

- (7.) *Penalty*.—The penalty fixed for a mail-service bond is one-half the annual subsidy. That for a rural-delivery bond, the subsidy for which is over £50, is fixed at one-half the annual subsidy plus £50. In the case of a rural delivery the subsidy for which is £50 or less the penalty is £50.
- (8.) Should the annual subsidy not be an even number of pounds, the number of complete pounds below the exact half should be stated: for instance, on a contract of £139 10s. per annum the penalty would be £69.
- (9.) *Execution*.—“Execution” of a mail-service bond means its being signed by the parties concerned. The usual signature suffices, and there is no need to sign the name in full.
- (10.) If the contractor, surety, or witness cannot write, his name may be written by another, and it is sufficient if he acknowledges the signature by touching the pen while a cross or mark is made between the Christian name and the surname, thus—
- his
“ JOHN THOMSON X SMITH.”
mark.
- (11.) A firm must not sign as such, thus, “Smith and Jones,” but each partner should sign his own name separately.
- (12.) When a contractor executes by attorney, the power of attorney must be produced to show that it gives the necessary authority, and a duly verified copy of it or an extract should be obtained and attached to the bond, with a statutory declaration that the power of attorney is still in force. In case of doubt, reference should be made to the Secretary before execution is allowed.
- (13.) An attorney signs the name of his principal thus:—
- “ John Thomson Smith,
“ By his Attorney,
“ CHARLES ROBINSON.”
- (14.) If the person signing be blind, or cannot read, the bond, and indeed the entire contract, should be read over to him, and, if necessary, explained. The fact that this has been done is noticed in the attestation clause, as mentioned hereafter.
- (15.) In the case of a contract held by a Maori a certificate to the effect that the documents have been read over and are understood by him will be accepted if signed by a Justice of the Peace, provided the contractor has a knowledge of the English language sufficient to understand the contents of the contract. Otherwise the certificate is to be signed by a licensed interpreter.
- (16.) When a limited-liability company executes, the seal is affixed by two or more directors.
- (17.) What has been said above as to the execution of the bond by a contractor applies also to the sureties. The formalities to be observed are the same in each case.
- (18.) *Attestation* is the formal record of a witness that an instrument has been signed in his presence. The form is shown in the bond in use, and all that has to be done is to fill in the full name of the person who has signed, and for the witness to sign his own name (adding his occupation and residence), as shown in the following example.