

The SALVAGE ASSOCIATION have received the following telegram
byd's Agents at Hankow dated Shanghai, 22nd November, 1938.

re "KIA-WO"

Mr Fife arrived. Estimate salvage \$78,000 in addition to
already expended and temporary repairs \$25,000 possible
increase to total of about \$150,000. Rough estimate Shanghai
company permanent repairs £3750. Proposal to lower vessel
which omitted Fyfe's telegram owing mutilation-agreed by him,
Inspector, Master and Contractor as best available method salvage
excellent prospects success. Joint consultation yesterday
Fyfe, Lloyd's Surveyor and ourselves unanimously agreed
able prospects refloating and reaching Shanghai subject to
then open. Owing to war situation making impossible to get
salvors to scene necessary place work in hands of native
laborer who merely undertakes effect temporary repairs and lower
about 20 feet to required level. Therefore we suggest Captain
of Engineer now standing by should be requested to take
charge of temporary repairs salvage and navigation to safe
owners agreeable but prefer also employment of Fyfe by
others to assist Captain and they insist that Captain Chief
acting **for Underwriters and no liability attaches Owners who**
will continue pay their wages. Fyfe agreeable return stand
refloated £60 monthly plus travelling expenses. Work must
be completed by end of April as water may rise and endanger vessel
thereafter, as work will take up to five months - prompt
is essential. Wrote air 11th 14th both due yours 24th.
It should be understood while not at present thought likely that
situation may hamper or prevent salvage operations and if vessel
wrecked before next high water almost certain total loss.

Mr. Dean called to-day and showed the copy of the
telegram.

He states that the estimated total cost of salvage,
going to Shanghai and permanent repairs will be in the
neighborhood of £11,000, the insured value of the vessel being
£100,000, and the Underwriters have approved by wire of the above
proposed operations, but they are to be frequently informed of the
progress, in case it is not considered worth while to proceed.
The rocks on which the vessel is resting are to be
removed and a channel made, so that the vessel can slide
into the water. This must be done before the waters rise
spring.

Mr. Dean stated he would produce a copy of the wire,
some photos, if he could obtain them, *this afternoon.*

WRR
8.12.1938.

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