

and with a sufficient number of efficient engineers, and a sufficient crew of able seamen and other men, and with a competent surgeon; to be in all respects, as to vessels, engines, equipments, and capacity, subject in the first instance, and from time to time and at all times afterwards, to the approval of the Postmasters-General, or of such other person or persons as they shall jointly or severally, at any time or times or from time to time, authorize to inspect and examine the same, and no vessel shall be employed or used for the purposes of this contract until approved as aforesaid.

4. The Postmasters-General, or either of them, shall have full power, whenever and as often as they or he may deem it requisite, by any of their or his qualified officers or agents, to inspect the officers, engineers, and crew of all or any of the vessels employed or to be employed in the performance of this contract, and to survey all or any of such vessels, 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 for the purposes aforesaid the said vessels shall (if necessary) be opened in their hulls whenever the said officers or agents may so require. And if any such vessel, or any part thereof, or any engines, machinery, furniture, tackle, apparel, boats, stores, or equipments shall, on any such survey, be declared by any such officers or agents unseaworthy or not adapted to the service hereby agreed to be performed, or any such officers, engineers, or crew shall be so declared ineligible, 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 Postmaster-General or officer requiring the same; and any of such officers, engineers, or crew declared ineligible shall not be employed in the said service.

5. The route by which the mails shall be conveyed as aforesaid shall be by way of Honolulu and Kandavau aforesaid, and *vice versa*, at each of which ports the said vessels shall call on each journey for the receipt and delivery of mails, allowing a sufficient time at each place for the purpose; but the said vessels shall not call at any other intermediate place without the consent in writing of the Postmasters-General. The mails shall be conveyed thirteen times in each year between San Francisco and the said colonies, and at the same rate between the said colonies and San Francisco, and the vessel employed to convey the same shall leave the respective ports of departure on the days and at the times to be from time to time appointed for the purpose by the Postmasters-General. The vessels conveying the mails from San Francisco shall proceed alternately to New South Wales and to New Zealand, and the mails for New Zealand or New South Wales, as the case may require, shall be transhipped at the said port of Kandavau into and be conveyed by another of the said vessels to the colony. The vessels conveying the mails to San Francisco shall proceed thither alternately from New South Wales and from New Zealand, and the mails from New Zealand or New South Wales, as the case may require, shall be conveyed by the Contractors in another of the said vessels to the said port of Kandavau, and be there transhipped into and conveyed by the vessel going to San Francisco. The New South Wales mails shall be delivered at and despatched from the port of Sydney, and the New Zealand mails shall be delivered at and despatched from the ports of Port Chalmers, Lyttelton, Wellington, and Auckland respectively; and in passing Hawke's Bay the mail vessel shall (weather permitting) call off Napier to deliver and receive mails to and from that place, the said last-mentioned mails to be delivered to and received from a steam launch to be provided by the Postmaster-General of New Zealand; and the Contractors shall convey with the mails from or to San Francisco, any local mails between the said ports of New Zealand respectively, as may be required by the Postmaster-General of New Zealand to be so conveyed.

6. The Contractors at their own expense shall deliver and take the mails to and from the shore at convenient places, to be from time to time appointed by the Postmasters-General respectively, in the respective ports (except Napier) where the mails are to be delivered or received; also shall convey the same and the officers having charge of them to and from the shore, as may be necessary, in suitable boats, furnished with suitable coverings for the mails, and properly equipped and manned; also shall tranship from one vessel into the other the mails which, under this contract, are to be transhipped at Kandavau, and shall from time to time convey the officers or agents of the Postmasters-General respectively to and from the shore at any of the said ports as often as may be necessary in the execution of their duties respectively, in the event of a suitable boat not being conveniently obtainable from the shore for the purpose.

7. If either of the said Postmasters-General or their respective officers or agents shall at any time deem it requisite for the public service that any vessel should be detained beyond the appointed time of departure, it shall be lawful for either of the Postmasters-General or such officers or agents to order such delay, not exceeding forty-eight hours at San Francisco and not exceeding twenty-four hours at Sydney or twenty-four hours at any other port, by letter addressed to and delivered to the commander of the vessel or the person acting as such, or left for him at the office of the Contractors, in the port or on board the vessel, three hours at least before the hour appointed for departure. If, when the through mail vessel going to San Francisco shall be ready to leave the port of Kandavau, the branch mail vessel shall not have arrived from Sydney or New Zealand, as the case may be, the through-going mail vessel shall wait at Kandavau for the arrival of the other vessel, but not exceeding seventy-two hours from the time of arrival there of the through-going vessel. And in order to insure the due carrying of the mails from San Francisco, the Contractors, without any such notice, shall delay any vessel (if necessary) seven days, to await the arrival of the English mails from New York for Australia or New Zealand. The Postmaster-General of New Zealand shall be at liberty from time to time to vary the times of departure of the mails at and from the ports in New Zealand, but not so as to vary the times of departure from the port of Auckland for Kandavau more than twenty-four hours, without the consent of the Postmaster-General of New South Wales.

8. If from any cause whatsoever, at any time or times hereafter, one of the vessels aforesaid shall not be at the ports of departure of San Francisco, Sydney, and Port Chalmers respectively, ready to put to sea in due time to perform the services hereby contracted to be performed, the Contractors shall pay, as and by way of liquidated damages, to the Postmasters-General (for the use of the Governments