

33. The Contractors will in all things abide by, comply with, and conform to all the laws and regulations for the time being in force in New Zealand, and also all such general regulations and by-laws for the maintenance of order and securing the safety of the public as the Governor shall from time to time frame and establish, and will make compensation and satisfaction to all persons who, according to law, may be entitled to compensation or satisfaction for or in respect of any injury or loss sustained by them in their person, property, or otherwise, through or in consequence of any negligence or wrongful act whatsoever on the part of the Contractors in making the said railway, or any part thereof, or in working or carrying on traffic thereupon.

The Contractors will not assign or sublet this contract, or any part thereof, without the approval of the Governor, but, with such approval and subject to such conditions as he may impose, they may assign or sublet the same, or any part thereof, to one or more company or companies in England, or in the said colony, in which case such company or companies shall enter into a formal contract or contracts with the Governor to secure the due observance and performance by it or them of the stipulations herein contained; and in any such contract or contracts provisions shall be made that the Governor shall have a right from time to time to appoint an *ex-officio* director upon the board of directors of each such company in London or elsewhere in England; and also upon the board (if any) in the colony, and that each of such *ex-officio* directors shall rank as and be one of the board of directors of the company and be entitled in all things to act as such, and to exercise at his discretion a right of veto at all proceedings whatsoever of the board (except proceedings for the purpose of communicating with the legal advisers of the company), and shall not be removable except by order of the Governor; no such director, however, being entitled to any salary from the company, and also the company shall record and keep in proper books for the purpose full and particular accounts of all their transactions and proceedings, so as at all times to exhibit thereby fully and truly the state of their affairs and proceedings; and also that any person or persons appointed by the Governor in that behalf, shall at all reasonable times have full access to the books, accounts, papers, and documents of the company (except communications with the legal advisers of the company, on matters in difference between the Governor and the company), and power to make copies or extracts from the same; and also that, as between the Governor and the company or companies respectively only, such charges of management shall be allowed out of or against revenue account as shall from time to time be approved of by the Governor; and in any such contract or contracts provision shall be made for such sums for expenses of direction and management of the company during the construction of a railway, being added to the total cost as the Governor shall approve. Provided that this clause shall not prevent the employment of the contractors or competent subcontractors in the execution of the works under them, or in the maintenance of the same.

35. The said railway, or, if the Governor shall think fit, any section or sections thereof, when made, completed, and opened for public traffic, shall be demised and leased to the Contractors for the term of ninety-nine years, at a nominal rent of one shilling per mile, and shall at the expiration or sooner determination of such term revert to and become the property of Her Majesty.

36. Every such lease as aforesaid shall contain all reasonable and necessary covenants and conditions for insuring the performance by the Contractors of all things which, according to the true intent and meaning of these presents, ought on their part to be performed, including a power to the Governor to re-enter upon the demised premises in case of breach or non-observance of the covenants; but such power shall be subject to a condition that if, within eighteen calendar months after he shall at any time have so entered, he shall, by perception of profits or by any other means whatsoever, have been satisfied or compensated for the breach of the covenant or condition in respect of which he re-entered, the Contractors shall be reinstated in their original rights under the lease, and the Governor shall account with them in respect of all his receipts and payments in the meantime.

37. The Governor will from the time of the opening of any railway, or any section thereof for public traffic, and thenceforth half-yearly, until the expiration of thirty-five years, to be computed from the time of the commencement of each such railway, or until the payment at an earlier period by the Governor, for the right and interest of the Contractor in such railway, or any section or sections thereof, as the case may be, and in the plant belonging thereto, pay to the Contractors such sum as, with the net receipts from all the said railways, or sections thereof constructed under the provisions of these presents, which shall have been opened for public traffic and shall not then have been purchased by the Governor from time to time remaining, after defraying all working expenses, maintenance, and other out-goings properly chargeable against revenue in the case of railway companies, will be sufficient to secure to the Contractors interest or a dividend at the rate of $5\frac{1}{2}$ per cent. per annum on the aggregate amount of the total cost of all the said railways, or any section or sections thereof then open for public traffic, as such total cost shall appear from time to time by the said capital accounts of each of the said railways to be so made up, and when approved as aforesaid; and will make such half-yearly payments in England, within four calendar months, after he shall have been furnished with the half-yearly revenue accounts of all the same railways, and shall have examined and approved of the same respectively as aforesaid.

38. If and whenever the net receipts as last aforesaid appearing by all the said half-yearly revenue accounts of all the railways which, or a section or sections of which, shall have been from time to time opened for public traffic, and shall not then have been purchased by the Governor, when such accounts shall have been examined and approved as aforesaid, shall in the aggregate have amounted to a sum sufficient to pay for that half-year's interest or a dividend at a rate exceeding the rate of $\pounds 5\frac{1}{2}$ per cent. per annum upon the aggregate amount of the total cost of all the said railways, or any section or sections thereof which shall have been opened for public traffic, and from the respective times of their being opened, as such total costs shall appear from time to time by the said capital account of each of the said railways to be so made up; and when approved as aforesaid, then and whenever afterwards it shall so happen, the amount of the excess shall be paid to the Governor until he shall have been repaid the whole of the sums paid by him as interest as aforesaid, under clause No. 37 of these presents, exceeding interest at the rate of $\pounds 5\frac{1}{2}$ per cent. per annum, together with simple interest on