

or observed on her or their part, respectively, doth hereby covenant with the Contractors, their executors, administrators, and assigns (all of whom are hereinafter called the "Contractors"), and the Contractors, and each of them for themselves, and himself, and their respective heirs, executors, and administrators, so far as such covenants hereinafter contained are to be performed or observed on their parts, do and doth hereby covenant with the Queen, her heirs, and successors, in manner hereinafter appearing; that is to say:—

1. That they, the Contractors, shall and will in all respects subject to, and in accordance with the said conditions, specifications, drawings, and plans, construct, make, complete, and maintain, and do and perform all the works, and supply all such plant and materials as are by the said specifications and conditions to be supplied by the Contractor, whether such works, plant, and materials are described or referred to in the said conditions, specifications, drawings, or plans, or are extra, or in addition thereto, within the time mentioned in the said conditions, subject, however, to the provisions contained in the said conditions for extension of time.

2. That the Queen shall and will, free of cost to the Contractors, provide and deliver to the Contractors at the ships' sides, at the Harbour of Auckland, or at the Port of Onehunga, the iron rails and fastenings required for the permanent way, and the rolling stock respectively mentioned in the specifications.

3. That the Queen will pay the Contractors for the construction and execution of the said works, and the maintenance thereof, for the period of three calendar months from the completion of the works, and for the supply of all such plant and materials as the Contractors are to supply under the provisions of this agreement as aforesaid, the sum of fifty-seven thousand seven hundred and forty-nine pounds (exclusive of the supply of such plant and materials as by the said specifications and conditions it is provided the Queen or the Government of New Zealand shall supply, and the further sum of three hundred pounds for the maintenance of the said works for the period of three months after the completion thereof, and subject to the provisions contained in the conditions and specifications for increase and decrease in case of extras or deductions, and to the provisions contained in the specifications or conditions for extra payment to the Contractors by per centages on the cost of such works as by such specifications it is provided the Contractors are to receive payment by way of per centage on the cost thereof).

4. The Queen shall and will make payments to the Contractors upon account of the sums herein agreed to be paid at the rate and times, and upon the terms and conditions mentioned in the said specifications and conditions.

5. The parties hereto shall and will each respectively perform, observe, and fulfil all and singular the conditions and stipulations expressed or contained in the said conditions and specifications, and which thereby it is provided shall be performed, observed, or fulfilled by such parties respectively.

6. From and after the completion of that portion of the works herein contracted for called the Onehunga branch, and the delivery of the same to the Minister of Public Works, the Contractors shall be entitled to the carriage, free of any charge to them, of all men and materials required to be carried along the same for the purposes of the remaining portions of the said railway, but the cost of loading and discharging any materials so carried shall be borne and paid by the Contractors.

7. The Contractors shall also be entitled from and after the completion of the Onehunga branch, and the delivery of the same to the Minister of Public Works, to use the same, free of any charge, for the purpose of the carriage to and for the use of the remaining portions of the said Railway of any men and materials which may be required for the same: Provided that in using the said portion of the said Railway they shall not obstruct or interfere with the necessary and ordinary traffic upon the same.