

mencement and determination of the outward and Homeward voyages of the mail-ships, and from and after the expiration of such notice the Port of Brindisi shall for all the purposes of this agreement be substituted for the Port of Naples, and the several provisions of this agreement shall be read and construed as if the word "Brindisi" appeared throughout the same in lieu of the word "Naples."

*Subsidy and Deductions.*

24. In consideration of the covenants and agreements herein contained, and on the part of the company to be observed and performed, and of the due and faithful performance by the company of all the services under this agreement, there shall be payable to the company during the continuance of this agreement (out of such aids or supplies as may from time to time be appropriated by Parliament for that purpose) a yearly subsidy or sum after the rate of £85,000 per annum, or (in the event of any such default or failure as hereinafter mentioned) so much of the said subsidy or sum as shall remain payable in respect of any year after making such deductions therefrom (if any) as hereinafter in that behalf mentioned in respect of any such default or failure.

25. There shall be forfeited and paid by the company to the Postmaster-General the following sums in the following events (that is to say):—

(1.) If the company shall fail to commence the performance of the services hereby agreed to be performed on the 1st day of February, 1898, or on such subsequent day as the Postmaster-General may appoint, the company shall forfeit and pay the sum of £100 for every complete period of twenty-four hours which shall elapse before the company shall commence the performance of such services: Provided that the amount which shall become payable by the company in respect of such default as aforesaid shall not in the aggregate exceed the sum of £20,000.

(2.) On each occasion when after the company have commenced the performance of the services hereby agreed to be performed the company shall fail to provide a mail-ship at Naples or Adelaide ready to put to sea in accordance with this agreement at the appointed time, or any mail-ship provided by the company as aforesaid shall not in fact put to sea and proceed on her voyage at the appointed time, the company shall forfeit and pay the sum of £250, and also the further sum of £50 for every successive twenty-four hours which shall elapse until such mail-ship shall actually put to sea and proceed on her voyage in pursuance of this agreement: Provided that the aggregate amount of the sums payable as last aforesaid shall not exceed by more than £1,000 that part of the said subsidy for the current year which shall be applicable to the voyage in respect of which default shall have been made, and provided further that the provisions of this subclause shall not apply to such services as may be required under clause 20.

(3.) On each occasion when the mails shall not be conveyed from Naples to Adelaide, or from Adelaide to Naples, within the period of transit hereinbefore specified, the company shall forfeit and pay a sum of £100 for every complete twenty-four hours by which the time actually occupied in the conveyance of such mails from Naples to Adelaide, or from Adelaide to Naples (as the case may be), shall have exceeded the period of transit hereinbefore prescribed in that behalf: Provided that—(a) the aggregate amount of the sums payable in respect of any such default or failure as in this subclause mentioned shall not exceed that part of the said subsidy for the current year which shall be applicable to the voyage which has been performed, or which ought to have been performed, in the conveyance of such mails; and (b) no such payment as in this subclause mentioned shall be made if the company shall prove to the satisfaction of the Postmaster-General that such default arose wholly or in part from any cause or causes altogether beyond the control of the company.

(4.) Each and all of the said several sums of money hereinbefore stipulated to be paid by the company to the Postmaster-General in the event of failure or default of the company as aforesaid shall be due and payable as stipulated, ascertained, or liquidated damages, and not by way of penalty, and (except as aforesaid) from whatever cause or causes such failure or default shall have arisen, and although such failure or default may have arisen wholly or in part from any cause or causes beyond the control of the company, and although no loss shall be or may have been sustained by reason or in consequence of such failure or default; and every such sum shall, at the option and discretion of the Postmaster-General, be either deducted by him from any moneys then payable or thereafter to become payable to the company under this agreement, or be recovered as a debt to Her Majesty with full costs of suit.

(5.) The payment of or liability to pay any sum hereinbefore mentioned shall in no way prejudice the right of the Postmaster-General to treat as a breach of this agreement the failure in respect of which such sum shall become payable by the company as aforesaid.

26. All accounts between the Postmaster-General and the company in relation to the said subsidy, and any deductions therefrom as hereinbefore provided, shall be made out and settled quarterly up to, and on, or as soon as conveniently may be after the 31st day of March, the 30th day of June, the 30th day of September, and the 31st day of December in each year, and the amount or balance (if any) which shall be due to the company on each such quarterly account shall be paid by the Postmaster-General at the General Post Office, London, out of such aids or supplies as aforesaid upon the settlement of each such account; and for the purposes of such accounts the said subsidy shall be deemed to accrue from day to day, subject to the liability of the same to the several deductions aforesaid, and all such payments shall be received by the company in full satisfaction and discharge of all claims and demands by them for or on account of the services hereby contracted to be performed, and for or on account of all and every other the covenants and agreements herein contained and on the part of the company to be kept, observed, and performed, or any damages, losses, or expenses which may be sustained by the company in respect thereof.