

hereof; but the same shall, notwithstanding, remain in full force and effect, and this agreement shall be read and interpreted as if the invalid provision or portion of a provision had not been originally inserted therein.

37. Any notice to be given to the Vendors under any of the provisions hereof shall be deemed to be sufficiently given to the whole of the Vendors if it is personally served upon Te Heuheu Tukino at his residence for the time being in New Zealand, or sent to him in a registered letter to his last-known residence; and in the event of his death to be served in like manner upon some person to be appointed by the Vendors by notice in writing to the Company; and in the event of no person being so appointed the notice shall be deemed to be sufficiently given if it is published in the *Kahiti*.

38. The benefits and obligations hereby conferred and imposed upon the Vendors and the Company respectively shall extend to, and be binding upon, their respective successors, executors, administrators, and assigns.

39. The Company shall, out of the moneys payable to the Vendors under this agreement, pay to Messrs. Travers, Russell, and Campbell the sum of five hundred and fifty pounds (£550), being amounts due to them and for which they are responsible in connection with the negotiation, preparation, and perusal of these presents; and the receipt of the said Travers, Russell, and Campbell shall be a sufficient discharge for the same, the said five hundred and fifty pounds (£550) to be deducted by equal sums out of the three first years' payments to be made pursuant to the provisions of paragraph 16 hereof.

40. The Company shall from time to time deduct and retain five per cent. of the moneys from time to time due and payable to the Vendors under the provisions of this agreement, and shall from time to time pay the moneys so deducted and retained to the *Public Trustee*, upon trust, to hold and apply the moneys so received by them in discharging any legal or other costs that may from time to time be incurred by the Vendors in relating to the carrying-out of these presents or any matter or proceeding incidental thereto, and in reforesting and planting the said blocks of land. And these presents shall operate as a sufficient authority to the Company to deduct the said percentage and to pay the same to the said *Public Trustee*, whose receipt therefor shall be a sufficient discharge for the same: *Provided always that the Public Trustee shall pay thereout such sum only for legal and other costs so incurred as he shall deem to be reasonable under the circumstances.*

41. If by reason of the default of the Company, or from any other reason or cause whatsoever, this agreement shall be cancelled or determined after the execution of the conveyance or transfer mentioned in paragraph 19 hereof the Company shall, so soon as the railway shall be completed, carry all timber and green and dressed flax cut and prepared by the Vendors, or by their assigns or licensees, along or over the said line at rates not exceeding those charged on the New Zealand Government railways.

42. If this agreement shall be cancelled and determined either by mutual agreement or through the default of the Company or of the Vendors, the Vendors shall grant to the Company, free of cost, such an area of the said trees on Hauhungaroa, Waituhi, Puketapu, Waimanu, or Waione and Whangaiepeke Blocks, to be selected by the Company, as shall be equivalent in value to the amounts actually advanced in cash by the Company to the Vendors under the provisions of this agreement and in respect of which the Company shall not have cut and received timber, provided that in estimating such value it shall be calculated on the basis of fifty pounds per centum advance on the rates specified in paragraph 14 hereof: *Provided that the Company's rights under this paragraph shall determine upon the expiration of fifteen years from the date of the acquisition by the Company of a registrable title to the said lands agreed to be transferred and the said trees hereunder.*

43. Until such time as the Company shall obtain valid leases sufficient to enable it to graze the working-bullocks, horses, and milch-cows required for carrying on its operations, it shall be entitled to graze and run working-bullocks, horses, and not more than twenty (20) milch-cows on and over the said blocks of land, paying therefor the sum of one pound (£1) per annum for each bullock, horse, and cow running or grazing upon the said blocks of land in pursuance of this provision.

44. If the Company shall make default in any material matter in the observance or performance of any act, matter, or thing to be by it done, observed, or performed under the provisions of this agreement, then the Vendors may serve upon the Company a notice demanding the observance or performance of such act, matter, or thing, and if such act, matter, or thing shall be such as may then be observed or performed, and if default shall be made for a further period of six months from the date of the service of such notice in the observance or performance of such act, matter, or thing, then the Vendors may cancel and determine this agreement without being liable to repay any moneys received by them under the provisions hereof, and without prejudicing or affecting any liability or obligation incurred by the Company under this agreement antecedent to such cancellation or determination: *Provided always that such cancellation or determination shall not affect the title of the Company to any lands and rights transferred to it pursuant to paragraph 19 hereof, or to any area of the said trees granted or which the Company may properly claim to be granted under paragraph 42 hereof.*

45. The marginal notes to this agreement shall not form part of this agreement, nor affect in any way the construction of any paragraph of this agreement.

THE SCHEDULE HEREINBEFORE REFERRED TO.

All those blocks of land situated in the West Taupo County, and being known by the names of Whangaiepeke, Pukepoto, Waione, Oraukura, Waimanu, Waiunu, Mangahouhou, Puketi (including all partitions thereof) (excepting, however, all the trees on the said Puketi Block), Raumata, Wai-