

capacity of each such mill: Provided that where the directors have reasonable grounds for believing that any mill-owner or mill-owners is or are obtaining an undue advantage in any such town or district over other mill-owners in the same town or district in consequence of the value of such local trade or otherwise, they may adjust the same in such manner as they consider fair and equitable.

This proviso shall apply whether or not there is more than one associated mill in any such town or district as aforesaid. After giving each mill its proportion of local trade as aforesaid, the balance of the said mill's proportionate monthly quantity shall be sold for shipment; and in the event of a difficulty being found in disposing of the said balance on account of the brand being unknown by buyers, a reduction may be made by the directors in the price until the flour is introduced and approved of by buyers, and any such reduction in price shall be borne by the mill-owners who manufactured the said flour.

The decision of the directors or a majority of them on the questions aforesaid shall be final.

9. The term "current rate" as herein used shall mean the price for the time being so fixed as aforesaid for the town or district in which the said mill is situated: Provided always that, in respect of all flour purchased for shipment to any port in New Zealand, the current rate shall be the price for the time being so fixed for the port of shipment nearest to the said mill.

10. The time for payment of all flour so supplied to the association shall be thirty days or such other time as shall be mutually agreed upon between the directors and the mill-owners who supply the flour.

11. The aforesaid proportionate quantity of flour shall be delivered by the said mill-owners from time to time in such quantities, at such times and places, on such terms, and generally in such manner in every respect as shall by the said general manager be reasonably required. The said mill-owners shall execute all orders received from the association at the price booked for the same by the association, and shall not be entitled to claim any increased value should the current price be advanced before the orders reach the mill-owners, provided that no reasonable delay occurs in sending forward the orders: Provided also that in cases where the said mill-owners have over-delivered their proportionate quantity at the time of the receipt of such orders such difference in price shall be borne by the association.

12. All flour shall be marked with the names and distinctive brand or trade-mark of the mill-owners by whom it is supplied (unless otherwise mutually agreed between the mill-owners and the directors), and such name and brand or trade-mark shall not be defaced or altered.

13. No flour shall be sold, supplied, or gisted, or delivered by the said mill-owners to or for any person or corporation for consumption within the colony of New Zealand other than the association. This section shall apply to all flour whether imported into or manufactured in New Zealand, or gisted or manufactured from grain imported from abroad; but the mill-owners shall not be entitled to supply to the association, nor shall the association be bound to purchase from the mill-owners, any flour which has not been manufactured in an associated mill.

Any flour supplied, or gisted, or delivered by the said mill-owners for sale in any store, or for use or for sale in any bakehouse, in which the said mill-owners are or may be interested financially or otherwise shall be sold through or to the association in the same manner and on the same terms and conditions as if the flour had been supplied to any other customer. All questions arising under this section shall be determined by the directors or a majority of them, and their decision shall be final.

14. The said mill-owners will pay to the association the sum of five pounds per centum, or such lesser sum as the directors may fix, on all moneys received by them in respect of flour gisted in the said mill during the continuance of this agreement; and in default of payment of the same to the association on demand may, subject to any provision herein contained for the determination of differences, be sued therefor, and the amount thereof recovered from them by the association in any Court of competent jurisdiction. All questions arising under this section shall be determined by the directors or a majority of them, and their decision shall be final.

15. If any flour shall be sold, supplied, or gisted by or on behalf of the mill-owners contrary to the provisions of section 13 hereof, then and in such case the said mill-owners shall pay to the said association the sum of twenty-five pounds per centum on the value of such flour, calculated at the current rate at the time the said flour was sold, supplied, or gisted by or on behalf of the said mill-owners; and in default of payment thereof to the association on demand may, subject to any provision herein contained for the determination of differences, be sued therefor, and the amount thereof recovered from them by the association in any Court of competent jurisdiction. All moneys payable to the association under this paragraph or under paragraph 14 shall be deemed to be liquidated and ascertained debts, and recoverable as such and not merely as damages, and, in addition to any other remedy that may be available against the mill-owners, the amount thereof may be deducted from any moneys owing to them by the association. Should the directors at any time have reasonable ground for believing that a breach of or non-compliance with this agreement has been or is intended to be committed or is contemplated by the mill-owners, they may retain any moneys owing or accruing to the mill-owners by the association until the question of the breach or intended breach or non-compliance has been determined, and then deduct all moneys payable in respect of such breach or non-compliance from the moneys owing by the association to the said mill-owners.

16. If any flour supplied by the said mill-owners to the association under this agreement shall, on being tested in such manner as the directors shall determine, be found to be of inferior quality it may be sold by the association for less than the current rate, and if so sold in consequence of such inferiority the difference between the current rate and the price at which the said flour shall have been sold shall be paid by the said mill-owners to the association; and in default of payment thereof to the association on demand they may, subject to any provisions herein contained for the