F.—2.

9. The mails, whether carried in through-going vessels or transhipped as aforesaid, shall be safely conveyed from San Francisco to Sydney and from Sydney to San Francisco within seven hundred and eight hours, and from San Francisco to Auckland and from Auckland to San Francisco within six hundred and forty-five hours, and from San Francisco to Port Chalmers and from Port Chalmers to San Francisco within seven hundred and eighty-five hours, the times aforesaid to be calculated from the times appointed for the departure of the mail respectively, unless any vessel shall be delayed in consequence of the mail not being ready for embarkation in due time either at San Francisco or at Sydney or in New Zealand, in which case the time shall be calculated from the time of the mail being ready for delivery at the port where the delay shall take place. The Contractors admit and agree that in the times above named sufficient times have been allowed for coaling and stoppages at Honolulu and Kandavau and the ports of New Zealand respectively. The Contractors shall not be relieved or discharged of their liability or responsibility under this contract, by reason of any branch mail vessel not reaching Kandavau in time to forward its mail by the through-going vessel; and in the case of the loss of any of the mails by wreck of any mail vessel or otherwise, the Contractors shall with all possible despatch, at their own cost, do all such acts and take all such measures as may be reasonably done and taken to recover the mails so lost; and the Contractors shall be liable for all damage or injury to any of the mail, from whatever cause the same may arise or happen, except fire, the act of God, or the Queen's enemies.

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10. For the conveyance of each mail from San Francisco to Sydney, and vice versa, the Postmaster-General of New South Wales will pay to the Contractors at Sydney as follows, videlicet:—If the mail shall be conveyed within seven hundred and eight hours as aforesaid, the sum of one thousand one hundred and fifty-three pounds sixteen shillings and elevenpence; but if the mail shall be conveyed within a less period of time, then in lieu thereof one of the increased sums of money as mentioned in Schedule A hereunder written, according to the time within which the mail shall be conveyed. the time occupied in conveying the mail shall exceed the said period of seven hundred and eight hours, then the sum firstly above mentioned to be paid shall be reduced in the proportion of two pounds for every hour in excess of seven hundred and eight hours occupied in conveying the mail. The times every hour in excess of seven hundred and eight hours occupied in conveying the mail.

aforesaid to be computed as mentioned in clause No. 9 of these presents.

11. For the conveyance of each mail from San Francisco to New Zealand, and vice versa, the Postmaster-General of New Zealand will pay to the Contractors at Wellington as follows, videlicet:—
If the mail from San Francisco to New Zealand shall be conveyed from San Francisco to Auckland within six hundred and forty-five hours, and shall also be conveyed from San Francisco to Port Chalmers within seven hundred and eighty-five hours, or from New Zealand to San Francisco shall be conveyed from Port Chalmers to San Francisco within seven hundred and eighty-five hours as aforesaid, as the case may be, then the sum of one thousand one hundred and fifty-three pounds sixteen shillings and elevenpence; but if the mail shall be so conveyed within a less period of time, then in lieu thereof one of the increased sums of money as mentioned in Schedule B hereunder written, according to the time within which the mail shall be so conveyed. And if the time occupied in so conveying the mail shall exceed the said period of seven hundred and eighty-five hours, then the sum firstly above in this clause mentioned to be paid shall be reduced in the proportion of two pounds for every hour in excess of seven hundred and eighty-five hours occupied in so conveying the mail. The time aforesaid to be computed as mentioned in clause No. 9 of these presents.

12. For each and every mail which the Contractors shall deliver at Sydney twenty-four hours before the expiration of the time last mentioned in Schedule A hereunder written, they shall be paid by the Postmaster-General of New South Wales the sum of twenty-five pounds; and for each and every mail which the Contractors shall deliver at Auckland twenty-four hours before the expiration of the time last-mentioned in Schedule B hereunder written for delivery at Auckland, they shall be paid by the Postmaster-General of New Zealand the sum of twenty-five pounds.

13. The sums payable to the Contractors under the three last preceding clauses shall be in full satisfaction for all services rendered under this contract, including the receipt, conveyance, and delivery, by the Contractors, of the mails to and from Honolulu and Kandavau respectively, and shall be payable, at the respective Treasuries in the places appointed for payment, to an agent to be appointed by the Contractors at each of those places to receive the same respectively, immediately

after the due delivery of each mail, or the advice of such delivery, shall be received.

14. The Colonies of New South Wales and New Zealand, or either of them, shall be entitled to retain to their or its own use respectively, any subsidy allowed to them or either of them by the Government of the United Kingdom of Great Britain and Ireland, and to retain and divide between them equally any subsidy or payment which may be agreed to be paid by any other Australasian Colony or Dependency for the conveyance of mails over the aforesaid routes, after deducting any payments made or expenses (if any) incurred by the Postmasters-General, or either of them, for the conveying mails to or from any or either of the ports or places hereinbefore appointed for the receipt or delivery of mails; but the Contractors shall be entitled to the benefit of and to receive any subsidies or payments which the Contractors may be able to induce any colony or dependency or Government other than the Governments of the United Kingdom of Great Britain and Ireland and of any Australasian Colony, to agree to pay for the conveyance of mails over the aforesaid routes, after deducting any payments made or expenses (if any) incurred by the Postmasters-General, or either of them, for the conveying mails to and from any or either of the ports or places aforesaid.

15. The Contractors shall provide, to the satisfaction of the Postmasters-General, on board all

steam vessels employed under this contract, proper, safe, and convenient places of deposit for the

mails, with locks, keys, and secure fastenings.

16. The Contractors shall also provide, to the satisfaction of the Postmasters-General, all necessary and suitable accommodation, including lights, for the purpose of sorting and making up the mails on board the several vessels employed under this contract; and on being required to do so by the Postmasters-General, or either of them, shall at their own cost erect or set apart in each of the said vessels a separate and convenient room for such purposes; and all such furniture, lamps, fittings, and other conveniences shall be from time to time cleansed and kept in repair, and the oil for the