

Colony of New Zealand, as such Postmaster-General, and acting for and on behalf of the Government of the same colony, of the second part; HAYDEN HEZEKIAH HALL, of Sydney, New South Wales, agent there for the United States of America; and PAUL SIEMEN FORBES, of 8, Bishopsgate Street Within, in the City of London, shipowner, hereinafter designated "the Contractors," of the third part: Whereas by articles of agreement bearing even date herewith, and made between the parties hereto, the Contractors have entered into a contract with the Postmasters-General for the conveyance of mails, from the twenty-seventh day of November, one thousand eight hundred and seventy-four, for a period of six years to be computed from that day, between San Francisco and Sydney and New Zealand, hereinafter referred to as "the Permanent Contract," and the parties hereto are desirous of making provisions for the conveyance of mails over the said route until the Permanent Contract shall come into operation: Now these presents witness that they the Contractors do, for themselves, their heirs, executors, administrators, and assigns, and each of them doth, for himself, his heirs, executors, administrators, and assigns (so far as the covenants and agreements hereinafter contained are to be observed and performed by the Contractors), hereby covenant with the Postmaster-General of the Colony of New South Wales and his successors, and with the Postmaster-General of the Colony of New Zealand and his successors, and also as a separate covenant with each of the Postmasters-General and his successors; and the Postmaster-General of the Colony of New South Wales and the Postmaster-General of the Colony of New Zealand do, and each of them doth, for and on behalf of himself respectively as such Postmaster-General and his successors respectively, and the Government of the colony for which he is now respectively the Postmaster-General (but so far only as the covenants and agreements hereinafter contained are to be observed or performed by or are applicable to the Government of the said colonies respectively), hereby covenant with the Contractors, their executors and administrators, in manner following, that is to say:—

1. In the construction of these presents, the following words and expressions shall mean and include (unless such meaning shall be inconsistent with the context) as follows:—"Postmaster-General of the Colony of New South Wales" means the Postmaster-General for the time being of that colony; "Postmaster-General of the Colony of New Zealand" means the Postmaster-General for the time being of that colony; "Postmasters-General" means the Postmaster-General for the time being of the Colony of New South Wales and the Postmaster-General for the time being of the Colony of New Zealand; "Contractors" includes the heirs, executors, administrators, and assigns of the Contractors, and of each of them; "Mails" includes all boxes, bags, or packets of letters, newspapers, books, or printed papers, patterns, and all other articles transmissible by post, without regard either to the place to which they may be addressed or to that in which they may have originated; also all empty bags, empty boxes, and other stores and articles used, or to be used, in carrying on the Post Office service; "Mail" means the aggregate of mails transmitted at one time by any of the vessels for the time being employed in the mail service under this contract; and "Hours" means hours calculated according to Greenwich time.

2. The Contractors shall, on and from the twentieth day of December, one thousand eight hundred and seventy-three, and until the permanent contract shall come into operation, convey all Her Majesty's mails which, and all other mails of whatever country or place which, the Postmasters-General or either of them shall at any time and from time to time require the Contractors to convey between Sydney and San Francisco and between San Francisco and Sydney, and between New Zealand and San Francisco and between San Francisco and New Zealand, and from and to all and every or any of those ports to and from the ports of Honolulu in the Sandwich Islands, and Kandavau in the Fiji Islands, and according to the routes within the respective times and in manner hereinafter provided; and so long as the whole or any part of the services hereby agreed to be performed ought to be performed in pursuance of this contract, shall and will provide and keep seaworthy, and in complete repair and readiness for such purpose, a sufficient number of and not less than four good, substantial, and efficient screw steam vessels of the first class, and fully equal to Class 100 A.1, Lloyd's Register, and of not less gross registered tonnage than two thousand tons each, constructed of iron and propelled by first-rate engines of adequate power for a minimum continuous speed of ten nautical miles per hour.

Three of the first vessels to be put upon the line shall be the screw steamships "McGregor," "Tartar," and "Mongol," one of which shall be ready to leave the port of Sydney with mails at latest on the twentieth day of December, one thousand eight hundred and seventy-three, and a suitable vessel shall be ready to leave Port Chalmers with mails on the sixteenth day of December, one thousand eight hundred and seventy-three, to meet the same at Kandavau; another of the above-named vessels shall be ready to leave the port of San Francisco with mails on or about the twenty-seventh day of January next. Due notice shall be given to the Postmasters-General of any vessel or vessels proposed to be put upon the line, and no vessel shall be employed in the service hereby contracted to be performed, until approved by the Postmasters-General, or an officer or officers to be appointed by them jointly or severally for the purpose.

3. The steam vessels to be employed under this contract shall be of the capacity aforesaid, and 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, lightning conductors, charts, chronometers, nautical instruments, and whatsoever else may be necessary for equipping the said vessels and rendering them constantly efficient for travelling at a minimum continuous speed of ten nautical miles per hour, and for the service hereby agreed to be performed; and also manned and provided with competent and legally qualified officers, 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 in the first instance, and from time to time and at all times afterwards, to the approval of the Postmasters-General, or of such other person or persons as they shall jointly or severally, at any time or times or from time to time, authorize to inspect and examine the same, and no vessel shall be employed or used for the purposes of this contract until approved as aforesaid.

4. The Postmasters-General, or either of them, shall have full power, whenever and as often as they or he may deem it requisite, by any of their or his qualified officers or agents, to inspect the officers,