

shall respectively, at any time, times, or from time to time, authorize jointly on their joint behalf, or severally on their respective behalfs, to inspect and examine the same.

5. The steam-vessels "Nevada," "Nebraska," and "Dacotah" shall be taken as being at the present time equipped, manned, and approved as aforesaid, and as satisfying the requirements of articles 2 and 4.

5A. The Contractors shall forthwith provide a fourth vessel, equal in all respects to the "Nevada," "Nebraska," or "Dacotah": Provided that, if by reason of the Contractors building a fourth vessel such vessel cannot be provided within the period of eighteen months, then, for the period of eighteen months from the ratification by the Legislative Assembly of Victoria of this contract, any vessel equal in all respects to the "City of Adelaide" or the "Albion" shall be taken as satisfying for the fourth boat the requirements of articles 2 and 4.

5B. In cases of emergency the "Moses Taylor" may be employed, but only for such periods as the said Postmasters-General may jointly in writing approve.

5c. If any steam-vessel or vessels employed under this contract shall at any time be lost or become unserviceable, another steam-vessel or vessels, to be approved, in writing, by the said Postmasters-General jointly, shall be substituted.

5D. It shall be lawful for the Contractors to substitute other vessels for those named, provided that such substitution shall be previously assented to, in writing, by the said Postmasters-General jointly.

6. The said Postmasters-General, or either of them, shall have full power, whenever and so often as they or he may deem it requisite, to survey, by any of their or his qualified officers or agents, all or any of the vessels employed or to be employed in the performance of this agreement, and the hulls thereof, and the engines, machinery, furniture, tackle, apparel, stores, and equipments, of every such vessel; and any defect or deficiency that may be discovered on any such survey shall be forthwith repaired or supplied by the Contractors; and that, for the purposes aforesaid, the said vessels shall (if necessary) be opened in their hulls whenever the said officers may require: And if any of such vessels, or any part thereof, or any engines, machinery, furniture, tackle, apparel, boats, stores, or equipments shall on any such survey be declared by any of such officers or agents unseaworthy or not adapted to the service hereby agreed to be performed, every vessel which shall be disapproved of, or in which such deficiency or defect shall appear, shall be deemed insufficient for any service hereby agreed to be performed, and shall not be again employed in the conveyance of mails until such defect or deficiency has been repaired or supplied to the satisfaction of the said Postmasters-General, Postmaster-General, or officer requiring the same.

7. One of the steam-vessels to be employed under this contract, so approved, equipped, and manned as aforesaid, shall, once in every twenty-eight days, leave San Francisco on the day and hour appointed and immediately after the mails are embarked, shall proceed thence to Auckland, in New Zealand, where the mails for Melbourne shall be transhipped into the vessel employed in the service provided for by the next article, and shall then proceed thence to Port Chalmers, by way of and calling at Wellington and Lyttelton.

8. One of such steam-vessels so approved, equipped, and manned as aforesaid, shall, once in every twenty-eight days, in connection with the service provided for by the last preceding article, leave Auckland with all due speed after the mails for Melbourne are transhipped, and proceed thence to Melbourne.

9. One of such steam-vessels so approved, equipped, and manned as aforesaid, shall, once in every twenty-eight days, leave Melbourne on the day and hour appointed and immediately after the mails are embarked, and shall proceed thence to San Francisco by way of and calling at Auckland.

10. One of such steam-vessels so approved, equipped, and manned as aforesaid, shall, once in every twenty-eight days, and in connection with the service provided for by the last preceding article, leave Port Chalmers on the day and hour appointed and immediately after the mails are embarked, and proceed thence to Auckland by way of and calling at Lyttelton and Wellington, where the mails for San Francisco shall be transhipped into the steam-vessel employed in the service provided for by the last preceding article.

11. In passing Hawke's Bay the vessels shall, weather permitting, call off Napier to deliver and received mails to and from that place, the said mails to be delivered to and received by a steam-launch to be provided by the Postmaster-General of New Zealand.

12. The said steam-vessels may call at two intermediate places, and no more, between Auckland and San Francisco, and between San Francisco and Auckland, and such two places may be at any of the Hawaiian, Society, or Navigator's Islands as the Contractors shall think fit and appoint: And such ports, after being appointed, may be altered from time to time by the Contractors with the consent of the said Postmasters-General, but not otherwise.

13. The time (including coaling) allowed for the transmission of each mail between San Francisco and Melbourne *via* Auckland, and between Melbourne and San Francisco *via* Auckland, shall not exceed seven hundred and eighty hours.

14. The time (including coaling) allowed for the transmission of each mail between San Francisco and Auckland, and Auckland and San Francisco, shall not exceed six hundred hours, and the Contractors shall use all possible diligence and despatch to depart from Auckland, and thereafter to perform the voyage between Auckland and Port Chalmers within one hundred and ten hours including stoppages, and shall forfeit the sum of two pounds per hour for every hour's unnecessary delay.

15. For the service hereinbefore described, the Contractors shall be paid by the Government of Victoria at the rate of thirty-two thousand five hundred pounds per annum, payable as follows, namely:—The sum of one thousand two hundred and fifty pounds, being one-twenty-sixth part of the said sum, upon the delivery at Melbourne of the first mail from San Francisco; and the sum of two thousand five hundred pounds, being one-thirteenth part of the first-mentioned sum, upon the delivery at Melbourne of every subsequent mail from San Francisco; and the sum of one thousand two hundred and fifty pounds, being one-twenty-sixth part of the first-mentioned sum, upon the delivery at San Francisco of the last mail from Melbourne carried under this contract.