

are the regulations to be observed in the preparation of mail-contract bonds:—

(I.) *Contract Bond.*

- (1.) *Qualification of Contractors.*—Any individual of full age, even a married woman, may ordinarily enter into a contract.
- (2.) A company can only contract within the scope of its business: for instance, a company formed to carry on business at sea only could not contract to carry mails by land. When, therefore, a company offers to contract, it will be necessary to examine its memorandum of association to ascertain the scope of its powers. In such cases it will be advisable to refer to the Inspector of Post-offices for instructions.
- (3.) *Names of Contractors.*—These are to be stated in full. When the contract is undertaken by a firm, the full Christian names and surname of each member of the firm are to be given separately, thus: Supposing the firm's name to be Smith and Young, the contractors would be described as "Robert Henry Smith, of Wellington, and John Charles Young, of the same place, carrying on business there in copartnership as coach-proprietors": if necessary, add "under the style and title of [Robinson and Company]." If these persons were not in partnership but undertook the contract together, they would only be joint contractors, and the usual occupation of each would require to be stated, thus: "Robert Henry Smith, of Wellington, hotel-keeper, and John Charles Young, of the same place, coach-driver."
- (4.) In case a limited company registered under the Companies Act, 1908, is the contractor, the registered name of the company should be set out. No directors' or managers' names may be inserted. The contract is that of the company, not of the directors or the managers.
- (5.) *Occupation of Contractor and Sureties.*—The occupation usually followed by each must be inserted. The occupation of the contractor is not to be given as "mail contractor" unless he habitually follows that occupation.
- (6.) *Sureties.*—Only persons of full age and undoubted financial standing can be accepted as sureties. Their names and business occupations must be set out in full. If two partners in a firm should desire to become sureties, they would do so as individuals, not as members of the firm, and they should not in such a case be described as in co-partnership.
- (7.) *Penalty.*—The penalty is fixed at one-half the annual subsidy.
- (8.) Should the annual subsidy not be an even number of pounds, the nearest complete number of pounds below the above scale should be stated: for instance, on a contract of £139 10s. per annum the penalty would be £69.
- (9.) *Execution.*—"Execution" means, in the case of an instrument under seal, its being signed and sealed by the party concerned. The usual signature suffices, and there is no need to write the name in full.
- (10.) If a person cannot write, his name may be written by another; and it is sufficient if he acknowledges the