

authority in all cases to require a due and strict performance of this contract: Provided that no such agent, officer, or assistant shall have power to control or interfere with any master, commander, or officer in the performance of his duty; and every such agent, officer, and assistant shall be subject to all general orders issued by the master or commander for the good order, health, and comfort of the passengers and crew, and the safety of the vessels.

23. During the continuance of this contract, and so long as the same shall be faithfully carried out by the Contractors, no charge for pilotage, tonnage, lighthouse, or harbour dues shall be made in New South Wales for any of the steam-vessels employed in carrying out this contract, and the Contractors shall be at liberty to use once in every four weeks, for five days at a time, the Fitzroy Dry Dock at Sydney if not leased or otherwise occupied, and also the workshops there, on payment only of the expenses of and attending such use; and no charge for lighthouse dues or tonnage, or other harbour dues, as defined by "The Harbours Act, 1878," or any Act amending the same or read therewith, shall be made at Auckland in respect of any of the steam-vessels employed in carrying out this contract.

24. This contract, or any part thereof, shall not be assigned or underlet or disposed of by the Contractors without the joint consent, in writing, of the Postmasters-General first obtained for such purpose: Provided that for the performance of that portion of this contract which provides for the conveyance and delivery of mails between Honolulu and San Francisco and San Francisco and Honolulu, the Contractors are hereby empowered (without any such consent as aforesaid) to underlet such performance to a company incorporated under the laws of the State of California, and known as "The Oceanic Steamship Company" of San Francisco; but such underletting shall not be deemed to affect the liability of the Contractors for the due performance of the entire services provided for by this Contract.

25. In case this contract, or any part thereof, shall be assigned, underlet, or otherwise disposed of by the Contractors otherwise than with such consent as last aforesaid, or in case of any great or habitual non-performance or non-observance of this contract, or of any of the covenants, matters, or things herein contained and on the part of the Contractors, their officers, agents, or servants, or any of them to be observed or performed, and whether there be or be not any penalty or sum of money payable by the Contractors for any such non-observance or non-performance, it shall be lawful for the Postmasters-General, if they shall be of opinion that the Contractors are not *bonâ fide* carrying out the provision herein contained, and they shall so think fit (notwithstanding there may or may not have been any former non-observance or non-performance of this contract), by writing under their hands, to determine this contract without any previous notice to the Contractors or their agents. And the Contractors shall not be entitled to any compensation in respect of such determination, and such determination shall not deprive the Postmasters-General of any rights or remedies to which they would otherwise be entitled by reason of any non-observance or non-performance of any of the provisions herein contained.

26. The Postmasters-General, or either of them, may, if they or he think fit, except from any such determination any voyage or voyages, and if any vessel or vessels should have started before the determination of this contract, or before the masters or commanders thereof could have received the news of such determination, or should after the determination start with a mail on any voyage or voyages so excepted as aforesaid, the voyage or voyages shall be continued and performed, and the mails be delivered and received, as if this contract had remained in force with regard to any such vessels; and with respect to such vessels this contract shall be considered as having terminated only when such vessels shall have reached their port or place of destination, and the mails carried by them shall have been delivered.

27. All notices or directions which are hereby authorized to be given to the Contractors, their officers, servants, or agents, may be delivered to the master or commander of any of the said vessels, or other officer or agent of the Contractors in the charge or management of any vessel employed in the performance of this contract on board such vessel, or left for the Contractors on board such vessel, or at either of the offices or houses of business at Sydney or Dunedin of the Contractors or their agents, and any notices or directions so given or left shall be binding on the Contractors: Provided that any notice of the determination of this contract shall be given to the Contractors, or left for them at their last known office or place of business in Sydney or Dunedin, as the Postmasters-General may think fit.

28. It shall be lawful for the Postmasters-General, or either of them, by writing under their respective hands, at any time, and from time to time, to delegate all or any of the powers, whether joint or several, vested in them or him respectively by virtue of this contract to such person or persons as they or he may think fit.

29. If the Contractors shall fail to commence the performance of the services hereby contracted to be by them performed according to the provisions hereof, or, having commenced the same, shall refuse or wilfully neglect to carry on the same according to the true intent and meaning of these presents, they shall forfeit and pay to the said Postmasters-General the sum of seven thousand five hundred pounds, to be divided between the Postmasters-General in the proportion of two-thirds to the Postmaster-General of New Zealand and one-third to the Postmaster-General of New South Wales, and such sum shall be received as liquidated damages, and not as a penalty.

30. All and every the sums of money hereby stipulated to be paid by the Contractors shall be considered as liquidated or ascertained damages, whether any damage or loss shall have or shall not have been sustained, and may be set off by the Postmasters-General, or either of them, against any moneys payable to the Contractors under or by virtue of these presents, or may be enforced by both or either of the Postmasters-General as a debt due, with full costs of suit, at their or his discretion: Provided always that the payment by the Contractors of any sums of money for any neglect or default in the observance or performance of the covenants or agreements herein contained shall not in any manner prejudice the rights of the Postmasters-General, or either of them, to treat such defaults as a non-observance or non-performance of this contract on the part of the Contractors.

31. If any dispute, question, difference, or controversy shall arise between the Postmasters-