

SCHEDULE 16

SEGREGATION BY FORMAT

Where this Schedule forms part of your Contract with us, and where the Early Release Schedule also forms part of your Contract with us, the following terms and conditions shall apply in addition to and (unless expressly stated otherwise) without prejudice to the terms set out in the General Access Terms and Conditions (and the rest of this Contract):

1 Background

- 1.1 This Schedule sets out the terms on which we agree to process Mailing Items that have been presented at an Inward Mail Centre in line with the terms of the Contract, segregated by Format.

2 Definitions and interpretation

- 2.1 Schedule 1 of your Contract explains the meaning of some words and phrases used in your Contract, including this Schedule, and sets out some rules of interpretation which also apply to this Schedule.
- 2.2 In addition, the words and phrases used specifically in this Schedule are defined in the table below.

Early Release Schedule	the terms of Schedule 15: Early Release;
Segregation by Format	the system where we will process Mailing Items that have been presented at an Inward Mail Centre in line with the Contract, but which have been segregated by Format, rather than by Daily Posting, as more particularly described in the Annex to this Schedule; and
York Manifest	has the meaning set out in paragraph 2.4 of the Annex to this Schedule.

3 Commencement and duration

- 3.1 The terms of this Schedule shall take effect from the Access Start Date, or such other date that is agreed between you and us.
- 3.2 The terms of this Schedule shall continue to have effect until the date it is terminated under this Contract or paragraph 8 of this Schedule.

4 Segregation by Format

- 4.1 We agree to process your Mailing Items in line with the Annex to this Schedule, and to comply with the terms of this Schedule.
- 4.2 You agree to comply with the terms of this Schedule (including the Annex to this Schedule).
- 4.3 Unless expressly changed by this Schedule you shall continue to comply with the terms of the Contract, including the User Guide and the Early Release Schedule.

5 The Contract

- 5.1 The Contract sets out your obligations about how to present Mailing Items to us. Subject to paragraph 4.3 of this Schedule, you must continue to comply with these obligations to the extent they are not changed under this Schedule.
- 5.2 In particular, the Contract sets out procedures for handling your Mailing Items that do not comply with the terms of the Contract (including your obligations under paragraph 5.1 of this Schedule). These procedures shall continue to apply to the extent they are not changed under this Schedule.

- 5.3 For clarity, you and we agree that the terms of sections 13.4 and 13.5 of the User Guide shall not apply between you and us to the extent that those terms directly conflict with the terms of this Schedule.

6 Early Release Schedule

- 6.1 Regardless of any other term of this Schedule, the terms of this Schedule shall only apply where the Early Release Schedule forms part of your Contract with us.

7 Inward Mail Centres

- 7.1 The Segregation by Format process and any changes to the Contract which are made or required by this Schedule shall apply to all Mailing Items delivered to Inward Mail Centres under and in line with the terms of this Schedule.

8 Termination

- 8.1 Regardless of any other term of this Contract, either of us may terminate the terms of this Schedule by giving the other not less than seven days' written notice if the other Party commits any material or persistent breach of the terms of this Schedule.
- 8.2 Regardless of any other term of this Contract, either of us may terminate the terms of this Schedule on written notice with immediate effect if the terms of the Early Release Schedule are terminated for whatever reason.
- 8.3 Regardless of any other term of this Contract, either of us may terminate the terms of this Schedule by giving the other Party not less than 30 days' written notice.
- 8.4 For clarity, you and we acknowledge that the termination of the terms of this Schedule shall not automatically result in the termination of the terms of the Early Release Schedule.
- 8.5 Upon termination of the terms of this Schedule, all of the other terms of the Contract that had been changed by this Schedule shall be reinstated and shall have full force and effect. For clarity, if the Early Release Schedule has not been terminated, its terms shall continue to apply.
- 8.6 Termination of this Schedule by either of us (for any reason) shall not affect any rights which either of us may already have under this Schedule before the date of termination, or whether or not any obligations under the Schedule which were intended either to come into or remain in force after termination do so.

ANNEX

SEGREGATION BY FORMAT

1 Segregation by Format overview

- 1.1 Under the Segregation by Format process, you must present Mailing Items that are segregated by Format at the time of handover to us.
- 1.2 (For Operators that act as carriers for other customers who have entered into a contract with us) when you present Mailing Items to us on behalf of those other customers separately by each individual customer's Daily Posting (in line with sections 13.4 and 13.5 of the User Guide), you may combine these discrete individual customers' Daily Postings together into Yorks, as long as each York only contains Mailing Items of the same Format.
- 1.3 The exception to paragraph 1.2 of this Annex is when you are using ALPS containers as part of your Contract. The contents of an ALPS container must remain discrete to the individual customer who holds a contract with us and must not contain Mailing Items pertaining to another customer who holds a contract with us.

2 Your obligations

- 2.1 You shall present your Mailing Items segregated by Format at the Inward Mail Centres.
- 2.2 (For Operators that act as carriers for other customers who have entered into a contract with us) if you use Yorks in line with the terms of your Contract to deliver Containers of Mailing Items, you must label each York (using York cards) according to the Format it contains and identify:
 - 2.2.1 your name and the number of Containers; and
 - 2.2.2 (where you act as a carrier for other customers who hold a contract with us) the name of each customer whose postings it contains and the total number of Containers for each individual customer in that York.
- 2.3 (For Operators that act as carriers for other customers who have entered into a contract with us) if you decant into Yorks on the unloading bays at the Inward Mail Centres, you must carry out the separation of Containers by Format into those Yorks. If, on any day of handover, you have more than 500 Containers to decant into Yorks at any one Inward Mail Centre, you must apply accurate York cards in the same way as if you were using Yorks to deliver, as set out in paragraph 2.2 of this Annex (but only for those Inward Mail Centres where more than 500 Containers have been decanted).
- 2.4 (For Operators that act as carriers for other customers who have entered into a contract with us) if you use Yorks to deliver Mailing Items to Inward Mail Centres or (subject to paragraph 2.5 of this Annex) decant Containers into Yorks at the Inward Mail Centres, on each day of handover of Mailing Items you must give us a York Manifest (**York Manifest**). This York Manifest shall set out full and accurate details by York of the number of Containers per UCID, including the number of Containers per UCID of each discrete customer, noting the contract account number of each customer and the Format of Container at each Inward Mail Centre.
- 2.5 (For Operators that act as carriers for other customers who have entered into a contract with us) if you decant Containers into Yorks at Inward Mail Centres, you need only submit a York Manifest when you are handing over more than 500 Containers to any one Inward Mail Centre in any one day (and then only for those Inward Mail Centres where more than 500 Containers have been decanted).
- 2.6 The information and details contained in the York card and York Manifest must be given in the format set out and in line with the terms of this Schedule 16 (including its Annex) and the User Guide, as amended from time to time.
- 2.7 For clarity, if you persistently fail to give us accurate York cards or York Manifests in line with this paragraph 2 of this Annex, this Schedule or the User Guide (where

appropriate) we may terminate the terms of this Schedule (including its Annex) in line paragraph 8.1 of this Schedule 16.