

tract. The service in future to be performed *via* Auckland, omitting Fiji. New Zealand arranged her own coastal services. Subsidy to be forty thousand from us, thirty-two thousand five hundred from New Zealand. In all other respects, contract to remain as before. Get deed executed securing assent of sureties to the above temporary arrangement. * * *

The Agent-General for New South Wales, London.

HENRY PARKES.

Enclosure 3 in No. 4.

Messrs. MACKRELL and Co. to the AGENT-GENERAL, New Zealand.

21, Cannon Street, London, 25th May, 1877.

DEAR SIR JULIUS,—

Mail Service.

We yesterday received from the Agent-General for New South Wales a copy of a telegram he had received from his Government, which was as follows:—

“Have now arranged with Gilchrist pending decision regarding permanent modification of contract. The service is in future to be performed *via* Auckland, omitting Fiji. New Zealand arranged her own coastal services. Subsidy to be £40,000 from us, £32,500 from New Zealand. In all other respects contract to remain as before. Get deed executed securing assent of sureties to the above temporary arrangement.—HENRY PARKES.”

We afterwards received a letter from the Secretary, reporting the result of his conference with you, and asking us to advise, first, whether the instructions conveyed by the telegram are perfectly consistent with the deed now in preparation; and secondly, whether such instructions render necessary any alteration in the above deed or the preparation of another.

We therefore advised with Mr. Wood, who had settled the draft, and he has written his opinion as follows:—

“I think that the instructions conveyed by the telegram are perfectly consistent with the deed in preparation, and therefore that no alteration of it is necessary.”

Some delay has arisen in the settlement of the draft deed to be signed by the sureties, in consequence of their solicitor raising questions upon the revised draft. We were able, however, yesterday to agree to the draft with them.

The deed will be engrossed and handed to the solicitors for the sureties for execution in the course of to-day, but as it has to go to Glasgow and to Leith, some days may elapse before we get it back executed. Immediately we receive it back we will advise you, that you may telegraph your Government that it has been executed.

The Agent-General for New Zealand.

We have, &c.,

JOHN MACKRELL AND Co.

No. 5.

Messrs. GILCHRIST, WATT, and Co. to the Hon. the POSTMASTER-GENERAL, Wellington.

Sydney, 25th June, 1877.

SIR,—

Referring to your telegram to us dated 22nd March last, we have the honor to enclose copy of document signed under seal, conveying the assent of the sureties to the deviation from original contract.

The original document has been forwarded by us to the Postmaster-General of New South Wales.

We have, &c.,

GILCHRIST, WATT, and Co.,

General Agents for the Contractors, San Francisco Mail Service.

The Hon. the Postmaster-General, Wellington.

Enclosure in No. 5.

SURETIES' ASSENT TO VARIATION OF ROUTE.

London, 17th April, 1877.

WE, John Elder and Co. and Donald Robert Macgregor, sureties for the Pacific Mail Steamship Company of New York, for the due performance by them of their contract with the Government of New South Wales and the Government of New Zealand for the conveyance of mails between these colonies and San Francisco, do hereby consent to the variation of the route, temporary or permanent, as has already been arranged, and that without in any way invalidating our suretyship.

We further agree to sign such documents as may be deemed necessary to carry out this arrangement.

In witness whereof we have hereto set our hands and seals, at London, this seventeenth day of April, eighteen hundred and seventy-seven, in the presence of these witnesses—John Bell, merchant, 5, East India Avenue, and John Robert Douthwaite, clerk, at same address.

(L.S.)
(L.S.)

JOHN ELDER AND Co.
DONALD R. MACGREGOR.

Witness to the signature of both parties—

JOHN BELL.

JOHN R. DOUTHWAITE.