

4. A penalty of 500 *l.* to be incurred on each occasion when the Contractors fail in providing a vessel, in accordance with their Contract, ready to put to sea at the appointed time, and a further penalty of 100 *l.* for every day's failure in providing such a vessel after such appointed time; but so that these penalties shall not in the aggregate exceed the part of the subsidy applicable to a single voyage, plus the sum of 1,000 *l.* The Contractors also to be subject to a penalty of 30 *l.* for every complete period of 12 hours consumed on any voyage, from whatever cause arising, beyond the number of hours allowed for the voyage; but so that the total amount of the last-named penalty for delay on any one voyage shall never exceed the part of the subsidy applicable to such voyage.

5. The payment by the Contractors of any penalties shall in no way prejudice the right of the Postmaster General to treat the failure to provide a proper vessel at the appointed time, or to perform a voyage at or within the appointed period, as a breach of the Contract.

6. The Contractors to supply, during the continuance of the Contract, and to the satisfaction of the Postmaster General, a sufficient number of steam vessels of adequate power, and in all respects suited for the performance of the service between Halifax and St. Thomas within the time stipulated in the Tender.

7. The Postmaster General to have power to require that the vessels to be used for the purposes of the Contract shall be built on plans previously approved of by the Lords Commissioners of the Admiralty.

8. The vessels to be always supplied 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, proper nautical instruments, and whatsoever else may be necessary for equipping the said vessels, and rendering them constantly efficient for the service to be performed. The vessels to be manned by legally qualified and competent officers, and by a sufficient crew of engineers, able seamen, and other men.

9. The vessels to be subject at all times to survey by officers in the employment of the Admiralty or Post Office, and any defect discovered on such survey to be immediately made good by the Contractors; failing which, the vessels to be considered unfit for use, and the Contractors to become liable to the penalties named in the 4th Condition. The survey to extend not only to the vessels themselves, but to the officers, engineers, crew, machinery, and everything which the Contractors are bound to provide.

10. The days and hours of departure and arrival at each port to be fixed by the Postmaster General, and to be subject to alteration by him from time to time, on a notice to the Contractors of three months. The Postmaster General also to have power, by an order to the commander, to delay the departure of any vessel from any port for a period not exceeding 24 hours.

12. The Contractors to provide, to the satisfaction of the Postmaster General, a separate and convenient place of deposit for the mails on board each vessel.

13. In the event of any steam vessel being lost, or destroyed by fire, tempest, or any other casualty, or requiring repair, during the continuance of the Contract, the Contractors to provide, without any unnecessary delay, and within such reasonable time as may be required by the naval commander in chief, or senior naval officer on the *North American and West Indian station*, another vessel of similar power and description, and to convey the mails in the meantime in good and sufficient sailing vessels to be provided by them, to be approved of by the naval commander in chief or senior naval officer on the *North American and West Indian station*.

14. The Contractors and all commanding and other officers of the vessels which may be employed in the performance of the Contract, and all agents, seamen, and servants of the Contractors, shall, at all times during the continuance of the Contract, punctually attend to the orders of the Postmaster General as to the mode, time, and place of embarking and disembarking mails.

15. The commander shall take charge of the mails and be responsible for their due receipt and delivery. He shall also make the usual Post Office Declaration, and furnish such journal, returns, and other information, and perform such other services as the Postmaster General may, from time to time, require.

16. Except such letters as are not required by law to pass through the Post Office, the Contractors not to receive, or permit to be received, for conveyance on board of the vessels employed under the Contract, any letters other than those contained in Her Majesty's mails. No mails must be conveyed on behalf of any colony or foreign country without permission of Her Majesty's Postmaster General; and the whole postage of every mail shall, under all circumstances, be at his disposal.

17. The Contractors not to convey in any of the vessels used for the mail service any nitro-glycerine or other article which may have been legally declared specially dangerous.