

(Following is Jenison's proposal of March 31, 1904, to sell to the Towns of Fort William and Port Arthur Kaka-beka property which he had acquired for \$1,000 for \$350,000!)

In case either or both of the Towns desire to undertake the power scheme the following suggestion is made for consideration :

The Town of Fort William, the Towns of Fort William and Port Arthur together, and finally the Town of Port Arthur, or either or both, associated with others, if they so elect in the order named shall for sixty days after the passage of the Act have the right to acquire all the lands, properties, franchises or privileges or powers in the District of Thunder Bay vested in Jenison and his associates either under this Act or in any other manner in any of the following methods, namely : First, by purchase at the sum of \$350,000, either in cash or five per cent. bonds with interest payable half-yearly extending over such a period of time as the purchaser may elect. Second, by lease in perpetuity subject to a clear royalty of \$2.00 per annum per horse power developed (1,000,000 gallons of water used as such to be equal to one annual horse power), provided that the royalty shall at no time be less than \$10,000 per annum payable quarterly. Third, by a payment of part cash or bonds and part royalty as may be determined between the parties.

The Towns of Fort William and Port Arthur, and either or both of them, as the case may be, may within the said sixty days from the passage of this Act submit by-laws to the ratepayers to decide upon the proposals that may be submitted to them and the course that they desire to pursue, and if any of the said proposals is approved by the ratepayers of either or both of the said Towns either alone or with associates, as the case may be, in the order named above, they are authorized to float the necessary bonds or debentures to acquire the properties, etc., if they elect to acquire them, and also to float the necessary bonds or debentures to carry out the work authorized by the said by-laws.

If neither the Town of Fort William or Port Arthur, or the combined Towns, elect under these enabling provisions to take over the enterprise within the said sixty days from the passage of this Act, or within such further time as may be agreed upon between said Towns, or either or both of them on the one hand and Jenison and his associates, or their assigns, may proceed as authorized by this Act.

Add such further clauses as are necessary to carry out the intention of this scheme.

Strike out sections 6, 7, 8, 12, 13, 14 and 15 of the amended Act.