

and on what terms: Provided also that if and whenever the said minimum or maximum fares or rates are objected to by the Contractors while the earnings of the railways are sufficient to relieve the Governor from any payment under the guarantee of interest hereinafter contained, they shall be settled by arbitration in manner hereinafter mentioned.

22. The Contractors will, in such forms and under such heads or divisions as shall be from time to time prescribed by the Governor, keep accounts of all receipts and payments whatever in respect of such railway, or any section or sections thereof, which may for the time being be opened for public traffic (except such receipts and payments as properly belong to capital account hereinbefore agreed to be kept); and such accounts shall be called "The Revenue Account of the Railway," and shall be made up half-yearly to the 30th day of June and the 31st day of December in every year, or to such other days in the year as the Governor shall from time to time appoint, and shall be regularly transmitted to the Governor, who shall cause the same to be examined, and, if they shall be found to be correct, will approve of the same, having the right at all times to cause any corrections or disallowances to be made therein which he may consider to be necessary or proper; and the Contractors will produce all such vouchers or other evidence as the Governor shall from time to time require to verify every such account. The account, when so made up, examined, and approved, shall be conclusive between the Governor and the Contractors as to the result of the working and carrying on of traffic on the said railway, or any section or sections thereof, as the case may be, during the time stated in such half-yearly account: Provided that, if in any such half-yearly account the Governor shall make a disallowance or disallowances to the extent of £500, the Contractors may require to have it referred to arbitration whether or not the same should to any, and, if any, what extent, prevail; and the account shall be rectified according to the award.

23. The Contractors will collect all fares, rates, and freights for the conveyance of passengers, cattle, minerals, goods, and other things, and will at such periods and in such form as they may be required by the Governor so to do, and in addition to the said capital and revenue accounts respectively, furnish him with a statement in detail of the amount of such fares and freights, and of all other sums of money received by them in respect of every such railway, or any section or sections thereof, so opened for public traffic, and of the amounts expended by them from time to time subsequent to the opening of the same for public traffic in the repair and maintenance and otherwise of the said railway, or any section or sections thereof, as the case may be, and in repairing and replacing the plant belonging thereto, and in working expenses; and will at all reasonable times permit every person or persons appointed by the Governor to inspect their books of account, and all vouchers and other documents relating to such receipts or expenditure, and take copies of the same, and will furnish all such information in relation to the same as may at any time be reasonably required.

24. The rates of speed to be maintained in running trains shall be (including stoppages) not less than ten miles an hour on railways the ageed cost of making which shall not exceed £3,000 a mile; and not less than fifteen miles an hour on railways exceeding that cost, and not exceeding £4,000 a mile; and not less than twenty miles an hour on railways exceeding that cost, except over any part or parts thereof respectively where in the opinion of the Governor the gradients or curves do not justify so high a rate of speed.

25. The Contractors will provide conveyances for and convey upon the railways the members of the General Assembly and of Provincial Councils at all times in the ordinary trains, at 25 per cent. below the ordinary fares and rates, and all military, police, and other forces when proceeding on duty, and all public mails, free of charge; and in the event of war or civil commotion will, on the requisition of the Governor, place the whole of the resources of the railways at his disposal at the charges actually incurred.

26. The Governor by his officers shall have power at all reasonable times to enter into and upon the said railway, or any part or parts thereof, to establish and lay down or erect new or enlarge existing lines of electric telegraph, and erect new or enlarge existing telegraph stations, and to use such lines and stations without any charge, but not so as to obstruct the traffic on the said railway in such laying down and erecting.

27. If the Contractors shall do any of the following things, viz.:—

- (a.) Become bankrupt or insolvent, or make any general composition or arrangement with their creditors, while any section of railway which they shall be making shall be incomplete:
- (b.) Fail to complete (unless delayed by storms, floods, insufficiency of design, war, or disturbances in the colony, or by other causes entitling them to an extension of time for completing) the railways respectively entrusted to them within the time fixed for their completion, or within an extended period equal in duration to the period during which they were so delayed as aforesaid:
- (c.) Fail while any of the railways entrusted to them are incomplete to carry on the works with due diligence, after reasonable notice from the Minister specifying the nature and extent of the failure imputed to them, and the rate of progress which in the opinion of such Engineer is necessary to enable them to complete the railways within the respective times fixed for their completion, or within the respective extended period aforesaid, where they are entitled to such extension.

And if the Engineer and Minister shall certify to the Governor that it is in their judgment expedient so to do, the Governor may cause notice to be given to the Contractors of his intention to determine this contract, as to any section or sections of any railway as to which it shall not have been performed; and in that case this contract shall to that extent cease and determine, subject nevertheless to the other provisions herein made with respect to that event: Provided that the Governor shall not in the event (b) so determine this contract until the expiration of three calendar months after he shall have given notice to the Contractor of his intention to do so, nor unless the railway shall then remain uncompleted.

28. In case of such determination of this contract as aforesaid, the Governor may or may not, as he may think fit, take possession of all or any of the sections referred to in such notice, and also of any