

CONTRACT.

3. That in case of failure in fulfilling the present contract the parties of the first part shall thereby forfeit all right and claim to the said fifteen per cent, or any part thereof remaining unpaid, as well as to any moneys whatever due on this contract.

4. That all materials for the said works shall be inspected and approved of before being used, either by the Commissioner, or such person as he may appoint, and any materials disapproved of, shall not be used in the works, and if not removed by the parties of the first part when directed by the commissioner, or his architect, or person in charge, then the rejected materials shall be removed by the Commissioner, his architect, or person in charge, to such place as he may deem proper, at the cost and charge and at the risk of the said parties of the first part : but it is distinctly understood and agreed, that the inspection and approval of the materials, shall not in anywise subject her said Majesty to pay for the said materials, or any portion thereof, unless employed or used in the said works, nor prevent the rejection afterwards of any portion thereof, which may turn out to be unsound or unfit to be used in the works, nor shall such inspection be considered as any waiver of objection to the works on the account of the unsoundness or imperfection of the materials used.

5. That it shall be in the power of her said Majesty to make payments or advances on materials, implements, vessels, or tools of any description procured for the works, or used, or intended to be used about the same, in such cases and upon such terms and conditions, as to the said Commissioner may seem proper : and that whenever any advance or payment shall be made to the said parties of the first part upon any tools, implements or materials of any description, the tools, implements or materials upon which such advance or payment shall be made, shall thenceforward be vested in and held as collateral security by Her Majesty, Her Heirs and successors for the due fulfilment by the said parties of the first part of the present contract ; it being however well understood that all such tools, implements or materials of any kind are to remain at the risk of the parties of the first part who shall be responsible for the same, until finally used and accepted as part of the work by the Commissioner ; but the said parties of the first part shall not presume to exercise any act of ownership or control whatever over any tools, imple-