, with the sanction of the Government of Palestine, has been and is producing and supplying electrical energy within the concession area by other means than water power, in excess of the supply contemplated by the Principal Agreement;

AND WHEREAS the Concessionaire intends to utilise the waters of the Basin of the Auja for purposes of irrigation;

AND WHEREAS the Principal Agreement has been assigned to, and the concession thereby granted has been vested in, the Company;

AND WHEREAS the High Commissioner has agreed to release the Company from its obligations under the Principal Agreement to build, erect and equip the hydro-electric power house on the Auja River upon the terms hereinafter set out;

NOW THIS AGREEMENT WITNESSETH and it is hereby agreed and declared as follows, that is to say:-

1. The High Commissioner hereby releases and discharges the Concessionaire from all and any of the obligations contained in the Principal Agreement to commence, finish, build, erect, set up or equip a hydro-electric power house on the Auja River; and the Principal Agreement shall be read and construed accordingly.

2. The Concessionaire agrees that the Government of Palestine may take and use for the purpose of public water undertakings any water from the Auja River which is for the time being surplus to the reasonable requirements of the Concessionaire according to the terms of the concession, and that, without derogation from the generality of the foregoing provision, the Government of Palestine may, in particular, take and use, or authorise the taking and using from the Auja River, for the purposes of the water supply of Jerusalem and other towns, water up to a maximum of 20,000 cubic metres a day at such point or points and at such times as may be determined by the Government of Palestine after consultation with the Concessionaire.

IN WITNESS WHEREOF the High Commissioner has hereunto set his hand and seal and the Company has caused its Common Seal to be affixed hereto the day and year first above written.

loc. sig. SIGNED SEALED AND DELIVERED by  
Field-Marshal The Right Honourable  
Herbert Charles Onslow, Baron Plumer,  
G.C.B., G.C.M.G., G.C.V.O., G.B.E., in the  
presence of } PLUMER, F.M.

G. S. SYMES,  
*Chief Secretary.*

loc. sig. THE COMMON SEAL of the Jaffa Electric  
Company Limited was affixed hereto in the  
presence of } PINHAS RUTENBERG,  
*Chairman.*

Y. S. SHAPIRO,  
*Secretary.*

PLUMER F. M.  
*High Commissioner.*

15th October, 1927.

### PLANT PROTECTION ORDINANCE, 1924.

Order of His Excellency the High Commissioner.

PLUMER F. M.  
*High Commissioner.*

In exercise of the powers vested in him by the Plant Protection Ordinance, 1924, His Excellency the High Commissioner is pleased to order, and it is