

32. The Contractors shall provide suitable first-class accommodation for a mail officer or agent and one assistant on board each of the vessels employed under this contract, who shall be at liberty to use such accommodation as may be required for the performance of their duties; and such officer or agent and assistant shall be victualled by the Contractors, as chief cabin passengers, without charge either for their passages or victualling.

33. Every such mail officer or agent and assistant shall be recognized and treated by the Contractors, their officers and agents, as the agent of the Postmaster-General in charge of mails, and as having full authority in all cases to require a due and strict performance of this contract: Provided that no such agent, officer, or assistant shall have power to control or interfere with any commander or officer in the performance of his duty; and every such agent, officer, and assistant shall be subject to all general orders issued by the master or commander for the good order, health, and comfort of the passengers and crew.

34. If the Postmaster-General, or his officers or agents, shall at any time deem it requisite for the public service that any vessel should be detained beyond the appointed time of departure, it shall be lawful for the Postmaster-General, his officers or agents, to order such delay—not exceeding forty-eight hours at San Francisco, and not exceeding twenty-four hours at one port in New Zealand, and not exceeding twenty-four hours in Australia—by letter addressed to and delivered to the commander of the vessel, or the person acting as such, or left for him on board the vessel, three hours at least before the hour appointed for departure; and in order to insure the due carrying of the mail from San Francisco, the Contractors without any such notice shall delay any vessel (if necessary) forty-eight hours, to await the arrival of the mail there from New York, and in every such case the number of hours during which such vessel shall be so detained shall be added to the contract time.

35. The Contractors shall have power to assign this contract to a Company already or intended to be established by them, for the purpose of taking over and carrying out the same; but this Contract, or any part thereof, shall not be otherwise assigned, underlet, or disposed of by the Contractors, or by the Company to whom the same may be assigned, without the consent in writing of the Postmaster-General first obtained for such purpose.

36. In case this contract is assigned, underlet, or disposed of, otherwise than in accordance with the provision hereinbefore contained, or in case of any wilfully gross or habitual breach of the same or any part thereof, or of any covenant, matter, or thing herein contained, committed by or on behalf of the Contractors, their agents or servants, and whether there be or be not any penalty or sum of money payable by the Contractors for any such breach, it shall be lawful for the Postmaster-General, if he shall think fit, and notwithstanding there may or may not have been any former breach of this contract, by writing under his hand, or under the hand of the Secretary of the Post Office in New Zealand, to determine this contract on giving three months' previous notice of his intention to do so to the Contractors or their agents, and the Contractors shall not be entitled to any compensation in respect of such determination.

37. During the continuance of this contract, and so long as the same shall be faithfully carried out by the Contractors, no charge for pilotage, lighthouse dues, wharfage, harbour dues, or other dues, taxes, or imposts, shall be made at any port in New Zealand for any of the steam vessels employed in carrying out this contract; and the Government of New Zealand will use their best endeavours to obtain for the Contractors similar exemptions at the Port of Sydney, and, if necessary, at the Port of Melbourne and at New Caledonia.

38. If the Contractors shall refuse or wilfully neglect to commence the mail service provided by this contract, or, having commenced the same, shall refuse or wilfully neglect to carry on the same, they shall be liable to pay to the Postmaster-General, on behalf of the Government of New Zealand, the sum of twenty-five thousand pounds as liquidated damages.

39. The Contractors shall use their best endeavours to procure the mails carried under this contract to be taken from San Francisco to London, and from New York to San Francisco, free from charge, under the Postal Convention between Great Britain and the United States; and so long as this freedom of charge shall not exist, the Postmaster-General shall deduct from the payments to be made to the Contractors, a sum at the rate of one thousand pounds per annum.

40. In order to encourage trade between the United States and the Australasian Colonies, the Contractors will use their best endeavours to obtain from the United States Government and Legislature a concession that *Phormium tenax* fibre, the produce of New Zealand, and wool, the produce of New Zealand, and of any other of the colonies that may make arrangements with the Postmaster-General for the carriage of mails under this contract between San Francisco and Australia, shall be admitted duty free into the United States.

41. It shall be lawful for the Postmaster-General, by writing under his hand, at any time and from time to time to delegate any of the powers vested in him by virtue of this contract to such person or persons as he may think fit.

42. The Contractors shall enter into a bond to the Postmaster-General, with two sufficient sureties to be approved of by him, in the penal sum of twenty-five thousand pounds, conditioned for the due performance of this contract.

In witness whereof the said parties have hereunto set their hands and seals the day and year first above written.

Signed, sealed, and delivered by the above-named Julius Vogel,  
in the presence of—W. GRAY,  
E. FOX.

(L.S.)

JULIUS VOGEL,

W. H. WEBB,  
BEN HOLLADAY

(L.S.) (By their agent, J. B. M. STEWART).

Signed, sealed, and delivered, for and in behalf and in the names of the above-named W. H. Webb and Ben. Holladay, in the presence of—  
W. GRAY,  
E. FOX.