

The rates of passages provided herein are understood to be applicable to the vessels' ordinary accommodation only; and the rates of freight, except where specifically mentioned, do not provide for cool storage or other special stowage. In the event of any disturbance of normal conditions which in the opinion of the Postmaster-General is sufficient to materially increase the expense of running the vessels used for services under this contract, the Postmaster-General may authorize a percentage increase of the foregoing fares and freights:

Provided that no discrimination shall be made as regards tariff rates for either freights or passengers in any manner directly or indirectly against any New Zealand port, or against the New Zealand Government railways, or against any New Zealand merchant or shipper.

8. 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 Postmaster-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.

9. The Company shall not convey in any vessel employed by it under this agreement any nitro-glycerine or any other article which shall have been proclaimed as an explosive or explosive substance, or shall have been legally declared specially dangerous, or shall be so declared by the Postmaster-General by notice in writing.

10. The Company shall at all times maintain all vessels used for services under this contract, with their machinery, tackle, and equipment, in first-class condition, as required by Lloyd's Registry.

11. The mails shall be conveyed thirteen times in the year (once every four weeks) from Wellington to San Francisco by way of Rarotonga and Papeete, and from San Francisco to Wellington by way of Papeete and Rarotonga; and if the service is extended to Australia as aforesaid, then from San Francisco, Papeete, Rarotonga, and Wellington respectively to Sydney, and from Sydney to Wellington, Rarotonga, Papeete, and San Francisco respectively; and the service shall be deemed to have commenced with the despatch of the "Moana" from Wellington on the seventeenth day of July, one thousand nine hundred and fourteen, which shall be deemed to be the first appointed day. The vessels respectively employed to convey the mails shall leave the said Port of Wellington on the appointed day (computed as aforesaid), and at such hours on the appointed days, as may from time to time be agreed to between the Postmaster-General and the Company, or as, in the absence of agreement, may be directed by the Postmaster-General.

12. If upon the expiry of the period of five years, the term provided for the duration of this agreement, the Company, whether by reason of delay or otherwise, shall not in that time have completed sixty-five round voyages in accordance with the last foregoing clause, and a further voyage or further voyages shall have been or ought to be commenced in accordance therewith, such voyage or voyages shall be continued or completed, and the mails embarked and delivered during and at the completion of the same, without any further payment to the Company than is hereinafter provided for; and this agreement shall be deemed to subsist and be enforceable in all respects until the said sixty-five round voyages have been completed, notwithstanding that before the completion of such voyages the period of five years shall have elapsed.

13. The Company, at its own expense, shall deliver and take the mails to and from the steamers and the shore, at convenient places to be from time to time appointed by the Postmaster-General, in the respective ports from and to which the mails are to be conveyed, and also shall convey the same and the officers having charge of them to and from the steamers and the shore as may be necessary, in suitable boats furnished with suitable coverings for the mails, and properly equipped and manned; and shall from time to time convey the officers or agents of the Postmaster-General to and from the steamers and the shore at any of the said ports as often as may be necessary in the execution of their duties respectively.

14. If the Postmaster-General or his officers or agents shall in event of emergency deem it requisite for the public service that any vessel should be delayed at Wellington beyond the appointed hour of departure, it shall be lawful for the Postmaster-General or such officers or agents to order such delay for the period specified in the order, not exceeding twenty-four hours, by letter addressed to the commander of the vessel and delivered to him or to any person appearing to be in charge, or left for him at the office of the Company in the port or on board the vessel, three hours at least before the hour appointed for departure; and every such order shall be obeyed by the Company, its officers, and servants. In every case where a vessel is delayed at Wellington pursuant to such order as aforesaid, demurrage at the rate of five pounds an hour shall be paid to the Company for each hour's delay after the first six hours.

15. In order to ensure, as far as practicable, the due carrying of the mails from San Francisco to New Zealand under this contract, the Company shall delay the departure of any of its vessels from San Francisco for such period as the Postmaster-General directs, not exceeding forty-eight hours after the time of departure fixed as aforesaid, in order to await the arrival of the mails from London to Australia and New Zealand.

Such direction shall be by letter from the Postmaster-General's officer or agent at San Francisco, addressed to the Company, and delivered at its office in San Francisco at least three hours before the hour appointed for the departure of the vessel. In every case where a vessel