

to Point de Galle or Colombo under the provisions of the contract of the seventh day of February, one thousand eight hundred and seventy-nine, the Company will convey the mails from Brindisi to Melbourne in eight hundred and ninety-five hours, inclusive of stoppages, and from Melbourne to Brindisi in nine hundred and ten hours, inclusive of stoppages, except during the prevalence of the south-west monsoon, when forty-eight hours additional shall be allowed for the conveyance of the mails from Melbourne to Brindisi. And if the Company shall fail to convey the said mails from Brindisi to Melbourne, and from Melbourne to Brindisi, in the periods respectively above stipulated, then in every such case, and so often as the same shall happen, the Company shall forfeit and pay to Her Majesty, her heirs and successors, the sum of one hundred pounds for every complete period of twenty-four hours consumed on the respective voyages beyond the periods hereinbefore respectively specified: Provided always that the full amount of such sums payable on any one voyage shall never exceed the portion of the sum of the subsidy hereinafter agreed to be paid by the Postmaster-General as applicable to such voyage; and provided further that the payment of any such sum shall not be enforced against the Company if it be shown by them to the satisfaction of the Postmaster-General that the delay has arisen from causes over which they had not and could not have had any control.

11. The Postmaster-General doth hereby agree to pay to the Company a premium of fifty pounds for every complete period of twenty-four hours by which the time occupied in the conveyance of the mails from Brindisi to Melbourne and from Melbourne to Brindisi shall be less than the times stipulated in clause 10.

12. Should the Postmaster-General desire so to do, he may, by notice in writing under his hand, to be given at any time before the first day of February, one thousand eight hundred and eighty, substitute for the stipulation in clause 10 as to penalties the following stipulation: that is to say, that if the Company shall fail to convey the said mails from Point de Galle or Colombo, as the case may be, to Melbourne in four hundred and fifty-six hours, or from Melbourne to Point de Galle or Colombo, as the case may be, in four hundred and fifty-six hours, under the conditions specified in clauses 8 and 9, then in any of such cases, and so often as the same shall happen, the Company shall forfeit and pay to Her Majesty, her heirs and successors, the sum of one hundred pounds for every complete period of twenty-four hours consumed on the respective voyages beyond the periods hereinbefore respectively specified: Provided always that the full amount of such sums payable on any one voyage shall never exceed the portion of the sum of the subsidy hereinafter agreed to be paid by the Postmaster-General as applicable to such voyage; and provided further that the payment of any such sum shall not be enforced against the Company if it be shown by them to the satisfaction of the Postmaster-General that the delay has arisen from causes over which they had not and could not have had any control. And in case the Postmaster-General shall decide to adopt the system of penalties specified in this clause, then and in that case there shall be substituted for the stipulation in clause 11 as to premiums the following stipulation: that is to say, that the Postmaster-General shall pay to the Company a premium of fifty pounds for every complete period of twenty-four hours by which the time occupied in the conveyance of the mails from Point de Galle or Colombo to Melbourne, and from Melbourne to Point de Galle or Colombo, shall be less than the time stipulated in clauses 8 and 9 respectively. In computing the time occupied from Point de Galle or Colombo to Melbourne or *vice versa* five hours shall be allowed for difference of longitude on the voyage from Point de Galle or Colombo to Melbourne, and the same shall be deducted on the voyage from Melbourne to Point de Galle or Colombo.

13. That if the Company fail to provide an efficient vessel at Point de Galle or Colombo, as the case may be, or Melbourne in accordance with the terms of this agreement, ready to put to sea on and at the appointed day and hour, then, and so often as the same shall happen, the Company shall forfeit and pay unto Her Majesty, her heirs and successors, the sum of five hundred pounds, and also the further sum of one hundred pounds for every successive twenty-four hours which shall elapse until such vessel actually proceeds to sea on her voyage in the performance of this agreement: Provided always that the aggregate amount of the penalties to be recoverable under this clause in respect of any one voyage or contemplated voyage shall not exceed by more than the sum of two thousand pounds the proportion of the subsidy hereinafter agreed to be paid by the Postmaster-General as applicable to such voyage.

14. That during the continuance of this agreement the commanders of the vessels to be employed for the time being in carrying the mails under this agreement shall take due care of, and the Company shall be responsible for, the receipt, safe custody, and delivery of the said mails; and each of such masters or commanders shall make such oath or declaration or declarations now lawfully required or which may hereafter be lawfully required by the Postmaster-General in such and similar cases, and furnish such journals, returns, and information to and perform such services as the Postmaster-General may require: And every such master or commander, or officer duly authorized by him, having the charge of mails shall himself, immediately on the arrival at any of the said ports or places of any such vessel, deliver all mails for such port or place into the hands of the Postmaster or other person at such port or place as the Postmaster-General shall authorize to receive the same, receiving in like manner all the return or other mails, to be forwarded in due course.

15. That the Company shall not, nor shall any of the masters of any of the vessels employed or to be employed under this agreement, receive or permit to be received on board any of the vessels carrying the mails under this agreement any letters for conveyance other than those carried under this agreement in charge of the said commander or other person authorized to have charge of the said mails, or which are or may be privileged by law; nor shall any mails be conveyed by the Company between Point de Galle or Colombo, as the case may be, and any of the Australasian Colonies or New Zealand, for or on behalf of any colony, province, or foreign country, save those carried under this agreement, without the consent in writing of the Postmaster-General; and the whole postage of every mail conveyed between the places herein mentioned shall, under all circumstances, be at the disposal of the Postmaster-General.

16. So long as Point de Galle continues to be the port in the Island of Ceylon to and from which the mails are conveyed under the contract between the Imperial Government and the Company, the Company's steamers employed under this present agreement shall run to and from Point de Galle; but as soon as Colombo shall have been substituted for Point de Galle as the port of call under the