

18. The lessee shall not have any right to depasture stock on any part of the area included in the lease except with the written permission of the Board, and for purposes in connection with the manufacture of wood-pulp, nor shall he have any right to minerals found upon the area, nor to the use of the surface-soil.

19. The lessee shall prevent by all means in his power the destruction by his servants, agents, workmen, and employees of timber on the land held by him under lease or certificate of reservation, otherwise than is provided in these regulations.

20. The lessee shall be entitled to select out of the land held by him under lease and certificate of reservation an area of 100 acres on which to erect mill, plant, machinery, and buildings, and for other purposes incidental thereto, and to the working and occupation of the land; and a lease over the same may be issued to him for a term not exceeding twenty-one years at such rental as may be determined by the Board.

21. Free right of access shall be reserved to the public over such portion of the area held under lease and certificate of reservation as is not included in the area of 100 acres selected as a mill-site under the preceding clause; provided that all persons entering upon the area over which the lessee is for the time being entitled to cut timber, shall be liable to the lessee for any damage done by them to any tramways, railways, roads, or other works constructed by the lessee on any part of the land.

22. On the recommendation of the Board the Governor may at any time resume from the area reserved for the lessee under the provisions of clause 4 hereof such land as may in his opinion be required for settlement or for any public purpose, and no compensation shall be payable to the lessee by reason of such resumption; provided that such resumption shall not prevent the lessee from using all the tramways, roads, and railways then constructed and in use at the time of such resumption.

23. If payment of rent or royalty is not made within thirty days of the same becoming due, the Board shall have the power to forfeit the lease without payment of compensation to the lessee therefor.

24. The holders of miners' rights shall have the right to prospect over the area granted under lease or certificate of reservation under these regulations, and the Warden may grant mining privileges over such portion of the area as is not included in the area selected as a mill-site under clause 20 hereof; provided that the mining operations shall not prejudice or interfere with the work or operations of the lessee, and, further, that the lessee shall not, except for negligence, be responsible or liable for any damage or injury caused or done to the holders of such mining privileges by reason of the lessee's operations.

25. The lessee shall prevent the growth and spread of noxious weeds upon the areas held by him under lease.

SCHEDULE.

Form No. 1.

LEASE UNDER SECTION 141 OF THE LAND ACT, 1908.

No. \_\_\_\_\_

THIS deed, made the \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_, between His Majesty the King (who, with his heirs and successors, is hereinafter termed "the lessor"), of the one part, and \_\_\_\_\_ of \_\_\_\_\_ in the Land District of \_\_\_\_\_ in the Dominion of New Zealand (hereinafter, with executors, administrators, and permitted assigns, referred to as and included in the term "the lessee"), of the other part, witnesseth that, in consideration of the rent hereinafter reserved, and of the covenants, conditions, and agreements herein contained and implied and on the part of the lessee to be paid, observed, and performed, the lessor doth hereby demise and lease unto the lessee all that piece or parcel of land, containing by admeasurement \_\_\_\_\_ acres \_\_\_\_\_ roods and \_\_\_\_\_ perches, a little more or less, situated in the Land District of \_\_\_\_\_ aforesaid, and being section numbered \_\_\_\_\_ Block \_\_\_\_\_ Survey District of \_\_\_\_\_; as the same is more particularly delineated and described in the plan drawn hereon, and therein coloured red in outline; together with the rights, easements, and appurtenances to the same belonging; to hold the said several premises intended to be hereby demised unto the lessee for the term of seven [fourteen or twenty-one] years, commencing from the first day of \_\_\_\_\_, subject to the conditions set forth in the Schedule hereto, and subject also as hereinafter mentioned; yielding and paying therefor unto the Receiver of Land Revenue for the said District of \_\_\_\_\_ the annual rent of (£ \_\_\_\_\_), payable half-yearly in advance on the first day of January and first day of July in each and every year during the said term, free from all deductions whatsoever.

And it is hereby declared and agreed that these presents are intended to take effect as a lease under section 141 of

the Land Act, 1908, and the regulations made thereunder; and the provisions thereof respectively, and of the Land Act 1908, so far as the same apply to the term, estate, or interest hereby granted or created, shall apply and be binding in all respects upon the parties hereto in the same manner as if such provisions had been fully set out herein.

And it is hereby further declared that if any dispute or disagreement shall arise between the parties hereto touching the construction of these presents, or in anywise relating hereto, such dispute or disagreement shall be referred to arbitration in the manner set forth in section 9 of the Land Laws Amendment Act, 1912; and neither of the said parties shall take or cause to be taken any steps or proceedings to set aside or call in question any award or decision which may have been given upon any such reference as final.

In witness whereof the Commissioner of Crown Lands for the Land District of \_\_\_\_\_, on behalf of the lessor, hath hereunto set his hand, and these presents have also been executed by the said lessee.

Signed by the said Commissioner, on behalf of the said lessor, in the presence of—

Signed by the above-named \_\_\_\_\_ as lessee in the presence of—

SCHEDULE.

Conditions.

1. The lease is granted for the purpose of making wood-pulp for paper-manufacture only, and on the distinct understanding that the lessee accepts all responsibility for the suitability of the timber for wood-pulping purposes. The lessee shall have the right to cut timber for the purposes aforesaid, and for use in connection with buildings or any other purposes in connection with the manufacture of wood-pulp, but shall have no right, except as provided in the regulations, to remove or sell any such timber except in the form of wood-pulp.

2. The lessee shall, within one year from the date of the lease, commence the erection of the machinery required, failing which the lease shall be forfeited.

3. The lessee shall complete the erection of the mill within such time as the Commissioner of Crown Lands thinks reasonable.

4. The rent payable may be remitted by the Governor, on the recommendation of the Land Board, for the whole or any portion of the time that may elapse before the lessee shall have manufactured 500 tons of wood-pulp.

5. Royalty at the rate of 1s. per ton weight on timber cut and manufactured during the preceding six months shall be payable on the first days of January and July in each and every year; the timber to be weighed in its raw state before being converted into pulp; but so often as the royalty payable exceeds the rent such rent for the period for which that royalty was payable shall be remitted, and shall be credited as part-payment of royalty for such period; provided that the Governor, on the recommendation of the Land Board, may remit the royalty on the whole or part of the timber utilized in the manufacture of the first 500 tons of wood-pulp.

6. The lessee shall, on the first days of January and July in each and every year forward to the Commissioner of Crown Lands a statement showing the total amount of timber cut and wood-pulp manufactured during the preceding six months, accompanied by a declaration made and signed before a Justice of the Peace certifying to the correctness of such statement.

7. Such statement shall show—

(a.) The amount of timber cut off the land held under the lease;

(b.) The quantity of timber purchased either from sawmill-owners or from freeholders;

(c.) The quantity of wood-pulp manufactured.

8. The lessee shall keep a book or books in which he shall record each day the quantity in weight of timber cut under the lease, or purchased, and the amount of wood-pulp manufactured; and such book or books shall at all reasonable times be available for inspection by the Commissioner of Crown Lands or other officer appointed by him.

9. If the lessee fails to keep the plant working continuously or to work and use the timber on the land held under lease by him in a manner satisfactory to the Land Board the Governor may, on the recommendation of the Board, cancel the lease after not less than three months' notice to the lessee of the intention to do so; provided that the lessee shall be entitled, within such time as the Board may determine, to remove all machinery, plant, and buildings erected by him.

10. On application in like manner, as provided in the Mining Act, 1908, to the Warden (if the land is situated in a mining district), or to the Commissioner of Crown Lands (if the land is outside a mining district), the lessee may be