

time to time, on the reasonable request of the Vendors and at the cost of the Company, have the areas of the said blocks of land from which the said trees shall be cut surveyed by an authorised surveyor, and deliver a copy of the survey plan to the Vendors.

9. All trees which the Company declines to accept under paragraph 8 hereof shall be deemed to be excepted from and released from the operation of paragraphs 1, 2, 3, 4, and 5 of this agreement.

10. The Company shall within *five* years of the 1st March, 1906, cause the lands on which they have agreed to purchase the trees, as provided by paragraphs 1, 2, 3, 4, 5, and 8 hereof, to be selected, marked off, and surveyed, and where necessary the trees thereon measured at their own cost; and in measuring the said trees they shall be measured or calculated in the round as standing timber, in the same manner as Crown Lands Boards measure and calculate timber in selling the same on Crown lands, and the Company shall within the same period select and decide upon the route for the railway hereinafter mentioned.

11. If the Company shall be unable, after taking all reasonable steps for that purpose, to obtain the execution by the whole of the necessary owners of the said blocks of land of these presents or a duplicate thereof, the Company may at any time give notice to the Vendors that they desire the said blocks of land, or any one or more of them, to be partitioned in such a manner that a distinct part thereof may be awarded to or amongst the Vendors alone in one or more subdivisions, and the remainder to the Native owners who have not executed these presents, and thereupon the Vendors shall at once take and prosecute all necessary proceedings for obtaining such partition.

12. Upon any such partition as is provided for in paragraph 11 hereof being carried out these presents shall (as regards all things thereafter to be done or to take place, and as regards the property in such of the said trees as shall then be standing) apply, and be deemed to have applied in every respect as nearly as may be, as if they had been executed immediately after such partition and had comprised and referred to such and such only of the said trees as shall at the date of such partition be standing upon the subdivision or subdivisions which shall be awarded to the Vendors or any of them, and had referred to the said subdivision or subdivisions only instead of to the whole of the said piece of land. In the event of the said blocks of land being partitioned no reduction shall be made in the amounts payable under paragraph 16 hereof.

13. When and so soon as a registrable title has been obtained by the Company to the said trees and to the timber rights and other rights and interests comprised within this agreement the work of felling the said trees and removing the same from the said blocks of land shall be commenced, carried on, and completed as soon as shall be reasonably possible having regard to the circumstances of the case, to the means of access, and to the time required for making preliminary arrangements, and for economically and profitably commencing, carrying on, and completing the said work according to the ordinary course of sawmilling or timber-merchant's business: Provided that nothing herein contained shall prejudice the right of the Company to fell and remove the said trees before such title shall have been obtained.

14. As part of the consideration for the rights hereby conferred upon the Company it shall pay to the Vendors for any of the said trees felled during the periods hereinafter mentioned at the rates following—that is to say, during the period of fifteen years from the 1st March, 1906, ten pounds per acre, during the following period of ten years twelve pounds ten shillings per acre, during the following period of ten years fifteen pounds per acre, during the following period of ten years seventeen pounds ten shillings per acre, during the following period of five years the sum of twenty pounds per acre, and thereafter the sum of one hundred pounds per acre; but, so that the Company shall not be required to take any trees after the expiration of the last-mentioned period of five years, and so that if the Company shall thereafter cease operations, all trees growing or being on the said blocks of land shall forthwith revert to and revest in the Vendors.

15. The moneys payable under paragraph 14 hereof shall be paid on the 1st day of March after any tree is felled upon any acre, pursuant to this agreement; but so also that, while the payments made under paragraph 16 hereof shall exceed the sums per acre mentioned in paragraph 14 hereof, for all timber so felled no further payment shall become due hereunder.

16. The Company shall from the 1st day of March, 1906, pay to the Vendors the sum of two thousand five hundred pounds (£2,500) per annum on account and in anticipation of the consideration payable under paragraph 14, whether any royalties or moneys shall or shall not be payable under such paragraph in any year, until the Company shall have obtained a valid and registrable title to the said trees and to the rights and other property benefits and advantages intended to be secured by this agreement, or until the expiration of seven years from the 1st day of March, 1906, whichever event shall first happen. And thereafter the Company shall pay to the Vendors the sum of five thousand pounds (£5,000) per annum during the continuance of this agreement on account and in anticipation of such consideration, whether or not the royalties or moneys payable under such clause shall amount to such sum or not in any year; but the Company shall not be entitled to deduct from such annual payment of £5,000 any annual payment of £2,500 made under this clause. The first payment to be made under this paragraph shall be made on the execution of this agreement, and succeeding payments upon the 1st day of March in each year, so that the second payment shall become due upon the 1st day of March, 1907; provided that, for the purpose of calculating the amount payable under this paragraph to each Vendor before the Company shall have made the selection referred to in paragraph 10 hereof, it shall be assumed that the whole of the owners of the said blocks have signed this agreement, but upon such selection any portion of the said payments of £2,500 and £5,000 which may not have been appropriated shall be paid to the owners of the selected lands in proportion to their respective interests therein: *Provided always that no deduction shall be made by the Company from the sums payable under paragraphs 14 and 15 hereof to the owners of the land selected, marked off,*