

its officers and servants. In every case where a vessel is delayed at Auckland pursuant to such order as aforesaid, demurrage at the rate of five pounds an hour shall be paid to the Company for each hour's delay after the first twelve hours.

9. In order to insure, as far as practicable, the due carrying of the mails from San Francisco to New Zealand under the contract now in force (or any contract in renewal or extension thereof) between the Company and the Government of the United States, the Company shall, with the consent of that Government, delay the departure of any of its vessels from San Francisco for such period as the Postmaster-General directs, not exceeding seventy-two hours after the time of departure fixed by such contract, in order to await the arrival of the mails from London to Australia and New Zealand.

Such direction shall be by letter from the Postmaster-General's officer or agent at San Francisco, addressed to the Company, and delivered at its office in San Francisco at least three hours before the hour appointed for the departure of the vessel. In every case where a vessel is delayed at San Francisco pursuant to such direction as aforesaid, demurrage at the rate of five pounds per hour shall be paid to the Company by the Postmaster-General for each hour's delay after the first twelve hours. In the case of each vessel so delayed the demurrage in respect thereof shall be paid at the Treasury in Wellington, or at the Company's office at Auckland, on receipt by the Postmaster-General of advice of the amount payable.

10. If from any cause whatsoever, at any time or times hereafter, one of the vessels for the outward services shall not be at the Port of Auckland, ready to put to sea in due time to perform the outward services hereby contracted to be performed, the Company shall pay as liquidated damages to the Postmaster-General in respect of every mail that shall be delayed by reason of any such default as aforesaid the sum of two hundred pounds, and the further sum of fifty pounds for every successive twenty-four hours which shall elapse between the time at which the mail shall be appointed to leave the port and the time at which the vessel conveying the same shall leave the port, whether such vessel shall be one of those aforesaid or any other vessel which the Postmaster-General shall think fit to employ or to sanction being employed for the purpose: Provided that the Postmaster-General shall have power to remit or reduce any of the sums payable as in this clause mentioned if he shall be satisfied that any such default as aforesaid was attributable to causes over which the Company had no control: Provided also that the maximum amount to be paid by the Company under this clause in respect of such defaults for any one voyage shall not exceed one thousand pounds.

11. The mails shall be safely conveyed from Auckland to San Francisco within three hundred and ninety-six hours, this time to be calculated from the time appointed for the departure of the mail. In case of the loss of any mails after delivery to vessel at Auckland, the Company shall, with all possible despatch, at its own cost, do all such acts and take all such measures as may be reasonably expected to be done and taken to recover the mails so lost. And the Company shall be liable for all damage or injury to mails, from whatsoever cause that may arise or happen, excepting fire, the act of God, perils of the seas, or enemies of the flag.

12. For the outward services under this contract the Postmaster-General will pay to the Company at the following rates: Letters at seven shillings and sixpence per pound; books, packets, &c., one shilling per pound; and newspapers sixpence per pound, on the net weight of the mails from New Zealand conveyed: Provided that the minimum amount payable to the company under this clause shall not be less than fifteen thousand pounds, nor shall the maximum amount be more than twenty thousand pounds per annum.

13. In respect of each voyage on outward services, the Company shall pay to the Postmaster-General as liquidated damages, and not as a penalty, the sum of four pounds for every hour in excess of the number of hours prescribed in clause 11 as the maximum number to be occupied in conveying the mails, unless such excess of time is caused by any event beyond the Company's control, and all such sums may be deducted by the Postmaster-General from any payments due to the Company under this contract: Provided that no sum shall be payable by the Company under this clause in respect of any specified voyage unless the period of actual delivery of the mails at San Francisco exceeds the time of delivery provided by this contract by forty-eight hours; and provided also that the Postmaster-General may remit any payment which in his opinion should not be enforced.

14. The sums stipulated to be payable to the Company under this contract shall be in full satisfaction for all services rendered thereunder, whether in respect of the outward services or otherwise howsoever, and the amount payable in respect of each voyage on outward services shall be payable to the Company at the Treasury in Wellington, or at the Company's office at Auckland, immediately after the receipt of the advice by the return mail from San Francisco of the due delivery of the mail there.

15. During the continuance of this contract, and so long as the same shall be faithfully carried out by the Company, no charge for harbour dues, dock dues, or other rates shall be made or levied under "The Harbours Act, 1878," or any amendment thereof, or under any special Act in that behalf, at the Port of Auckland for any of the steam-vessels employed in the outward services under this contract, and all such vessels shall be exempt therefrom accordingly.

16. The Company shall at its own cost provide, to the satisfaction of the Postmaster-General, on board all vessels employed in the outward services under this contract, proper, safe, and convenient places of deposit for the mails, with locks, keys, and secure fastenings; and every such place of deposit shall be rendered and kept vermin-proof.

17. The Company shall also at its own cost provide, to the satisfaction of the Postmaster-General, all necessary and suitable accommodation, including lights, for the purpose of sorting and making up the mails on board the several vessels employed in the outward services under this con-