

(2.) The company shall not convey in any mail-ship any article which, in the opinion of the Postmaster-General, is likely to endanger the mails.

24. The company shall be responsible for the loss or damage of any parcel, or of any registered postal packet of any kind, conveyed or tendered for conveyance under this agreement (unless such loss or damage be caused or occasioned by act of God, the Queen's enemies, pirates, restraints of princes, rulers, or people, jettison, barratry, fire, collision, or perils, or accidents of the seas, rivers, and steam navigation), and in the event of any such loss or damage (except as aforesaid) the company shall be liable to pay to the Postmaster-General in respect of each parcel or registered postal packet so lost or damaged (subject to the proviso hereinafter contained) such sum of money as shall be equal to the amount which may have been awarded and paid by the Postmaster-General at his sole option and discretion (and though not under any legal obligation) to the sender or addressee of such parcel or registered postal packet as compensation for the loss or damage thereof: Provided that such sum shall not in any case exceed £1 per parcel or £2 per registered postal packet.

25. The company shall not, nor shall any master or commander of any mail-ship, receive or permit to be received on board any mail-ship for conveyance thereby any letters other than those which are required or expressly permitted to be carried under this agreement, and any such letters as are not required by law to pass through the Post Office, nor shall the company or any such master or commander receive or permit to be received on board any mail-ship for conveyance thereby any mails on behalf of any colony or foreign country without the consent of the Postmaster-General, and the entire postage of all mails conveyed by any mail-ship under this agreement shall in all cases (as between the Postmaster-General and the company) belong to the Postmaster-General, and shall be absolutely free from all claims or demands whatever of or by the company under or by virtue of this agreement or otherwise.

#### *Modification of Services.*

26. If at any time or times the Postmaster-General shall for any reason whatever desire to alter the particular days, times, or hours of departure from and arrival at the terminal ports of departure and destination respectively on each of the mail routes, he shall (subject and without prejudice to the provisions of clause 10 hereof) give to the company three calendar months' notice in writing of such desire.

27. (1.) If at any time the Postmaster-General shall deem it necessary or expedient in the public interest to substitute for Brindisi as the port or place for the commencement and termination of the respective outward and Homeward services under this agreement another port on the Continent of Europe or in the United Kingdom, the company shall, on receiving reasonable notice from the Postmaster-General to that effect, convey the mails to and from such other port or place in substitution for Brindisi, and this agreement shall, in respect of the services to be rendered by the company, be read and construed as if the name of such other port or place on the Continent of Europe or in the United Kingdom appeared throughout the same in lieu of the word "Brindisi."

(2.) In the event of such substitution as hereinbefore mentioned, the several periods of transit shall be respectively liable to be increased or diminished to such an extent as shall be agreed upon between the Postmaster-General and the company, or, failing such agreement, as shall be determined by arbitration, and the subsidy payable hereunder shall be liable to be increased or diminished in such manner as (having regard to all the circumstances of the case, and particularly to any expense or loss incurred, or to any risk run by or any advantage accruing to the company in consequence of such substitution) shall be agreed upon between the Postmaster-General and the company, or, failing agreement, shall be determined by arbitration.

28. (1.) If at any time or times the Postmaster-General shall deem it necessary or expedient in the public interest that all the mails to be conveyed upon all the mail routes shall be conveyed from the United Kingdom by way of the Cape of Good Hope or Cape Horn, instead of by way of the Suez Canal, the company, on receiving reasonable notice from the Postmaster-General to that effect, shall, in lieu of the services hereinbefore contracted to be performed, convey the mails by means of mail-ships by way of the Cape of Good Hope or Cape Horn from and to such port in the United Kingdom as may be agreed upon between the Postmaster-General and the company, or, in default of agreement, be determined by arbitration to and from the terminal ports or places upon each of the outward mail routes, serving as far as practicable the several places or ports of call on each mail route.

(2.) In such case the mails shall be conveyed at such rates of speed and on such other conditions as may be agreed upon between the Postmaster-General and the company, and in default of agreement may be determined by arbitration.

(3.) All the provisions of this agreement with reference to the services to be performed by the company shall (so far as the same are applicable) apply to the embarking, conveying, landing, and delivery of the mails under the provisions of this clause.

(4.) The Postmaster-General shall not, in respect of the substituted service in this clause mentioned, make any additional payment to the company unless by reason of the performance of such substituted service and on no other account the company shall sustain a loss of general revenue or incur expenses exceeding the expenses incurred in the conveyance of the mails to and from Brindisi under the provisions of this agreement.

(5.) Should any such loss or additional expenses as last aforesaid be incurred or sustained by the company, the Postmaster-General shall pay to the company, in addition to the said subsidy, such sum of money as may be agreed upon between him and them, or, failing such agreement, as shall be determined by arbitration, and upon such arbitration due regard shall be had to the