purpose two good substantial and efficient screw steam-vessels, to be approved by the Postmaster-General: Provided that so long as the Company's screw steam-vessels "Aorangi" and Maitai are efficient these vessels shall be provided and kept for the purpose aforesaid. Provided further that if and as often as any of the two screw steam-vessels aforesaid become disabled through tempestuous weather, or by reason of accident beyond the control of the Company, or are withdrawn for necessary overhaul, then it shall be lawful for the Company to provide and equip a screw steam vessel or vessels, such as the "Mokoia," as a temporary substitute or substitutes, capable of performing the voyage in the manner and within the time specified.

3. The steam-vessels to be employed under this contract shall be always furnished with all necessary and proper machinery, engines, apparel, furniture, stores, tackle, boats, fuel, lamps, oil, tallow, provisions, anchors, cables, fire-pumps and other proper means for extinguishing fire, charts, chronometers, nautical instruments, and whatsoever else may be necessary for equipping the said vessels and rendering them constantly efficient for the performance of the voyages within the times hereinafter specified, and for the service hereby agreed to be performed, and also manned and provided with competent and legally qualified officers, the master or commander having ample experience in command of screw steam-vessels, and with a sufficient number of efficient engineers, and a sufficient crew of able seamen and other men, and with a competent surgeon; to be in all respects, as to vessels, engines, equipments, and capacity, subject to the approval of the Post-master-General or of such other person or persons as he shall at any time or times or from time to time authorize to inspect and examine the same. Full facilities for such inspection and examination shall at all times be given by the Company, and no vessel shall be employed or used for the purposes of this contract until approved as aforesaid.

Every vessel, other than a temporary substitute vessel as may be approved by the Postmaster-General, used under this contract shall be fitted with cool-storage chambers of a not less capacity than 10,000 cubic feet, in which dead meat or other natural products may be carried or conveyed, and such cool-storage chambers shall be fitted with all necessary appliances and

machinery for working and keeping the same effective.

4. All of such vessels so employed shall each, according to its capacity, carry all the freight and passengers which may be reasonably offered or obtained, and at tariff rates, both as to passengers and freight, not exceeding the rates hereinafter set forth—that is to say,

PASSENGER RATES. From Wellington-

To Rarotonga.—Saloon—single £13, return £20 15s; second class—single £10 10s., return £16 10s.; third class—single £8, return £12 10s.

To Papaete.—Saloon—single £17, return £26 15s.; second class—single £13 10s., return £21 5s.; third class—single £9 15s., return £16.

To Wellington-

From Rarotonga.—Saloon—single £11, return £20 15s.; second class—single £8 15s., return £16 10s.; third class—single £6 10s., return £12 10s.

From Papeete.—Saloon—single £14 10s., return £26 15s.; second class—single £11 5s., return £21 5s.; third class—single £8, return £16.

From Auckland-

To Rarotonga. -- The same rates as from Rarotonga to Wellington direct, quoted above, will apply.

To Papeete.—The same rates as from Papeete to Wellington, quoted above, will apply.

To Auckland-

From Rarotonga.—The same rates as from Wellington to Rarotonga, quoted above, will apply. From Papeete.—The same rates as from Wellington to Papeete, quoted above, will apply

Wellington and Auckland-

To and from San Francisco.—Not exceeding: Saloon—single £40, return £60; second class

—single £25, return £40; third class—single £16, return £30.

From and to southern ports of New Zealand.—Ordinary coastal fares from or to Wellington (or Auckland) in addition to the above.

From Auckland and Wellington—
To Rarotonga and Papeete.—The same rates as charged by the Union Steam Ship Company's local steamers will apply by the mail-steamers.

To San Francisco, not to exceed-General cargo, 50s. to 60s. per ton of 40 cub. ft.; skins, 50s. per ton of 2,000 lb.; butter, in refrigerator, Id. per pound gross; meats, in refrigerator, 3d. per pound gross.

Maximum freights Auckland or Wellington to San Francisco-

Wool, greasy, ½d. per pound; wool, scoured, §d. per pound; phormium-fibre, 60s. per ton of 2,240 lb.

It is agreed that the rates of freight on skins, wool, and phormimum-fibre refer to this class of cargo when dumped.

From Rarotonga to Wellington and Auckland .- General cargo, 40s. per 40 cub. ft.; fruit, in cases. 25s. per 40 cub. ft.

From San Francisco to Wellington and Auckland.—General cargo, \$8 to \$16 per 40 cub. ft.: canned goods, \$8 to \$10 per 40 cub. ft.; salmon, \$8 to \$9 per 40 cub. ft.; wheat and flour. \$6 to \$8 per 2,000 lb.

An additional rate of not exceeding 12s. per ton to and from other main ports of New Zealand shall be chargeable, which includes transhipment expenses at Wellington or Auckland.