

of the deposit in each case, less exchange, if any, on cheque, no limit of amount being imposed in respect thereof. The letters "O.H.M.S./M.S." must be written in the "Commission" column as an explanation of the omission of a commission charge.

#### PREPARATION OF BONDS AND AGREEMENTS.

277. A bond is required in the case of any mail-service, as distinct from a rural delivery, the annual subsidy of which exceeds £50. A rural-delivery bond is required for every rural delivery or part rural delivery irrespective of the amount of the annual subsidy.

278. Contractors for services under Part II, as well as those for services in Part I not under bond—*i.e.*, services other than rural deliveries the subsidy of which is above £40 and not more than £50 in annual value—must sign form Mail 48, "Agreement to perform Mail-service." A copy of the "Terms and Conditions of Inland Mail-services" (Mail 72) is to be annexed thereto, and the identification clause at the end thereof also signed by the contractor, the wording being amended to meet the case.

279. The following are the rules 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 contract only 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 Secretary for instructions.
- (3.) *Names of Contractors.*—These are to be stated in full. When the contract is undertaken by a firm, the full Christian name or 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, hotelkeeper, 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."
- (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.