

Company, prior to the day of the date hereof. And this deed also witnesseth that the New Zealand Company and the leasing Contractors jointly and severally covenant with the Governor that they will endeavour to obtain for the Governor, on behalf of the Queen, a good title to all the messuages, lands, and hereditaments, railway works, buildings, fixtures, and effects, specified in the said preceding covenant, possession of which has been so delivered as aforesaid, and that they will not, nor will any or either of them, disturb or interfere with such possession, or do or concur in any act whereby such possession may be disturbed or interfered with, unless default shall be made in the payment of any principal or interest of any of the said debentures, the payment of which has been undertaken or guaranteed by the Governor on such behalf as aforesaid, as hereinafter provided. And this deed also witnesseth that the Governor, on such behalf as aforesaid, covenants with the New Zealand Company, that he will immediately on demand pay to the New Zealand Company, on behalf of the Railway Company, such sum as shall be equal to one-half the amount fixed by fair valuation, to be made by a person or persons appointed as hereinafter provided, as the value of so much of the plant, rolling and other stock, articles, and things now used in the working and management of the said railway, whether now in or about the said railway or not, over and beyond the following articles and things, that is to say:—

Two locomotives.	Five covered goods trucks.
Two first-class carriages.	Fifteen open goods trucks.
Six second-class carriages.	Two break vans.

Which said last specified articles are not to be included in such valuation, but are to be delivered to the Governor as aforesaid free of charge: Provided, however, that the Governor shall not be bound to pay as such half of such valuation, any sum in excess of two thousand five hundred pounds, but notwithstanding that such half of the said valuation shall be in excess of that sum, all the said plant, rolling and other stock, articles, and things, shall be delivered to the Governor or Minister as aforesaid free of any other payment. And this deed also witnesseth that the Governor, on such behalf as aforesaid, covenants with the New Zealand Company to pay to the New Zealand Company, on behalf of the Railway Company, immediately on demand, such sum as shall be fixed by fair valuation, to be made by a person or persons to be appointed as hereinafter provided, as the value of such timber, iron, and other material as shall have been procured for the purposes of the said railway, and the extension of the wharf, and for other works connected with the said railway, and not yet affixed or used in the construction or extension of such railway and works and wharf, whether such timber, iron, and other material be now lying in, upon, or about the said railway or not; but this covenant shall not apply to timber ordered from Western Australia, or from Newcastle in New South Wales, for the purpose of such railway wharf, and not yet delivered; and all such timber, iron, and other materials so to be valued as aforesaid, shall be delivered to the Governor or the Minister aforesaid before such demand be made.

And this deed also witnesseth that the New Zealand Company and the surviving Contractors jointly and severally covenant with the Governor on such behalf as aforesaid, to assign, on demand, to the Governor, or any person he appoints to receive such assignment, all contracts so far as now executed between the said Railway Company, or the Contractors, or surviving Contractors, or any person or persons on their behalf, on the one part, and any other person or persons on the other part, for the supply of timber from Western Australia and New South Wales for the construction or extension of any works in connection with the said railway, the Governor on such behalf as aforesaid paying to the Contractors, the Railway Company, or the New Zealand Company respectively, any sums of money which have been already paid by them respectively on account or in respect of any and every such contract, and covenanting to pay the person or persons contracting to import or supply such timber the contract price or the balance of the contract price thereof, according to the terms of such contract, and to indemnify the Contractors, the Railway Company, and the New Zealand Company respectively, against any demands in respect of any such prices: Provided always that the Governor shall not be liable or called upon under this provision to repay to the said Railway Company, or to the Contractors, or the surviving Contractors, or to the New Zealand Company, any moneys which may have been paid by them or any or either of them, for or on account of any goods actually delivered at Dunedin aforesaid, or at Port Chalmers aforesaid, under any such contract as aforesaid, prior to the day of the date hereof: And this deed also witnesseth that the Governor, on such behalf as aforesaid, covenants with the New Zealand Company as follows:—

1. That the Governor will observe and perform all arrangements made between the Railway Company and any other person or persons for the carriage of goods and passengers at special rates during the currency of such arrangements, not exceeding one year from the making thereof.

2. That the Governor will observe and perform certain arrangements made by the said Railway Company with Messrs. McLandress, Hepburn, and Company, for the carriage to and from the township of St. Leonards of passengers being householders residing there, and of building materials to be used there in building houses and other buildings, at reduced rates.

3. That the Governor will observe, perform, and carry out certain promises, contracts, or arrangements for the establishment and maintenance of three stations, the sites of which are as yet undefined.

4. That the Governor will indemnify the said Railway Company, the surviving Contractors, and the New Zealand Company, and each of them against a certain alleged claim made by the