

That during the continuance of the service provided for by the said Articles of even date herewith, the said Colony of New South Wales shall pay or contribute towards the expense of such service the sum of fifty-five thousand pounds, by equal monthly instalments of four thousand five hundred and eighty-three pounds six shillings and eight pence per month.

That the payment of the premiums by the Articles hereinbefore mentioned provided to be paid to the said Company in certain cases, shall be borne by the Colony of New Zealand. And the Colony of New Zealand shall be entitled to the penalties or forfeitures by the Company so provided if any shall arise:

That during the continuance of this Agreement the port of Sydney shall be the western terminus of the said mail service, to which all the said Company's steamers conveying mails for the Governments of New Zealand and New South Wales, shall come as their final port of discharge on the voyage from Panama, and from which the said Company's steamers shall start on the return voyage to Panama, it being the intention of the parties hereto that the mails carried for the New South Wales Government shall at all times be delivered in the Port of Sydney by the vessel on board of which they shall be shipped at Panama, and at Panama by the vessel on board of which they shall be shipped at Sydney:

That, until otherwise provided by mutual agreement, the Government of New Zealand shall not permit or suffer any letters, newspapers, book parcels, or other things ordinarily carried by post which may be received at any port or place in New Zealand, from or through any Colony which does not, by arrangement with the said Governments of New Zealand and New South Wales, contribute to the amount paid by the said Governments to the said Company for the said mail service, to be conveyed by the said Company's steamers, either as a distinct mail, or portions of a mail, forwarded by such steamer, or as a portion of any mail made up of letters, newspapers, or book parcels, posted in New Zealand; but shall, in the event of any letters, newspapers, or book parcels posted at New Zealand to be carried by such mail, bearing the postage mark or stamp of any Colony not contributing as aforesaid, exclude such letters, newspapers, and book parcels from the said mail.

All mails made up for transmission by this mail service from any port or place in Tasmania, or in any port or place in any of the Colonies of Australia not contributing to the subsidy to be paid by the Colonies of New Zealand and New South Wales to the said Company for the said mail service shall, unless otherwise provided by mutual agreement, be forwarded to the port of Sydney for transmission by the said mail service, at which port the sea postage in respect thereof will have to be paid, and shall not be received in any port or place in New Zealand to be forwarded from thence.

The Government of New Zealand shall, at the expiration of each and every month during the continuance of this Agreement, furnish to the Government of New South Wales a return specifying the number of all letters, newspapers, and book parcels forwarded from New Zealand by the mail steamer during the month, and a like return shall, at the expiration of each month, be forwarded by the Government of New South Wales to the Government of New Zealand:

Provided always that if the Panama New Zealand and Australian Royal Mail Company shall in any particular fail to observe, perform, and keep all and every the terms and conditions of the said hereinbefore recited Articles of Agreement, or if the Government of New Zealand shall not in all things perform, observe, and keep all and every the agreements contained in these presents according to the true intent and meaning hereof, it shall be lawful for the Governor for the time being of the Colony of New South Wales, on behalf of the Government of the said Colony, by notice in writing under his hand directed to the Governor for the time being of the Colony of New Zealand, to terminate this Agreement, whereupon all liability of the said Colony of New South Wales to contribute to the expenses of the said postal service shall at once and from henceforth absolutely cease and determine as if the said Memoranda, signed by the said Isaac Earl Featherston and Charles Cowper respectively, and these presents had not been signed or entered into.

This Agreement shall, unless previously terminated under the provisions hereof, continue in force until the first day of July, in the year of our Lord one thousand eight hundred and seventy-one, and no longer.

In witness whereof the said Sir John Young, acting as aforesaid, hath hereto set his hand, and caused the seal of the Colony of New South Wales to be affixed; and the said Sir George Grey, acting as aforesaid, hath hereto set his hand, and caused the seal of the Colony of New Zealand to be affixed the day and year first before written.

Signed by His Excellency the Right Honorable Sir John Young,
Baronet, K.C.B., G.C., M.G., and the Seal of the Colony of
New South Wales affixed in my presence,

HENRY PARKES,
Colonial Secretary, New South Wales.

JOHN YOUNG.

(The Seal of New
South Wales.)

Signed by His Excellency Sir George Grey, K.C.B., and the
public Seal of the Colony of New Zealand affixed in my
presence,

JOHN HALL,
Postmaster-General of New Zealand.

G. GREY.

(The Seal of New
Zealand.)

No. 4.

Copy of a Letter from the Hon. E. W. STAFFORD to the COLONIAL SECRETARY, New
South Wales.

Colonial Secretary's Office,
Wellington, 18th November, 1867.

Sir,—

I have the honor to acknowledge the receipt of your letter No. 6338, of the 1st instant, enclosing the Agreement duly executed between the Colonies of New South Wales and New Zealand, for the maintenance for a term of five years of the Panama Steam Postal Service.