



23<sup>rd</sup> January 2018

## **Royal Mail Wholesale**

4<sup>th</sup> Floor  
185 Farringdon Road  
London  
EC1A 1AA

### Agency Customer Contracts – New Online Application Facility

Dear Customer,

Within the last three years we have processed approximately 620 agency customer contract applications.

In an effort to make the application process more efficient, we are introducing an online application facility that will simplify the process for you and your customers. The new facility will go live from 2<sup>nd</sup> August 2018 (**Effective Date**).

The current application process is paper-based and key documents, such as credit application forms and agency contract documents, are exchanged between Royal Mail, the agent and the agency customer by email. We find that this process can lead to adverse issues such as contract documents being incorrectly completed or being saved in file formats that we are unable to process. This ultimately slows down the application process for agents and the agency customer.

We propose therefore to move to an online application facility to make it easier, quicker and more secure for agents and agency customers to submit an application. We have designed an on-line facility that enables agents to complete a simple online application form on behalf of the agency customer. Upon receipt, we will check the details and perform a credit check on the agency customer. We will discuss any anomalies on credit with the agency customer directly. Once we are satisfied with the application, we will send an email to the agency customer for them to check and agree to by simply ticking a box to accept the terms and conditions.

To enable this facility, we are making some changes to the Access Letters Contract and Schedule 17 (Agency Terms), details of which are provided in the appended change notice (number 41).

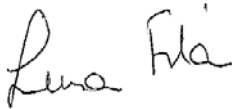
We are also making changes to when we review agency customers' annual spend on their credit accounts. Currently, agency customers are required to spend a minimum £5500 each year on services under their contract with us. We review an agency customer's annual spend on each 12 month anniversary of their contract start date. From the Effective Date, we are changing the review period for an agency customer's annual spend to align to the end of the financial year. The change in timing helps us and agents' to simplify the administrative process and apply a consistent approach to the annual spend review.

We have also taken the opportunity to tidy up Schedule 17 by removing any terms which are no longer applicable to the agency customer arrangement. For example references to "Pre-existing Agency Customer" have been removed as we no longer have any agency customers operating under the terms of the previous Condition 9 Access Agreements.

Please can you inform your agency customers of the above mentioned changes in accordance with paragraphs 2.1 and 13.2 of Schedule 17 to the Access Letters Contract, which requires agents to provide their agency customers with a copy of the Access Letters Contract and also inform them of the changes detailed in the change notice.

We will continue to explore ways to make it easier for businesses to access our postal network, and we look forward to working with you to assist us in achieving this.

Yours sincerely,

A handwritten signature in black ink that reads "Luisa Fulci". The signature is written in a cursive style with a large initial 'L'.

Luisa Fulci  
Regulated Products Director  
Consumer and Network Access



## **Royal Mail Wholesale**

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### **ACCESS LETTERS CONTRACT CHANGE NOTICE: NUMBER 041**

**Date: 23<sup>rd</sup> JANUARY 2018**

#### **1. Definitions and interpretation**

- 1.1 If a word or expression is defined in this notice, it shall have the meaning given in this notice.
- 1.2 Any words or expressions which are not defined in this notice, but have an initial capital letter, shall have the meanings given to them in the Contract.
- 1.3 All of the rules about how to interpret the Contract shall apply to this notice.

#### **2. Changes to the Contract**

- 2.1 Under Clause 13.2.1(a) of the General Access Terms and Conditions, we hereby notify you of the following changes to Schedule 17 (Agency Terms) to the Contract,

2.1.1 Paragraph 2.1 shall be amended to read as follows:

“2.1 Before giving any proposed Agency Customer an Agency Customer Contract to sign, you shall give them a copy of this Contract (including the User Guide). You shall update them on any changes, and give them copies of such changes, to this Contract within seven days of any change coming into effect.”

2.1.2 Paragraph 3.1 and 3.2 shall be deleted in its entirety and replaced with a new paragraph 3.1 as follows:

“3.1 We may refuse any application by you to act as an agent for a posting customer who is not exempt, or partially exempt from VAT in line with UK legislation at our discretion. If any Agency Customer ceases to be exempt or partially exempt from VAT you must notify us as soon as practicable. We

may terminate the Agency Customer Contract of that Agency Customer on 30 days' notice to them at any time after they cease to be exempt or partially exempt from VAT.”

2.1.3 Paragraph 4.1 shall be amended to read as follows:

“4.1 If the aggregate amount invoiced by us to any of your Agency Customers in any Agency Customer Contract Year does not exceed £5500 (or, in your first Agency Contract Year, a sum pro-rated to reflect the number of days remaining in the such year) (the “**Minimum Spend Requirement**”), then we may terminate that Agency Customer's Credit Account and/or we may terminate that Agency Customer's Contract on giving the Agency Customer not less than 30 days' notice in line with the terms of their Agency Customer Contract.”

2.1.4 Paragraphs 5.1 and 5.2 shall be deleted in their entirety and replaced with a new paragraph 5.1 as follows:

“5.1 For each Agency Customer to whom you have given a copy of this Contract (including the User Guide) pursuant to paragraph 2.1 of this Schedule and for whom you have authority to act as their agent for the purpose of their Agency Customer Contract:

5.1.1 you must complete those sections of the Agency Customer Application Form which the form indicates are to be completed by you and submit to us such completed application form in draft via the link on our Website;

5.1.2 as soon as practicable after we receive the completed draft Agency Customer Application Form from you, we shall carry out our standard customer credit checks in line with our published credit policy. If the proposed Agency Customer satisfies these standard checks we will send:

- a. the Agency Customer a link to the final Agency Customer Application Form (which may include an amended credit limit section of the form) for them to review and accept; and
- b. a notice to you informing you that we have sent such link to the Agency Customer;

5.1.3 you shall use reasonable endeavours to ensure that the Agency Customer reviews the final Agency Customer Application Form referred to in paragraph 5.1.1 and accepts the final Agency Customer Application Form by completing the applicable sections of the form and submitting it to us via our Website as soon as practicable and in any event within 28 days of receiving the link; and

5.1.4 you shall not hand over Agency Postings from any Agency Customer until we have confirmed our acceptance by email of the final Agency Customer Application Form pursuant to paragraph 5.1.3 for that Agency Customer. Once we have confirmed our acceptance, you may hand over Agency Postings from the Agency Customer Access Start Date (as defined in Annex B to this Schedule) stated in it.”

2.1.5 Paragraph 9.3 shall be deleted in its entirety.

2.1.6 Paragraph 10.1 shall be amended to read as follows:

“10.1 As soon as practicable following agreement of the Client Report, and in any event by 6pm on that Working Day, you shall tell us the number of Mailing Items for each Agency Customer by format, and weight for each service within that Daily Posting. Detailed reporting procedures are set out in the User Guide and you must comply with these. The information you give should include any information about any Agency Posting, including Agency Postings that are subject to a Surcharge, so that we can invoice your Agency Customers in line with this Contract, the User Guide and their Agency Customer Contracts.”

2.1.7 Paragraph 11.2 shall be amended to read as follows:

“11.2 We will give you an account number for each Agency Customers' credit account as soon as reasonably practicable, but in any event before the Agency Customer Access Start Date. You must ensure Mailing Items handed over to us on behalf of each Agency Customer are assigned correctly to each Agency Customers' credit account.”

#### *Changes to Annex B to Schedule 17*

2.1.8 The sections detailing the date of the Agency Customer Contract Terms, the party details and the background shall be deleted in their entirety.

2.1.9 The subheading 'Operative Terms' shall be removed.

2.1.10 Paragraph 1 (Definitions and interpretation) shall be amended to read as follows:

“1.1 In these terms and conditions the following words have the following meanings:

**Agent** means the company or other legal entity who is identified in section 2 of your Agency Customer Application Form;

**Operator Access Contract** means the Access Letters Contract that we have with your Agent, which allows your Agent to post mail on behalf of other parties;

**us** means Royal Mail Group Limited, a company registered in England and Wales (number 04138203) with its registered office at 100 Victoria Embankment, London, EC4Y 0HQ; and

**you** means the company or other legal entity whose details are entered into section 1 of your Agency Customer Application Form, and "**your**" shall be read accordingly.

- 1.2 Any words or expressions which are not defined in these terms and conditions, but have an initial capital letter, shall have the meanings given to them in the Operator Access Contract, a copy of which your Agent must give to you before you are allowed to submit your Agency Customer Application Form.
- 1.3 All of the rules about how to interpret the Operator Access Contract shall apply to these terms and conditions.”
- 2.1.11 Paragraphs 2.1 and 2.2 shall be deleted in their entirety and replaced with a new paragraph 2.1 as follows:
- “2.1 These terms and conditions shall take effect, and form a legally binding contract with us on the date on which we notify you that we have approved your Agency Customer Application Form. From such date you become an Agency Customer for all purposes under the Operator Access Contract. You shall be entitled to use the Services on and from the start date that we specify in our approval notification to you (**Agency Customer Access Start Date**).”
- 2.1.12 Paragraphs 3.2 shall be deleted in its entirety.
- 2.1.13 Paragraph 3.3 shall be amended to read as follows:
- “3.2 Unless we permit otherwise (at our discretion), you confirm that you are exempt, or partially exempt, from VAT in line with UK legislation. If you cease to be exempt or partially exempt from VAT you must notify us as soon as practicable.”
- 2.1.14 Paragraph 4.1 shall be amended to read as follows:
- “4.1 We and your Agent may make changes to the Operator Access Contract and this contract in line with the terms of the Operator Access Contract. Your Agent will inform you of any changes, including changes to Access Charges or any other charges.”
- 2.1.15 Paragraph 5.3 shall be amended to read as follows:
- “5.3 Subject to clause 3.2, we may terminate this contract by giving you at least 30 days’ written notice if you do not spend, in each Agency Customer Contract Year, at least £5500 on Services under this contract.”
- 2.1.16 Paragraph 5.4 shall be amended to read as follows:
- “5.4 We may terminate this contract if you cease to be exempt or partially exempt from VAT in line with UK legislation, by giving you 30 days’ written notice at any time after you cease to be exempt or partially exempt from VAT.”

2.1.17 Paragraph 5.9 shall be amended to read as follows:

“5.9 Upon termination of this contract, this contract and the Operator Access Contract and its Schedule 17 shall cease to have effect in relation to you immediately. However, such termination (for whatever reason) shall not affect any rights which either of us may already have under this contract, the Operator Access Contract or its Schedule 17 before the date of termination, or whether or not any obligations under this contract, the Operator Access Contract or its Schedule 17 which were intended to come into or remain in force after termination (including any confidentiality terms) do so.”

2.1.18 Paragraph 6.1 shall be amended to read as follows:

“6.1 You agree that on and from the Agency Customer Access Start Date you shall be bound by, and shall comply with, the terms of the Operator Access Contract. This includes the terms of Schedules 2, 3, 17 and the User Guide of the Operator Access Contract.”

2.1.19 Paragraph 8.3 and 8.4 shall be amended to read as follows:

“8.3 If there is a dispute over any Invoice, you shall pay the invoiced amount in full in line with the payment terms of the Operator Access Contract and this contract, pending the dispute being resolved. If the dispute is resolved in your favour:

8.3.1 we shall make any adjustment due immediately upon the dispute being resolved; and

8.3.2 you may charge us daily interest on that part of the amount of payment that was in dispute and resolved in your favour. Interest will be calculated for the period commencing on the date of payment of the amount by you and ending on the date of repayment of the amount by us at an annual rate equal to 4 per cent above the Bank of England base lending rate as is current from time to time.

8.4 You shall operate a credit account with us. We will give your Agent an account number for your credit account as soon as reasonably practicable but in any event before the Agency Customer Access Start Date.”

2.1.20 Paragraphs 8.8 and 8.9 shall be amended to read as follows:

“8.8 We will make available to you weekly Invoices. The Invoices will show the total charges you owe for the Services that you have used under the Operator Access Contract and this contract during the previous seven days.

8.9 You shall pay all Invoices in full within 30 days of the date of the Invoice, or within such other payment terms that we have set for your credit account.”

2.1.21 Paragraphs 13.1 and 13.2 shall be amended to read as follows:

“13.1 All notices and other communications (excluding Invoices) to be served on or given to either party under this contract shall be given in writing and sent by:

13.1.1 a form of delivery in which delivery must be signed for and recorded by the deliverer, to you at your contact addresses you specify in section 1 of your Agency Customer Application Form and to us at our registered address at 100 Victoria Embankment, London, EC4Y 0HQ; or

13.1.2 email to you at the email address you specify in section 1 of your Agency Customer Application Form and to us either:

- (a) if you are notifying us to terminate this contract, at [agencycustomer@royalmail.com](mailto:agencycustomer@royalmail.com); or
- (b) if you are notifying us for any other purpose, at [luisa.fulci@royalmail.com](mailto:luisa.fulci@royalmail.com),

or such other postal address or email address as are notified by one of us to the other.

13.2 Notices shall be marked for the attention of:

13.2.1 in your case the contact name specified in section 2 of your Agency Customer Application Form; and

13.2.2 in our case Luisa Fulci, Royal Mail Wholesale.”

2.1.22 The execution boxes in Annex B shall be deleted in their entirety.

### ***Changes to Schedule 1 of the Access Letters Contract***

2.1.23 The following definitions shall be inserted into Schedule 1 (Definitions and Interpretation - Terms used in Schedule 17 Agency Terms):

**Agency Customer Application Form** means the application form made available by us by which a posting customer who is eligible can apply to be an Agency Customer;

**Agency Customer Contract Terms** means the terms and conditions forming part of the Agency Customer Contract as available from our Website from time to time;

2.1.1 The definition of ‘Agency Customer’ shall be amended in Schedule 1 (Definitions and Interpretation - Terms used in Schedule 17 Agency Terms) as follows:

**Agency Customer** a customer of an Operator where that customer has entered into an Agency Customer Contract;



2.1.2 The definition of 'Agency Customer Contract' shall be amended in Schedule 1 (Definitions and Interpretation - Terms used in Schedule 17 Agency Terms) as follows:

**Agency Customer Contract** an agreement between an Agency Customer and us, comprising the Agency Customer Contract Terms and the Agency Customer Application Form;

2.1.3 The definition of 'Agency Customer Contract Year' shall be amended in Schedule 1 (Definitions and Interpretation - Terms used in Schedule 17 Agency Terms) as follows:

**Agency Customer Contract Year** means: (a) in respect of the first year, the period between the Agency Customer Access Start Date and the next 31 March and (b) for each subsequent year, a period of 12 months commencing on 1 April;

2.1.4 The definition of 'Pre-existing Agency Customer' shall be deleted in its entirety from Schedule 1 (Definitions and Interpretation - Terms used in Schedule 17 Agency Terms).

2.2 The changes detailed in paragraphs 2.1 will take effect from 2<sup>nd</sup> August 2018.

Yours sincerely,



Luisa Fulci  
Regulated Products Director  
Consumer and Network Access