

from the interruption of working order, the failure to repair within such period of six months, being a breach of this Agreement, Her Majesty's Government shall be at liberty to take possession of such telegraph line, and to repair and work it, taking all receipts for the unexpired portion of the aforesaid period of 20 years, or to hand over such telegraph line to a Company, to be worked by such Company, or to make such other arrangements for securing telegraphic communication between Halifax and Bermuda, as to Her Majesty's Government shall seem fit, without any claim on the part of the Company to compensation, or to a revival of the said annual subsidy, provided always that if such telegraph line be restored to working order while in the possession of Her Majesty's Government, the Company shall be at liberty to resume possession of such telegraph line on paying to Her Majesty's Government the cost of restoring and working such telegraph line while in the possession of Her Majesty's Government, which cost the Company undertake to pay to the Treasury on demand, notwithstanding that such cost may have been already paid out of the security mentioned in Article 15, the intention being that such security shall be kept, if practicable, at the maximum of 15,000 *l.* during the whole currency of this Agreement. On and from the Company's resuming possession of such telegraph line, after payment of such cost as aforesaid, the said annual subsidy shall revive for the period during which such telegraph line shall thenceforth be maintained in working order, and shall be duly worked, and shall be payable subject to the conditions hereinbefore in this Article stated. If such telegraph line shall be in the possession of Her Majesty's Government at the expiration of the aforesaid term of 20 years, the Company shall not be at liberty to resume possession of such telegraph line on the expiration of such term until the Company has paid to the Treasury the cost (if any) incurred by Her Majesty's Government in restoring and working such telegraph line beyond the amount in respect of such restoration and working recovered by the Treasury out of the security mentioned in Article 15, the Company being allowed to set off against such aforesaid cost a proportionate part of the annual subsidy in respect of the period between the restoration of such telegraph line to working order and the expiration of the aforesaid term of 20 years.

11. The Company shall not assign, lease, or cede the benefit of this Agreement, and the said annual subsidy or any part thereof without the previous consent of the Treasury.

12. In case of war, rebellion, or other emergency, Her Majesty's Government may take possession of such telegraph line, and of the stations, offices, and apparatus on such telegraph line; may keep possession thereof for so long as Her Majesty's Government may think requisite, and may, while such telegraph line, &c., is in possession of Her Majesty's Government, work such telegraph line by Government servants; and Her Majesty's Government shall make to the Company such compensation in money for all loss suffered by the Company by the exercise of the powers by this clause conferred, other than loss calculated on the basis of an assumed increase of receipts, while such telegraph line remains in the hands of Her Majesty's Government, as shall be admitted or determined, in case of dispute, by arbitration to be reasonable in that behalf.

13. No liability shall attach to Her Majesty's Government under this Agreement other than the liability to pay the annual subsidy as provided by Articles 9 and 10, and to make compensation as provided by Article 12.

14. The Company shall within one month from the date of the execution of this Agreement, or within seven days of the approval of this Agreement by the House of Commons, whichever date shall first happen, prove to the satisfaction of the Treasury that the sum of 100,000 *l.* portion of the capital of the Company has been subscribed and fully paid up, and that the Company has resolved that 80,000 *l.* portion of the aforesaid sum of 100,000 *l.*, shall be specially and exclusively appropriated to the cost of constructing and laying such telegraph line.

15. The Company shall also, within one month from the date of the approval of this Agreement by the House of Commons, deposit with Her