

is delayed at San Francisco pursuant to such direction as aforesaid, demurrage at the rate of five pounds per hour shall be paid to the Company by the Postmaster-General for each hour's delay after the first six hours. In the case of each vessel so delayed the demurrage in respect thereof shall be paid at the Treasury in Wellington, or at the Company's office at Dunedin, on receipt by the Postmaster-General of advice of the amount payable.

16. If from any cause whatsoever, at any time or times hereafter, one of the vessels for this service shall not be at the Port of Wellington, ready to put to sea in due time to perform the services hereby contracted to be performed, the Company shall pay as liquidated damages to the Postmaster-General in respect of every mail that shall be delayed by reason of any such default as aforesaid the sum of two hundred pounds, and the further sum of fifty pounds for every successive twenty-four hours which shall elapse between the time at which the mail shall be appointed to leave the port and the time at which the vessel conveying the same shall leave the port, whether such vessel shall be one of those aforesaid or any other vessel which the Postmaster-General shall think fit to employ or to sanction being employed for the purpose: Provided that the Postmaster-General shall have power to remit or reduce any of the sums payable as in this clause mentioned if he shall be satisfied that any such default as aforesaid was attributable to causes over which the Company had no control: Provided also that the maximum amount to be paid by the Company under this clause in respect of such defaults for any one voyage shall not exceed one thousand pounds.

17. This agreement shall not, nor shall any right or interest therein, be assigned, underlet, or otherwise disposed of without the consent in writing of the Postmaster-General to such assignment having been first obtained.

18. The Company shall from time to time furnish to the Postmaster-General full and complete copies of the manifests of the cargoes and lists of the passengers carried by each of the said vessels on its outward and its homeward voyages, certified by the proper Customs officials, and also such other documents, information, and evidence as may be reasonably required by the Postmaster-General to show the volume, extent, and value of the trade carried on by the said vessels, and such other Customs certificates, documents, and evidence as may be necessary or as may be reasonably required by the Postmaster-General to prove the performance of the service herein contracted for, and to enable the Postmaster-General to judge as to whether this agreement is being properly and faithfully carried out and performed; and the furnishing of such certificates, documents, information, and other evidence as hereinbefore specified shall be a condition precedent to the payment of the subsidy hereinafter provided or any portion thereof.

19. It is further understood and agreed by the Company that two-thirds of the total number of officers, engineers, stewards, crew, or other employees whatsoever upon the vessels engaged in the performance of the service herein contracted for shall be British subjects; but the non-observance of this clause shall not constitute a violation of this contract in such individual cases as may from time to time be approved by the Postmaster-General in writing.

20. The mails shall be safely conveyed from Wellington to San Francisco and from San Francisco to Wellington within five hundred and five hours, this time to be calculated from the time appointed for the departure of the mail. It is understood that the time available for the loading of cargo at Rarotonga for Wellington will usually be not more than nine hours; but in the event of unfavourable weather or other conditions preventing the completion of the loading of perishable cargo within that time, the vessels shall be allowed to extend their stay at that port to not more than thirty hours calculated as from the time of arrival in the roadstead, and such extension of time in excess of nine hours to be in addition to the limit of time herein specified for the conveyance of the mails from San Francisco to Wellington. In case of the loss of any mails after delivery to vessel the Company shall, with all possible despatch, at its own cost, do all such acts and take all such measures as may be reasonably expected to be done and taken to recover the mails so lost. And the Company shall be liable for all damage or injury to mails, from whatsoever cause that may arise or happen, excepting fire, the act of God, perils of the seas, or enemies of the flag.

21. In respect of each voyage the Company shall pay to the Postmaster-General as liquidated damages, and not as a penalty, the sum of thirty pounds for every twenty-four hours in excess of the number of hours prescribed in clause twenty as the maximum number to be occupied in conveying the mails unless such excess of time is caused by any event beyond the Company's control; and all such sums may be deducted by the Postmaster-General from any payments due to the Company under this contract: Provided that no sum shall be payable by the Company under this clause in respect of any specified voyage unless the period of actual delivery of the mails at San Francisco or Wellington exceeds the time of delivery provided by this contract by forty-eight hours; and provided also that the Postmaster-General may remit any payment which in his opinion should not be enforced.

22. Subject to the provisions of the Universal Postal Union Convention of Rome (1906), the Postmaster-General shall apply to the proper authority of any countries whose mails may be carried by steamers employed in the service under this contract for payment of sea-transit rates therefor as fixed by the said Convention, and on payment being received from any such authority the Postmaster-General shall pay over to the Company the amount thereof; and any moneys received by the Company direct from any such authorities in respect of the carriage of mails shall be deemed to be so received under this clause and shall be retained by the Company for its own use: Provided always that the Postmaster-General shall not incur any responsibility whatever for the due payment of any such rates or of any rates whatever, and shall not be bound under this clause to take any steps or make any claim other than at his sole and absolute discretion he shall deem advisable.