O'Connor, and went through the draft Treaty with him word by word. On the same day the Tongsa Penlop suggested, on his own initiative, to the Tibetans that they should let us collect the Customs duty at the marts, and get the amount of the indemnity from that source. I telegraphed to Government that I was making no move in this matter of adjusting the difficulty about the indemnity till the Tibetans made definite proposals, but that I thought it would be advantageous to move, and would like the views of Government.

On September 4 the Ti Rimpoche (the Regent) and a Secretary of Council, accompanied by the Tongsa Penlop and the Nepalese representative, came to me and announced that the Tibetan Government were prepared to conclude the Treaty with me if the term for the payment of the indemnity would be extended, and the payment made in seventy-five annual instalments of one lakh of

rupees each.

I kept Captain O'Connor talking with them for a few minutes while I turned the whole question over in my mind once more before I gave a final decision. One very easy course I might have adopted was to say that I must refer the matter to Government and await their orders. But before I could get an answer military considerations might have predominated, and I might find myself forced to leave Lhasa. As the Government of India subsequently said, the language of the communications which they received from the Home Government was such as to impress on them and me alike that they were strongly averse to any prolongation of the stay at Lhasa. I had, therefore, no assurance that I should have time to go on discussing this point with the Tibetans. Then, again, I thought that in the matter of the indemnity a certain amount of latitude had been left me. The Secretary of State's instructions on this point were: "In regard to the question of an indemnity, the sum to be demanded should not exceed an amount which, it is believed, will be within the power of the Tibetans to pay, by instalments, if necessary, spread over three years. Colonel Younghusband will be guided by circumstances in this matter." The full despatch was