

to order such delay, not exceeding thirty-six hours at San Francisco or Honolulu, and not exceeding twenty-four hours at either Sydney or Auckland, free of charge for demurrage, 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.

And, in order to insure the due carrying of the mails to and from San Francisco and Honolulu, the Contractors, without any such notice, shall delay the departure of any vessels (if necessary) at San Francisco and Honolulu respectively six days to await the arrival of the mails from London for Australia and New Zealand, and six days at Honolulu, for the arrival there of the mails from Sydney and Auckland for London. For such detention at San Francisco, but not at Honolulu, demurrage at the rate of five pounds an hour shall be paid the Contractors, such days to be reckoned from the due date of the arrival of the said mails respectively, but for the first thirty-six hours there shall be no payment for demurrage. The Postmaster-General of New Zealand shall also be at liberty from time to time to postpone the times of departure of the said vessels from the port of Auckland for a longer period than twenty-four hours, with the consent of the Postmaster-General of New South Wales, but not otherwise; but for every hour over such twenty-four hours demurrage at the rate of five pounds an hour shall be paid.

8. If from any cause whatsoever, at any time or times hereafter, one of the vessels aforesaid shall not be at the ports of San Francisco, Honolulu, Auckland, and Sydney respectively ready to put to sea in due time to perform the services hereby contracted to be performed, the Contractors shall pay as liquidated damages to the Postmasters-General in respect of every mail that shall be delayed by reason of any such default as aforesaid, the sum of two hundred pounds, and the further sum of fifty pounds for every successive twenty-four hours which shall elapse between the time at which the mail shall be appointed to leave the port and the time at which the vessel conveying the same shall leave the port, whether such vessel shall be one of those aforesaid or any other vessel which the Postmasters-General shall think fit to employ or to sanction being employed for the purpose: Provided that the Postmasters-General shall have power to remit or reduce any of the sums payable, as in this clause mentioned, if they shall be satisfied that any such default as aforesaid was attributable to causes over which the Contractors had no control: Provided also that the maximum amount to be paid by the Contractors under this clause in respect of such defaults for any one voyage shall not exceed one thousand pounds.

9. The mails shall be safely conveyed from San Francisco to Sydney within six hundred hours, and from Sydney to San Francisco within a like period, and from San Francisco to Auckland within four hundred and eighty hours, and from Auckland to San Francisco within a like period; 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 at Auckland, 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.

In 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 mails, from whatever cause the same may arise or happen, except fire, the act of God, or the Queen's enemies.

10. The payment for all the services mentioned in this contract shall be thirty thousand pounds per annum, less the deduction next hereinafter mentioned, viz.: the Postmaster-General of the United States has agreed by cablegram to pay (in excess of present payments for the carriage of the United States mails) four thousand pounds towards the services herein provided unless Congress forbids, and, if such payment shall be made, two-thirds of the said sum of four thousand pounds shall be deducted from the total payment of thirty thousand pounds.

The Contractors shall collect the said four thousand pounds, and account as aforesaid to the Postmasters-General for two-thirds of that sum, which two-thirds shall be equally divided between the Postmasters-General, and the Contractors shall be entitled to retain the other third. If the Postmaster-General of the United States is prevented by Congress from paying the four thousand pounds, then the Postmasters-General shall make up the payment to the thirty thousand pounds aforesaid in the proportion of twenty thousand pounds by the Postmaster-General of New Zealand to ten thousand pounds by the Postmaster-General of New South Wales.

11. Of the total sum payable under this contract, ten thousand pounds shall be paid by the Postmaster-General of New South Wales, and twenty thousand pounds shall be paid by the Postmaster-General of New Zealand; but from such payments there shall be deducted by each of the Postmasters-General respectively an amount equal to one-third of the four thousand pounds agreed to be paid by the Postmaster-General of the United States as aforesaid.

12. The Contractors on account of each voyage shall pay to the Postmasters-General as a penalty four pounds for every hour in excess of the number of hours mentioned in clause 9, occupied by such voyage; and any such penalty may be deducted by the Postmasters-General from any payments due to the Contractors: Provided that the Postmasters-General may remit any of the penalties which in their joint opinion should not be enforced.

13. For each and every mail which the Contractors shall deliver at Sydney from San Francisco, or shall deliver at San Francisco from Sydney, before the expiration of the time appointed in clause 9, they shall be paid by the Postmasters-General the sum of five pounds by way of bonus for every complete hour saved; but no bonus for any voyage between San Francisco and Sydney and Sydney and San Francisco respectively shall be paid for any period in excess of thirty-six hours saved.

14. The sums payable to the Contractors under this contract shall be in full satisfaction for all services rendered in the conveyance, receipt, and delivery of all Her Majesty's mails which, and all