Annual subsidy.

22. The Government will pay to the Contractor during the currency of this agreement at the conclusion of each voyage a subsidy at the rate of £30,000 per annum. So much of the said subsidy as may be due after making the deductions (if any) authorised by this contract shall be paid to the Contractor upon the presentation by him of the certificate mentioned in the last preceding paragraph hereof.

General.

Contract not to be assigned.

23. This contract shall not be assigned, underlet, or disposed of unless the consent of the Government in writing has been first obtained.

Contract may be annulled in case of war.

24. If hostilities should occur between His Majesty the King and any foreign Power during the continuance of this contract, either party may annul the same.

Determination of contract in certain events.

25. If the Contractor shall assign, underlet, or dispose of this contract without the consent in writing of the Government, or in case the Contractor shall commit any breach thereof which the Government shall consider of sufficient importance to justify its determination, if the steamers shall fail to maintain the speed herein mentioned, or if the Contractor shall habitually fail to carry out any part thereof, it shall be lawful for the Government, by notice in writing, to determine the contract forthwith, and the Contractor shall not be entitled to any compensation in respect of such determination; nor shall such determination deprive the Government of any rights to which they would have been entitled had the contract not been determined, by reason of the nonobservance or non-performance of any of the provisions herein contained: Provided always that if the Contractor shall, within twenty-eight days after such notice as aforesaid has been given to him, give notice in writing to the Government of his desire to have the question whether the Government was justified in determining the contract determined by arbitration, such question shall be referred to arbitration in accordance with the provisions hereinafter contained. If on such arbitration it shall be determined that the Government was not justified in determining the contract, then and in that case the contract shall be and remain in full force and effect; but the Contractor shall not be entitled to any compensation in respect of such attempted determination. And such attempted determination shall not prevent the Government from at any future time giving any further notice to determine the contract.

Voyages may be excepted from determination.

- 26. The Government may, if they think fit, except from such determination any voyage or voyages; and if any steamer shall have started before the determination of this contract, or should after such determination start on any voyage or voyages so excepted, the voyage or voyages shall be continued and performed, and the contract shall be deemed to be in full force and effect with regard to such voyage or voyages, and the determination shall be deemed to take effect with regard to the vessel or vessels performing such voyage or voyages only on the arrival of such vessel or vessels at her or their final port of destination.
- 27. The Contractor shall always have an agent in each port mentioned or referred to herein, with full authority to act on his behalf in all matters relating to the due performance of this contract, and shall notify the names of such agents to the Government.

Service of notices.

- 28. Any notice which may be given to the Contractor under the provisions of these presents shall be deemed to have been duly served if it has been sent to the Contractor or to his agent at the port of departure by registered post addressed to the Contractor's or his agent's last known place of business.
- 29. Any power, right, authority, or privilege conferred on the Government by this contract may be exercised or enjoyed by the Minister of Industries and Commerce for the time being, or the person from time to time performing the duties of that office.

Government may delegate powers.

30. The Government may at any time and from time to time delegate all or any of the powers vested in them by virtue of these presents to such person or persons as they may think fit.

Arbitration.

31. If any doubt, dispute, or difference of opinion touching any matter arising out of this contract, or in any wise connected therewith, shall arise between the Government and the Contractor, the same shall be referred to arbitration in accordance with the provisions of "The Arbitration Act, 1890," of New Zealand.

In witness, &c.

No. 26.

Bond.

Know all men by these presents that we, Harold C Sleigh, of , and , of , are jointly and severally bound to His Majesty the King, his heirs and successors, in the sum of twenty thousand pounds of lawful money of the United Kingdom of Great Britain and Ireland, to be paid to His Majesty, his heirs and successors, for which payment to be well and truly paid we and each of us bind ourselves and himself, and our and his heirs, executors, administrators, and assigns, and every of them, firmly by these presents. Sealed with our seals. Dated this day of , one thousand nine hundred and two.

Whereas by a contract, made the day of , one thousand nine hundred and two, between His Majesty the King, in right of his Colony of New Zealand, by the Honourable