

Dated

20[♦]

ROYAL MAIL GROUP LIMITED

[CUSTOMER]

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ACCESS LETTERS  
CONTRACT

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**Dated**

**20** [ ]

**Between**

- (1) **Royal Mail Group Limited** (No. 04138203) whose registered office is at 185 Farringdon Road, London EC1A 1AA (**us** or **we**); and
- (2) **[Customer's Registered Name]**, (No. [ ]) whose registered office is at [ ] (**you**).

## **Background**

- (A) Under the terms of the USP access conditions imposed on us by Ofcom, we must provide access to our Inward Mail Centres to other postal operators and users who have Letters and Large Letters for delivery in the United Kingdom.
- (B) You have asked for access to our Inward Mail Centres and this Contract sets out the terms and conditions that will apply to that access. This Contract is only available for as long as we are required under the USP access conditions to provide access to our Inward Mail Centres for Letters and Large Letters.

## **Contract Details**

### **1 Definitions and interpretation**

- 1.1 In this Contract, words and expressions with an initial capital letter have meanings set out in Schedule 1 (Definitions and Interpretation). Schedule 1 (Definitions and Interpretation) also sets out some rules on how to interpret this Contract.

### **2 Your Access Start Date**

- 2.1 Your Access Start Date will be [ ].

### **3 Your Price Plan or Plans**

- 3.1 Subject to satisfying the relevant eligibility criteria set out in Schedule 3 (Price Plans), you may opt to operate on:
  - (a) a single Price Plan selected from: National Price Plan One (SSCs), Averaged Price Plan Two (Zones), the Regional Price Plan (Zones) or the Zonal Price Plan; or
  - (b) a combination of (i) one of either the National Price Plan One (SSCs) or the Averaged Price Plan Two (Zones) and (ii) the Zonal Price Plan.

You may not operate on both National Price Plan One (SSCs) and Averaged Price Plan Two (Zones) at the same time. If you opt to operate on the Regional Price Plan (Zones), you may not operate on any other Price Plan. After you have selected a Price Plan in accordance with paragraph 3.1(a) or a combination of Price Plans under paragraph 3.1(b), you will be given separate account numbers which you will need to use in order to identify the Price Plan(s) under which your Mailing Items are being declared.

- 3.2 You have opted to operate on [National Price Plan One (SSCs)] / [Averaged Price Plan Two (Zones)] [and] [the Zonal Price Plan] / [the Regional Price Plan (Zones) and your selected Region is [England and Wales] / [Scotland] / [Northern Ireland]]. The

terms of your Price Plan[s] are set out in Schedule 3 (Price Plans) and you agree to comply with the terms of [that] / [those] Price Plan[s].

- 3.3 You may elect to switch your selected Price Plan[s] by giving us no less than 30 days' written notice provided that your new selection must be made in line with the criteria set out in paragraph 3.1 above.

## **4 Contact Information**

- 4.1 Your Operational Contact is:

Name:	Email address:
Title:	Postal Address:
Telephone number:	
Mobile number:	

- 4.2 Your Commercial Contact must be a person who has authority to act on your behalf in entering into this Contract and in approving any variation to this Contract. We may ask you to verify the Commercial Contact's authority at any time. Your Commercial Contact is:

Name:	Email address:
Title:	Postal Address:
Telephone number:	
Mobile number:	

- 4.3 Either Party may change its Operational Contact or its Commercial Contact by confirming the new contact details by email to the other Party's Commercial Contact.
- 4.4 Details of our Operational Contact and our Commercial Contact are published on our Website, as updated from time to time.

## **5 The documents that make up your Contract**

- 5.1 Your Contract is made up of the following documents:

- (a) the Contract Details;
- (b) the General Access Terms and Conditions;
- (c) the User Guide;
- (d) Schedule 1 – Definitions and Interpretation;
- (e) Schedule 2 – Service Standard and General Service Obligations;
- (f) Schedule 3 – Price Plans;

- (g) Schedule 4 – Standard Services;
- (h) Schedule 5 – Operational Presentation Facilities;
- (i) Schedule 6 – Container Options;
- (j) Schedule 7 – Agency Terms; and
- (k) Schedule 8 – Mailmark® Options.

5.2 Subject to paragraph 5.3 below, where you have signed up to a Service your use of such Service shall be governed by:

- (a) the terms and conditions set out in the General Access Terms and Conditions;
- (b) the terms set out in the relevant Schedule and Part to this Contract that apply to the provision of that Service; and
- (c) the relevant provisions in the User Guide.

5.3 The documents which are listed in paragraph 5.1 above and which form your Contract should be read together with no particular order of priority, but if there is any ambiguity or conflict between them, then priority will be given as follows unless expressly stated elsewhere in the Contract (in order of descending importance):

- (a) the Contract Details together with Schedule 1 (Definitions and Interpretation);
- (b) the General Access Terms and Conditions;
- (c) Schedule 2 (Service Standard and General Service Obligations) (unless expressly stated otherwise in the other Schedules);
- (d) the other Schedules (except for Schedule 1 (Definitions and Interpretation) and Schedule 2 (Service Standard and General Service Obligations)); and
- (e) the User Guide.

The User Guide expands on the terms of the Contract Details, General Access Terms and Conditions and Schedules and this expansion shall not be treated as an inconsistency between each of these documents.

**EXECUTED** by the Parties

<b>Signed by [insert name of signatory]</b> duly authorised for and on behalf of <b>Royal Mail Group Limited</b>	
<b>Signed by [insert name of signatory]</b> duly authorised for and on behalf of <b>[registered name of Customer]</b>	

## **GENERAL ACCESS TERMS AND CONDITIONS**

### **Introduction**

These General Access Terms and Conditions form part of your Contract with us. You will find the information about the different parts of your Contract in your Contract Details.

#### **1 When this Contract starts and ends**

- 1.1 This Contract begins on the date that this Contract is signed by both of us and dated.
- 1.2 Your access to our Inward Mail Centres begins on your Access Start Date.
- 1.3 Where any Schedule (and any Part thereof) forms a part of your Contract with us, the terms of that Schedule (and any Part thereof) shall take effect from the Access Start Date or such other date that is agreed between you and us in writing.
- 1.4 The terms of each Schedule (and any Part thereof) shall continue to have effect until the date that the Schedule or the Part is terminated in line with the termination rights set out in the Contract, including any rights specified in that Schedule or Part.

#### **2 The Services**

- 2.1 We will provide the Services from the Access Start Date. We will carry out our obligations set out in this Contract and we will comply with the terms of this Contract.
- 2.2 You agree to carry out your obligations set out in this Contract and to comply with the terms of this Contract. If you post any Mailing Items on behalf of a third party, you agree to ensure that they also comply with the terms of this Contract.

#### **3 Essential requirements for your Mailing Items**

- 3.1 You must ensure that the Mailing Items handed over to us under this Contract:
  - (a) do not break the Advertising Codes;
  - (b) do not contain any Prohibited Items;
  - (c) do not contain any Restricted Items unless those Mailing Items meet our requirements for Restricted Items;
  - (d) do not contain any Valuables;
  - (e) comply with all relevant requirements of this Contract, including any relevant requirements in the User Guide; and
  - (f) comply with all relevant laws and regulations.
- 3.2 You and we each acknowledge and agree that we do not keep detailed records of any Mailing Items.
- 3.3 You must comply with the provisions in the User Guide in relation to Forecasts.

#### **Minimum posting requirements**

- 3.4 During each Contract Year, you must make sure that in aggregate you hand over to us at least either (i) 6,000,000 Mailing Items, or (ii) 1,000,000 Mailing Items if delivering to fewer than 4 Inward Mail Centres in that Contract Year, and if you fail to hand over the relevant amount to us in any Contract Year after the first Contract Year, we may terminate your Contract in accordance with clause 7.4(b).
- 3.5 You must make sure that each Daily Posting you hand over to us contains a minimum of 4,000 Mailing Items, and if UCID Postings are handed over within the Posting, that each UCID Posting contains a minimum of 4,000 Mailing Items.

### **Sampling and checking your Daily Postings**

- 3.6 We may sample to check your Mailing Items where we reasonably consider this necessary to make sure that you have declared the correct Postage payable on those Mailing Items and that you have complied with the terms of this Contract in respect of your Mailing Items.
- 3.7 Mailing Items are not accepted by us until we have had an opportunity to carry out this sampling and checking and have done so or failed to do so within a reasonable period of time (and in any case within one Working Day of your handing over the Mailing Items to us at the relevant Inward Mail Centre). The full details of our procedures for dealing with and (if relevant) charging for Mailing Items on which you have not declared the correct Postage and for all non-compliant Mailing Items are set out in the User Guide.
- 3.8 If, after sampling and checking your Mailing Items in line with this Contract, we are reasonably satisfied that you have not declared the correct Postage or that you have submitted Mailing Items that do not comply with any requirement under this Contract, we:
- (a) shall notify you (including by telephone or electronically) as soon as is reasonably practicable after identifying the error but no later than within 24 hours of identifying the error; and/or
  - (b) may take any of the following actions:
    - (i) carry out any rectification action that we consider appropriate so that your Mailing Items comply with the Contract. This includes but is not limited to amending the Posting Docket on the number of Mailing Items received and the Postage payable. We will let you know what rectification action we have taken, but we do not have to wait for your approval before taking that action. We may charge you an additional amount to recover our reasonable costs in undertaking any of these rectification actions;
    - (ii) exercise any other applicable remedies for non-compliance set out in Section 10 of the User Guide; and
  - (c) in addition to the actions set out in clause 3.8(b), we have the right to take any of the following actions in respect of Mailing Items that do not comply with the relevant Access Service Specification:
    - (i) reject the Mailing Items;

- (ii) allow you to handover the relevant Posting but remove the relevant Discount for that Posting (if relevant) and/or charge you the applicable Access Charges for the Access Service Specification that those Mailing Items meet; or
- (iii) suspend or terminate your right to post using the relevant Access Service under Schedule 4 (Standard Services) immediately on giving written notice to you.

3.9 Mailing Items deemed to be non-compliant with any requirement under this Contract may be automatically excluded from the Service Standard calculation as referred to in paragraph 2 of Schedule 2 (Service Standard and General Service Obligations).

#### **Using UCIDs**

3.10 If you have correctly applied your approved numbering methodology in accordance with the User Guide, and we can easily identify Mailing Items in a Posting which have been prepared discretely from other Mailing Items by use of a specific UCID in line with the User Guide, then we shall limit the actions we may take under clause 3.8(b) to those Mailing Items of the same UCID in the Posting.

### **4 Health and safety and indemnities**

4.1 At any time when you visit our premises, you must ensure that you and your employees, agents and contractors comply with:

- (a) our health and safety requirements whilst on our premises, as set out in our health and safety policies;
- (b) our reasonable requests relating to health and safety; and
- (c) the requirements of the User Guide on health and safety in force from time to time.

We will give you a copy of our health and safety policies and of any amendments made to them in future. You will find our current health and safety policies published on our Website, as updated from time to time.

4.2 You must ensure (where applicable) that your custody, use, management and transportation of the Containers complies with all applicable health and safety legislation.

4.3 You shall indemnify us against any liabilities, costs, expense, damages and losses (including reasonable legal expenses) suffered or reasonably incurred by us (or our employees, agents and contractors) arising from any breach by you of clauses 4.1 or 4.2.

4.4 If we want to claim under the indemnity under clause 4.3, we will:

- (a) notify you of the relevant facts giving rise to that claim as soon as reasonably practicable (and within 180 days) of first becoming aware of the claim;
- (b) consult with you about:



- (i) liabilities, costs, expense, damages and losses connected with or arising from that claim;
  - (ii) the circumstances giving rise to the claim; and
  - (iii) how any loss, liability, cost, expense, damages and/or claim may be restricted or mitigated or any potential claim prevented or restricted;
- (c) take all reasonable steps to restrict or mitigate those circumstances or losses, or to prevent or restrict any potential claim;
- (d) not admit liability, or reach agreement or compromise with any person, body or authority about the potential claim unless we have:
  - (i) first consulted with you about an admission, agreement or compromise; and
  - (ii) given you a chance to give your reasons as to why you object to the admission, agreement or compromise within a reasonable period of time; and
- (e) give you (and any other person, body or authority who has reason to be concerned with the claim) in writing all relevant information and documents relating to the potential claim or the matters which will or are likely to give rise to a claim as may reasonably be required by you or by such other person, body or authority.

## **5 Liability**

- 5.1 For the purposes of this clause 5, a reference to a Party includes its officers, employees or agents.
- 5.2 Nothing in this Contract limits or excludes the liability of a Party for:
- (a) death or personal injury caused by its negligence;
  - (b) fraud or fraudulent misrepresentation; or
  - (c) any liability which cannot be limited or excluded by applicable law.
- 5.3 Subject to clause 5.2 and paragraph 2 of Schedule 2 (Service Standard and General Service Obligations), we are not liable to you, whether in contract, tort (including negligence) or otherwise, arising under or in connection with this Contract for any loss, damage or delay:
- (a) to any Mailing Item under this Contract;
  - (b) to any Mailing Item given to a carrier to whom you have authorised us to give it under the Letter of Responsibilities;
  - (c) where any person misrepresents their authority to receive the item on the intended recipient's behalf or your behalf.

5.4 Subject to clause 5.2 and paragraph 2 of Schedule 2 (Service Standard and General Service Obligations), we are not liable to you, whether in contract, tort (including negligence) or otherwise, arising under or in connection with this Contract for:

- (a) loss of profit;
- (b) loss of revenue;
- (c) loss of contracts;
- (d) loss of business;
- (e) loss of anticipated savings;
- (f) loss of or damage to goodwill;
- (g) loss of data;
- (h) any indirect or consequential loss.

5.5 Subject to clause 5.2 and clause 11, you are not liable to us, whether in contract, tort (including negligence) or otherwise, arising under or in connection with this Contract for any:

- (a) loss of profit;
- (b) loss of revenue;
- (c) loss of contracts;
- (d) loss of business;
- (e) loss of anticipated savings;
- (f) loss of or damage to goodwill;
- (g) loss of data;
- (h) any indirect or consequential loss.

## **6 Disruptive Events**

6.1 We will tell you about a Disruptive Event as soon as we reasonably can and let you know what it is we are unable to do as a result of it.

6.2 Our obligations under this Contract will be suspended;

- (a) to the extent that it is affected by the Disruptive Event; and
- (b) while the Disruptive Event continues;

provided that (except in the case of industrial dispute) we promptly take reasonable steps to resume performance as soon as reasonably possible.

6.3 If we cannot carry out any obligation under this Contract because of a Disruptive Event we will:

- (a) not be in breach of this Contract; and
- (b) not be liable for any delay on our part or any inability to carry out any obligation under this Contract.

## **7 Terminating this Contract**

7.1 You may terminate this Contract at any time by giving us 28 days' written notice.

7.2 Either of us may terminate this Contract (in our case, either in whole or in part including by terminating the provision of any individual Service to you) by giving written notice to the other (and the termination shall be effective immediately) if:

- (a) the other Party commits any material or persistent breach of the relevant terms and conditions of this Contract and either:
  - (i) the breach cannot be remedied, which shall include you using any of the Services fraudulently, in connection with any criminal offence or in a way which breaks any law that applies; or
  - (ii) where the breach can be remedied, it has not been remedied within 30 days of the Party in breach having been notified of the breach by the other and asked to take steps to remedy the breach; or
- (b) an Insolvency Event occurs in respect of the other Party.

7.3 We may terminate this Contract (either in whole or in part including by terminating the provision of any individual Service to you) by giving you written notice (and the termination shall be effective immediately) if you:

- (a) fail to make any payment due under this Contract within 30 days of the date of our invoice and we have given you notice that we intend to terminate this Contract for non-payment of invoices and have given you seven days to pay; or
- (b) do anything which in our reasonable opinion damages or may damage our reputation or business, or the reputation or business of any member of the Royal Mail Group.

7.4 In addition to our rights to terminate set out above, we may terminate this Contract at any time by giving you not less than:

- (a) 28 days' written notice if you do not hand over any Mailing Items to us for a period of 190 consecutive days; or
- (b) 90 days' written notice if during any Contract Year after the first Contract Year of this Contract you do not hand over at least either (i) 6,000,000 Mailing Items to us, or (ii) 1,000,000 Mailing Items to us if delivering to fewer than 4 Inward Mail Centres;
- (c) 12 months' written notice if we wish to replace the terms of this Contract with new access terms, provided that:

- (i) the relevant notice describes the terms of this Contract we propose to change and the new terms which we will offer you in place of those current terms; and
- (ii) the complete new Access Contract is made available to you at least 190 days before the end of that 12 months' notice period (if at that time Access is a Regulatory Condition).

7.5 We shall discuss the proposed termination with you before we terminate your Contract for any reason.

7.6 You may apply to the Regulator if you consider that we are not acting fairly and reasonably in terminating your Contract.

7.7 If:

- (a) any Regulatory Body makes a formal public notification that it has opened an investigation into us or accepted to resolve a dispute referred to it involving us through formal proceedings; and
- (b) the outcome of the investigation or formal proceedings is reasonably likely to affect our rights to terminate your Contract or it would be reasonable to expect us to take that outcome into consideration in deciding whether we were acting fairly and reasonably in terminating your Contract,

then the relevant notice period referred to in clause 7.4 shall be suspended as between the Parties, until the Regulatory Body determines that the investigation or formal proceedings have been concluded and makes a decision or issues directions regarding our decision to terminate your Contract.

## **8 Consequences of Termination**

8.1 Termination of this Contract or of an Agency Customer Contract (or any individual Service) for any reason shall not affect any rights which either of us may already have under the Contract before the date of termination, or whether or not any obligations under the Contract which were intended either to come into or remain in force after termination do so.

8.2 In respect of all sums which remain outstanding on the date of the termination or expiry of this Contract, the payment terms as set out in the Contract in relation to such sums shall continue to apply despite the termination of the Contract.

8.3 If this Contract is terminated, you and we shall:

- (a) return to each other all documents and materials (including copies) containing, reflecting, incorporating or based on the other's Confidential Information;
- (b) erase all of the other's Confidential Information from our and your computer systems (to the extent reasonably possible); and
- (c) notify each other in writing confirming that you and we have complied with this clause 8.3,

save that you and we may keep documents and materials reflecting, incorporating or based on the other's Confidential Information to the extent required by law or any

applicable governmental or regulatory authority, and the terms of clause 9 shall continue to apply to that kept information.

- 8.4 If this Contract is terminated and subject to any express terms set out elsewhere in this Contract you will:
- (a) immediately stop using the Royal Mail Access Indicator on your Letters and Large Letters;
  - (b) stop supplying, distributing and printing any stationery incorporating the Royal Mail Access Indicator for your Letters and Large Letters;
  - (c) at our sole discretion and request, either make sure that the Royal Mail Access Indicator is completely concealed on the remaining copies of such stationery (for example by over-labelling of the whole of the Royal Mail Access Indicator) or destroy the remaining copies of such stationery and provide us with a certification signed by one of your directors that all remaining copies are destroyed.

## **9 Confidentiality**

- 9.1 You and we must treat the terms and conditions of this Contract and any Confidential Information as confidential and must not disclose the Contract Details or any Confidential Information to any third party without the other Party's written consent, except as permitted by clause 9.2. However this does not apply where:
- (a) the disclosed information was known to the receiving Party before the information was disclosed to it by the disclosing Party;
  - (b) the information has become available to the public (except where the information became available through a breach of confidentiality); or
  - (c) you and we agree in writing that the information is not confidential or may be disclosed.
- 9.2 Either of us may (in good faith) disclose the terms and conditions of this Contract or any Confidential Information without the approval of the other:
- (a) to our respective Affiliate(s), professional advisers, auditors, bankers, contractors (including franchisees and owner-drivers) and independent companies responsible for measuring our performance against the Service Standard, in each case who need to know such information for the purposes of exercising the Party's rights or carrying out its obligations under or in connection with this Contract, provided that the disclosing Party requires them to maintain the confidentiality of the information;
  - (b) to the extent required by any securities exchange, regulatory or governmental body relevant to either of us, any written request of any taxation authority or as required by any undertaking given to the Regulator;
  - (c) to the extent required by the Act, any regulation or any other applicable law; and
  - (d) to the extent necessary for the proper conduct of any judicial proceedings or for any process under clause 12.

In the case of clauses 9.2(b), 9.2(c) and 9.2(d) the disclosing Party must first notify the other Party of an intention to disclose information, unless the law prohibits this.

- 9.3 Each of us may use the other's Confidential Information to exercise our respective rights and perform our respective obligations under this Contract without the other Party's consent.
- 9.4 The terms of this clause 9 shall continue to apply after this Contract is terminated or ends.

## **10 Notices**

- 10.1 All notices and other communications (excluding invoices) to be served on or given to either Party under this Contract shall be:
- (a) for all notices to be served on or given to either Party under clause 7, given in writing and sent by a form of delivery in which delivery must be signed for and recorded by the deliverer to the Commercial Contact;
  - (b) for all notices to be served on or given to either Party under clause 12, given in writing and sent by a form of delivery in which delivery must be signed for and recorded by the deliverer to the Commercial Contact or the Operational Contact (as applicable); and
  - (c) for any notices to be served on or given to either Party in relation to all other matters relating to this Contract other than as listed in clauses 10.1(a) and 10.1(b), given by email to the Commercial Contact.
- 10.2 A notice is classed as having been given:
- (a) if sent by recorded delivery, at the time of delivery;
  - (b) if sent by email, when received at the place it was sent to (and in the case of email if an out of office message is received the notice is classed as having been received) unless the time you or we receive the notice is after 5pm on any Working Day in which case we shall class the notice as having been received at 9am on the next Working Day.
- 10.3 For notices served pursuant to clause 10.1(c), you may request hard copies of the notice from us but, for the avoidance of doubt, that additional notice shall be for information only and the original notice shall remain valid and be deemed to have been served in accordance with clause 10.2(b).

## **11 Charges and Payment Terms**

### Calculation and checking of Access Charges

- 11.1 You must ensure that Postage for each Daily Posting is calculated and declared by you accurately and completely in your Posting Docket in line with the relevant Price Plan and with the requirements of the User Guide, unless you are using eManifest Billing in which case no Posting Docket is required.
- 11.2 Unless otherwise specified in this Contract, we publish the Access Charges relating to the Services (including any related discounts) on the pricing page of the Website, as amended from time to time in line with clause 13. Only Mailing Items eligible for the

specified Service that you hand over to us and we accept will qualify for the charges related to that Service.

11.3 You agree:

- (a) (at all reasonable times and upon reasonable notice) to let us inspect your records relating to your Daily Postings in order to check the details of each Daily Posting and the Postage payable for each Posting; and
- (b) to co-operate with our reasonable requests for information about each Daily Posting and the Postage payable for each Daily Posting.

11.4 You do not need to identify by name the third parties for whom you have posted.

#### Payment Terms

11.5 Unless expressly stated otherwise in this Contract, we will make available to you weekly invoices. The invoices will show the total Access Charges you owe for the Access Services that we have agreed to provide to you under this Contract during the previous 7 days.

11.6 You shall pay all invoices in full within 30 days of the date of the invoice.

11.7 All Access Charges or other charges are expressed as exclusive of VAT. You shall pay any VAT payable on Access Charges and other charges due under this Contract.

11.8 If there is a dispute over an invoice, you should pay the invoiced amount in full, in line with the payment terms of this Contract, pending the dispute being resolved. If the dispute is resolved in your favour:

- (a) we shall make any adjustment due immediately upon the dispute being resolved;
- (b) 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 8 per cent above the Bank of England base lending rate as is current from time to time.

11.9 You shall operate a Credit Account with us for Postage throughout the period of this Contract. We will give you an account number for the Credit Account as soon as reasonably practicable, and at least 28 days before the Access Start Date. You may not post under this Contract until you have received the account number and we have activated it.

11.10 You must comply with any credit limit placed on the Credit Account and all other conditions relating to the Credit Account. We shall operate the Credit Account in line with our standard credit policy and procedures in place from time to time. If you are no longer eligible for a Credit Account, you may not hand over any Mailing Items to us until your Credit Account has been reinstated. You acknowledge that additional terms and conditions may be applied to your Credit Account before it is reinstated.

11.11 If you fail to make any payment by the date when payment is due then, regardless of any other right or remedy we may have, we may:

- (a) (provided we have given you 7 days' notice of our intention to do so) immediately suspend the performance or further performance of our obligations under this Contract, without liability to you;
- (b) charge daily interest on all amounts not paid until payment is received in full. That interest will be calculated at an annual rate equal to 8 per cent above the Bank of England base lending rate as is current from time to time;
- (c) charge a fixed sum fee (a **Late Payment Fee**) in respect of such late payment, tiered according to the value of the debt as follows:

Amount of Debt	Late Payment Fee
Up to £999.99	£40.00
£1000 to £9999.99	£70.00
More than £10,000	£100.00

and;

- (d) charge reasonable costs incurred by us as a result of actions taken to recover the debt to the extent such reasonable costs exceed the Late Payment Fee.

## 12 Disputes

12.1 The following conditions shall apply to any claims related to Postage or Adjustments paid or payable under this Contract:

- (a) you must submit any claims up to and including £5,000 in value to us within 90 days from the date of the invoice;
- (b) you must submit any claims over £5,000 in value to us within 6 months from the date of the invoice;
- (c) you must provide us with all information we may require from you to investigate the claim; and
- (d) we will consider and try to resolve the claim within 30 Working Days of us receiving all of the necessary information pursuant to clause 12.1(c).

12.2 Where:

- (a) a claim related to Postage and Adjustments has not been resolved in accordance with clause 12.1(d); or
- (b) there is a dispute otherwise arising out of or under or in connection with this Contract,

either of us shall in the first instance send a notice in writing to our and your Operational Contact identifying the circumstances giving rise to the dispute and the remedy sought. The Operational Contacts shall consider and try to reach agreement to resolve the dispute.

12.3 If the Operational Contacts are unable to reach agreement to resolve the dispute within 14 days after receipt of the notice referred to in clause 12.2 (or such further time as the Operational Contacts agree) then the dispute shall, as soon as that period



has expired, be referred to the Commercial Contacts who shall consider and try to reach agreement to resolve the dispute within 14 days of the referral to them.

12.4 If:

- (a) the claim referred to in clause 12.1(a), or clause 12.1(b) is not resolved in accordance with clause 12.1(d), 12.2 or 12.3; and
- (b) the value of the claim is more than £20,000 but less than £125,000; and
- (c) (where you wish to refer the dispute to adjudication) we give our written consent,

the dispute may be referred to adjudication and the Centre for Effective Dispute Resolution (CEDR) Rules for Adjudication (2021 edition) shall apply to the adjudication.

12.5 If the dispute is not resolved in accordance with one of the procedures previously referred to in this clause 12:

- (a) either of us may (but do not have to) refer the dispute to arbitration and the Chartered Institute of Arbitrators Arbitration Rules (2015 edition) will apply to that arbitration;
- (b) provided we give our written consent, we and you may try to resolve the dispute by mediation and the CEDR Model Mediation Procedure (2020 edition) shall apply to any mediation. To request mediation, you must send a notice in writing to our Commercial Contact.

12.6 Nothing in this Contract (including the other terms of this clause 12) affects what is stated in clause 17.6, or shall prevent either of us from referring a dispute to the Regulator or applying to the court for interim relief pending the dispute being resolved in line with the terms of this Contract.

## 13 Changes

13.1 You may ask for a change to this Contract by following the procedure set out in the Statement of Process which you will find on the Website.

13.2 We may change this Contract without your consent:

- (a) on giving you at least 190 days' written notice:
  - (i) *Any change*: to make any change to this Contract not otherwise provided for in this Contract. For the avoidance of doubt this clause 13.2(a)(i) may not be used to change all of the terms of this Contract as such an extensive change would require termination of the Contract in accordance with clause 7.4(c);
  - (ii) *Pricing Structure Change*: to make any change to the Pricing Structure affecting any calculation or measurement of the Access Charges; or
  - (iii) *Royal Mail Access Indicator*: to make any change to our Royal Mail Access Indicator, provided that we may make only one such change in any period of 18 months; or

- (iv) *Access Service*: to withdraw an Access Service (unless a different notice period is set out in the relevant Part of the relevant Schedule, in which case that notice period shall take precedence);
- (b) on giving you at least 70 days' written notice:
  - (i) *New Products and Services*: to introduce one or more new services or products, provided that such notice period is accepted by 67 per cent of the members of each Customer Segment (**Acceptance Threshold**) in accordance with the calculation mechanism set out in clause 13.8. If the Acceptance Threshold is not reached in respect of all Customer Segments, we will give you at least 120 days' written notice rather than 70 days' written notice prior to introducing the new product(s) or service(s); or
  - (ii) *Changes to Access Services*: to make any changes to one or more Access Services (including any changes to the Access Service Specification, the terms of Schedule 4 (Standard Services) (except for Part 4 (Trunking Services) of Schedule 4) and/or Schedule 8 (Mailmark Options) (except for Part 4 (eManifest Billing) of Schedule 8)) but for the avoidance of doubt this clause may not be used to:
    - (A) change the General Access Terms and Conditions, Schedule 2 (Service Standard and General Service Obligations), Part 4 (Trunking Services) of Schedule 4, or Part 4 (eManifest Billing) of Schedule 8, as such changes can only be made in accordance with clause 13.2(a)(i); and/or
    - (B) withdraw an Access Service, as such a change can only be made in accordance with clause 13.2(a)(iv);
- (c) *Change required by Regulator*: on giving you at least 90 days' written notice (or, if shorter, such period of notice as is required to allow us to comply with the requirements of the Regulator), where the change is needed to comply with any legal or regulatory requirement which applies to us;
- (d) *Access Charges and Permitted Variances*: on giving you at least 70 days' written notice, to increase any Access Charge or change any Discount or Permitted Variance provided that we may not make more than:
  - (i) two increases to Postage for each Access Service;
  - (ii) two increases to any Profile Adjustment or Adjustment; and
  - (iii) two changes to Permitted Variances,
 in any Financial Year;
- (e) *Postcode Sector Change*: on giving you at least 70 days' written notice, to move a Postcode Sector or Postcode Sectors from one Zone to another where we reasonably believe that the characteristics of any Postcode Sector within a Zone do not adequately reflect our costs; and
- (f) *Incentive Products and Promotions*: on giving you at least 70 days' written notice, to introduce from time to time incentive products and promotions of

specified duration which are intended to promote the use of Access Services and increase the volumes of Letters and Large Letters. The introduction of such incentive products and promotions shall not be considered to be a change to any Access Charge or Permitted Variance for the purposes of clause 13.2(d) and, accordingly, any such incentive products and promotions will not count towards the number of changes permitted under clause 13.2(d).

13.3 Except for any changes to the User Guide that fall within the scope of clause 13.2(b)(ii), we may change any other provisions of the User Guide without your consent:

(a) where a change which affects all Inward Mail Centres is needed because of:

(i) national operational or network changes (including the timing of transport connections, the location and numbers of Inward Mail Centres, the extent and use of our property and latest acceptance times); or

(ii) other structural or procedural changes that we will implement,

in which case we will give you at least 190 days' written notice of the change.

(b) where the change is needed because of network changes (including local latest acceptance times, local routings and the extent and use of our property) or other structural or procedural changes to be implemented by us affecting a particular Inward Mail Centre, in which case we will give you at least 70 days' written notice of the change;

(c) where the change is needed because of changes we have made to our generic or individual Services and Service specifications, including addressing standards and sortation requirements, in which case we will give you at least 70 days' written notice of the change.

In each case, our notice will set out the change and the reasons for the change.

13.4 Where we give you notice of any change under this clause 13, we will in that notice describe which terms of this Contract we propose to change and the new terms which we will offer in place of those current terms. This obligation does not apply in relation to notices under clause 13.2(c) in respect of changes directed or determined or otherwise required by the Regulator.

13.5 Where we intend to make any changes to the Contract pursuant to this clause 13, we shall consult with you on any such change which we reasonably believe may have a material impact on access customers, provided that this obligation shall not apply in relation to changes under clauses 13.2(c), 13.2(d) and 13.2(e).

13.6 Where we intend to make a change to the Contract pursuant to clause 13.2(a)(i), we shall consult with you prior to serving notice in accordance with clause 13.2(a)(i) if we reasonably believe the proposed change may have a material impact on access customers. This consultation process shall run for a period of at least 6 weeks from the date on which we publish our proposals. After the consultation ends, we will wait for a period of at least 6 weeks before we serve you with the notice set out in clause 13.2(a)(i).

- 13.7 Wherever reasonably possible, we will try to give you longer notice of the changes under clauses 13.2 and 13.3 than the minimum notice periods set out in those clauses.
- 13.8 The following acceptance process shall apply to the introduction of a new product or service pursuant to clause 13.2(b)(i):
- (a) before the first vote takes place pursuant to the voting mechanism in this clause 13.8, we will agree with you which Customer Segment you belong to. You will remain in the agreed Customer Segment for as long as this Contract remains in place unless otherwise agreed;
  - (b) we will make available our proposal in respect of the new product or service on our Website (**New Service Proposal**) and we will notify you of its publication on our Website within a reasonable time (not to exceed one Working Day from the date the New Service Proposal is published on our Website);
  - (c) you will have 30 days from the date we notify you that we have published the New Service Proposal to submit your vote in the manner set out in the New Service Proposal indicating whether you accept or reject the 70 days' notice period (**Voting Period**). You can only cast one vote in respect of each New Service Proposal;
  - (d) within one Working Day of the expiry of the Voting Period we will count the number of votes within each Customer Segment that are in favour of introducing the new product or service on 70 days' notice;
  - (e) any nil responses will be marked as abstentions and we shall calculate the Acceptance Threshold on the basis of the total number of votes we have received within each Customer Segment prior to the expiry of the Voting Period; and
  - (f) we will publish the voting results on our Website, together with a breakdown of the results achieved across each segment.
- 13.9 If:
- (a) any Regulatory Body makes a formal public notification that it has opened an investigation into us or accepted to resolve a dispute referred to it involving us through formal proceedings; and
  - (b) the outcome of the investigation or formal proceedings is reasonably likely to affect our rights to change your Contract or it would be reasonable to expect us to take that outcome into consideration in deciding whether we were acting fairly and reasonably in changing your Contract,

then the relevant notice period referred to in clauses 13.2 or 13.3 shall be suspended as between the Parties, until the Regulatory Body determines that the investigation or formal proceedings has been concluded and makes a decision or issues directions regarding our decision to change your Contract.

## **14 Assignment and Sub-contracting**

- 14.1 We may assign any of your payment obligations under this Contract without your consent. We may assign the benefit of the Contract for any other purpose with your prior consent, which may not be unreasonably withheld.
- 14.2 You may assign the benefit of this Contract with our prior written consent, which may not be unreasonably withheld.
- 14.3 We recognise that you may use sub-contractors (including Affiliates, franchisees, third party carriers and owner-drivers) to convey Mailing Items from one place to another. They may access our Inward Mail Centres under and in line with this Contract on your behalf, provided that:
- (a) you ensure that they comply with the terms of this Contract (in so far as it applies to them);
  - (b) you remain responsible for meeting your obligations under this Contract; and
  - (c) you shall be liable for the acts and omissions of any such sub-contractor as fully as if they were your acts or omissions.

## **15 Intellectual Property Rights**

- 15.1 All Intellectual Property Rights in the Customer Access Indicator belong to you. All Intellectual Property Rights in the Royal Mail Access Indicator and the Digital Stamp Indicator belong to us. Any other Intellectual Property Rights arising under this Contract belong to the Party responsible for creating those rights. Where the Intellectual Property Rights are created jointly, they belong to both of us jointly unless we need them to comply with our obligations under the Act or the Regulatory Conditions, in which case they belong to us but are subject to clause 15.3.
- 15.2 You acknowledge our ownership and proprietary rights in the Intellectual Property Rights in the Royal Mail Containers and agree and acknowledge that you shall not:
- (a) obtain any rights in the Intellectual Property Rights of the Royal Mail Containers, except as expressly granted under Schedule 6 (Container Options); or
  - (b) register or attempt to register any of the Intellectual Property Rights in the Royal Mail Containers in any jurisdiction.
- 15.3 Subject to clause 16, each of us grants the other a royalty free, non-exclusive, non-transferable licence of the Intellectual Property Rights that the granting Party owns (solely or jointly with the other), solely to the extent needed to be able to properly perform the receiving Party's obligations and exercise the rights under this Contract.
- 15.4 Each of us shall inform the other of all applications for trade marks, patents or registration of designs or any other acts regarding protection or exploitation of all Intellectual Property Rights arising from this Contract. Where both of us have contributed to the creation of such Intellectual Property Rights, the Party making the application must get the consent of the other Party before making any application or taking any other action and/or the other Party may join any applications or other actions.

15.5 Each of us shall take all steps as and when the other Party may reasonably require (and at the other Party's expense) to help the other Party maintain and enforce its Intellectual Property Rights in its Access Indicator throughout this Contract.

15.6 Each of us undertakes (at its own cost) to execute any other documents or perform other further acts as the other may reasonably request, to give effect to the terms of this clause 15.

## **16 Royal Mail Access Indicator and Digital Stamp Indicator Licence**

16.1 We grant you a non-exclusive licence to use the Royal Mail Access Indicator and the Digital Stamp Indicator, as updated from time to time, until termination of the permission strictly in accordance with the terms of this Contract. This licence shall not constitute or imply any agreement between you and us or any undertaking or obligation whatsoever on our part regarding the carriage of any Mailing Item other than on the terms of this Contract.

16.2 You may only use a Royal Mail Access Indicator if you:

- (a) reproduce the Royal Mail Access Indicator in the form as set out in the User Guide;
- (b) have first been assigned an Access Licence Number by us;
- (c) incorporate the Access Licence Number into the Royal Mail Access Indicator and do not make any amendment, modification, alteration, or reformatting except with our written approval;
- (d) ensure that any Royal Mail Access Indicator or Customer Access Indicator used does not contain any date reference;
- (e) have an active and fully paid up Credit Account operating under this Contract;
- (f) have approval to use our electronic docketing system to declare your Daily Postings;
- (g) inform us immediately if your contact details change;
- (h) use the Royal Mail Access Indicator on Mailing Items to be delivered under the terms of this Contract; and
- (i) submit to us a correctly completed Posting Docket and pay the correct Postage to us.

16.3 You undertake that you shall not make any statements or claims that indicate that we have approved or recommended any goods or services offered by you and/or your agents.

16.4 The rights granted under clauses 15 and 16 are personal to you and you may not assign or license any of the rights granted under these clauses 15 and 16 without our written consent. Without affecting the terms of clause 17.7, nothing in this Contract confers on any third party any benefit nor the right to enforce any clause of these terms.

- 16.5 We shall indemnify you against any liabilities, costs, expenses, damages and losses (including reasonable legal expenses) that you suffer or incur from any claim that the use of the Royal Mail Access Indicator on Mailing Items within the United Kingdom (which for this clause 16.5 and clause 16.6 only includes Jersey, Guernsey and the Isle of Man if and for so long as they are treated as domestic destinations under our business bulk mail sortation services) in the manner set out in this Contract infringes the Intellectual Property Rights of any third party, provided that you comply with clause 16.7.
- 16.6 You shall indemnify us against any liabilities, costs, expenses, damages and losses (including reasonable legal expenses) that we suffer or incur from any claim that the use of the Customer Access Indicator on Mailing Items within the United Kingdom in the manner set out in this Contract infringes the Intellectual Property Rights of any third party, provided that we comply with clause 16.7.
- 16.7 The indemnities in clauses 16.5 and 16.6 shall apply provided that in each case the indemnified Party:
- (a) gives the indemnifying Party prompt notice (including full details in writing) of any claim received;
  - (b) gives the indemnifying Party control and conduct of all negotiations and litigation arising from the claim;
  - (c) makes no admission and does not do anything to prejudice the defence of the claim; and
  - (d) gives the indemnifying Party any assistance (at the indemnifying Party's expense) that the indemnifying Party reasonably needs in defending the claim.

## **17 General**

- 17.1 *Opening Mailing Items:* We may open Mailing Items to check that they comply with this Contract if we reasonably believe that we need to open and check Mailing Items to see if you are complying with this Contract.
- 17.2 *Service Management:* Your and our relevant senior personnel shall formally review both Parties' adherence to this Contract each month (or any other period as you and we agree). However, nothing in this Contract shall stop discussions taking place at any time about changing the terms of this Contract. At these meetings, you and we shall discuss any concerns about performance under this Contract (such as potential breaches of this Contract and steps needed to remedy any breaches) and any proposed changes to this Contract.
- 17.3 *Sanctions:*
- (a) You must ensure that the Mailing Items handed over to us under this Contract are not prohibited under applicable Sanctions Laws. Information about sanctions can be found on our website at [www.royalmail.com/international-sanctions](http://www.royalmail.com/international-sanctions) (the information listed here does not constitute legal advice and we accept no liability in relation to this information). If your Mailing Items need a licence under applicable Sanctions Laws, it is your responsibility to obtain it and (if we ask for it) you must provide us with acceptable evidence that you have it.

- (b) If we have reasonable suspicion that a Mailing Item does not comply with Sanctions Laws we may:
  - (i) open that Mailing Item or delay processing and delivery; and/or
  - (ii) deal with such Mailing Item in our absolute discretion (without incurring any liability whatsoever to you or the intended recipient) including destroying or otherwise disposing of such Mailing Item in whole or in part, or returning the relevant Mailing Item to you.

If we take one or all of the actions described in this clause, we are entitled to charge you the cost of disposal and/or destruction, the standard Postage price and all other costs reasonably incurred by us.

17.4 *Waiver:* Any failure by either Party to enforce or to exercise (at any time or for any period) any term of or right under this Contract shall not:

- (a) constitute a waiver of that term or right; or
- (a) affect that Party's right to enforce or exercise that term or right later.

17.5 *Entire agreement:* This Contract (and the documents referred to in it) set out the entire agreement between you and us. There are no additional terms or obligations other than those contained or referred to in this Contract (and the documents referred to in it). Nothing in this clause will limit or exclude liability for fraud or fraudulent misrepresentation. Each Party acknowledges that in entering into this Contract it does not rely on any statement, representation, assurance or warranty (whether made innocently or negligently) that is not set out in this Contract.

17.6 *Law and jurisdiction:* This Contract is deemed to have been made in England and is subject to the laws of England. You and we agree to submit to the exclusive jurisdiction of the courts of England.

17.7 *Rights of third parties:* Nothing in this Contract is intended to confer any benefit or any right on any person to enforce any term of it which that person would not have had but for the Contracts (Rights of Third Parties) Act 1999.

17.8 *Invalidity:* If any authority or court finds that any clause or part of a clause of this Contract is invalid, illegal or unenforceable, then that invalidity, illegality or unenforceability shall not affect the other clauses or parts of those clauses of this Contract.

17.9 *Compliance with law or regulatory requirement:* Regardless of any other term of this Contract, if this Contract or any part of it puts or would put either of us in breach of any law or regulatory requirement, then both of us shall use our reasonable efforts to change the relevant terms of this Contract so that it does comply with that law or regulatory requirement.



## Schedule 1

### Definitions and Interpretation

#### 1 Definitions

In this Contract, the following terms shall have the following meanings:

<b>48 SSCs</b>	has the meaning given to it in paragraph 2.1 of Part 6 of Schedule 5 (Operational Presentation Facilities);
<b>48-Way Sort Mech Letter Option</b>	means the Services described in Part 6 of Schedule 5 (Operational Presentation Facilities);
<b>Abbreviated Financial Year</b>	means the period of time between the start of a Financial Year and the date of termination of your Contract if that period is shorter than a year, as described in the National Price Plan One (SSCs) and Average Price Plan Two (Zones) in Schedule 3 (Price Plans);
<b>ABV Implementation Timeline</b>	means the implementation timeline available on the Website;
<b>Acceptance by Vehicle</b>	means the Service described in Part 3 of Schedule 5 and in the User Guide;
<b>Acceptance Threshold</b>	has the meaning set out in clause 13.2(b)(i) of the General Access Terms and Conditions;
<b>Access Charge</b>	means any charges we may make under this Contract including Postage, Adjustments and Profile Adjustments;
<b>Access Condition</b>	means the condition imposed on us by the Regulator on 27 March 2012 pursuant to its powers under the Act requiring us to provide access to our postal network at our Inward Mail Centres and as amended or reviewed by the Regulator from time to time;
<b>Access Contract</b>	means an agreement between us and a Postal Operator or user following a request for access by such Postal Operator or user permitting access to our Inward Mail Centres;
<b>Access Indicator</b>	means the Customer Access Indicator or the Royal Mail Access Indicator, as the context requires;
<b>Access Licence Number</b>	means [RMG will insert the number], which must be displayed on the Royal Mail Access Indicator;
<b>Access Selection Files</b>	means data files controlled and made available by us which enables the sortation by Postcode of Mailing Items in to groupings which we call Selections, as described in Section 2 of the User Guide;

<b>Access Service</b>	means the services set out in Figure 1 of the User Guide;
<b>Access Service Specification</b>	means the specification for each Access Service provided by us to you as further detailed in the relevant Part of Schedule 4 (Standard Services) and/or the User Guide;
<b>Access Slot</b>	means the period within the Access Window for an Inward Mail Centre agreed by us and you in line with the User Guide;
<b>Access Start Date</b>	has the meaning set out in paragraph 2.1 of the Contract Details;
<b>Access Window</b>	means the hours between 07.30am and 12 noon on any Working Day;
<b>Access 70 Machinable Letters</b>	means Access 70 Mailmark® Letters, Access 70 OCR Letters and Access 70 Mech Letters;
<b>Act</b>	means the Postal Services Act 2011;
<b>Actual Posting Profile</b>	means the volume of your Mailing Items delivered by us to each Zone in a Financial Year under your chosen Price Plan;
<b>Actual Profile Percentage</b>	means the volume of your Mailing Items delivered by us to each Zone in a Financial Year under your chosen Price Plan (excluding London for the purposes of the Regional Price Plan) expressed as a percentage of the total volume of all your Mailing Items delivered by us to all Zones in that Financial Year under your chosen Price Plan (excluding London for the purposes of the Regional Price Plan);
<b>Actual SSC Percentage</b>	means your volume of Mailing Items for an SSC as invoiced by us in a Contract Year expressed as a percentage of your total volume of all Mailing Items for all SSCs as invoiced by us in that Contract Year under National Price Plan One (SSCs);
<b>Adjustment</b>	means an amount charged to cover our reasonably incurred costs in remedying any non-compliance of Mailing Items or Postings with the requirements of the Contract, including any Presentation Specifications;
<b>Ad Mail Information</b>	<p>means in respect of a given Posting described in Part 1 of Schedule 4 (Standard Services):</p> <ul style="list-style-type: none"> <li>(a) the information provided to us on a Posting Docket or eManifest (as applicable), in the course of providing the Access Service for that Posting;</li> <li>(b) the Sample/Seed which relates to that Posting; and</li> <li>(c) the Mail Reference provided on the Posting Docket or eManifest (as applicable) and on the Sample/Seed to us pursuant to paragraph 6 of Part 1 of Schedule 4 (Standard Services) for that Posting;</li> </ul>
<b>Advertising Codes</b>	means the United Kingdom Code of Non-Broadcast Advertising, Sales Promotion and Direct Marketing as amended from time to time, and any additional or up-dated relevant code or guidance, issued by the Advertising

	Standards Authority or the Committee of Advertising Practice or by any replacement or successor body;
<b>Advertising Mail</b>	means Mailing Items which are declared by you as advertising mail, and which meet the criteria for Advertising Mail set out in this Contract including Part 1 of Schedule 4 (if Part 1 of Schedule 4 is incorporated into your Contract);
<b>Advertising Mail Posting</b>	means a UCID Posting containing only Advertising Mail;
<b>Affiliate</b>	(in relation to any company) means a company which is either: <ul style="list-style-type: none"> <li>a) a Holding Company or a Subsidiary of such company; or</li> <li>b) a company which is a Subsidiary of a Holding Company of which such company is also a Subsidiary;</li> </ul>
<b>Agency Access Start Date</b>	has the meaning set out in each Agency Customer Contract;
<b>Agency Customer</b>	means a customer of an Operator where that customer has entered into an Agency Customer Contract (including pre-existing Agency Customers, unless stated otherwise);
<b>Agency Customer Contract</b>	means an agreement between an Agency Customer and us, in the form set out on our Website;
<b>Agency Customer Contract Year</b>	means the period of 12 months from an Agency Access Start Date until the anniversary of that Agency Access Start Date and each subsequent period of 12 months from each anniversary of that Agency Access Start Date;
<b>Agency Posting</b>	means the total amount of Mailing Items you receive from an Agency Customer and handed over to us on any single Working Day to deliver to the relevant address;
<b>Agreed Lease Pool</b>	means the total number of Leased Yorks or Leased ALPS that are available to you to use in accordance with the terms of Part 4 of Schedule 6 (Container Options), being: <ul style="list-style-type: none"> <li>a) for the remainder of the first calendar year following the Container Start Date, the number of Royal Mail Yorks or Royal Mail ALPS that we agree to lease to you on the Container Start Date, as set out in each relevant Application Form;</li> <li>b) for each subsequent calendar year thereafter, such number of Royal Mail Yorks or Royal Mail ALPS as may be agreed between you and us pursuant to paragraph 5 of Part 4 of Schedule 6 (Container Options); and</li> <li>c) in each of the above cases for ALPS only, as may be increased from time to time pursuant to paragraph 3.9 of Part 4 of Schedule 6 (Container Options);</li> </ul>
<b>Allowed Customer Invoiced Amount</b>	means the permitted invoiced amount of your Postings when applying the Royal Mail Zonal Posting Profile Adjusted for Tolerance to your annual volume of Averaged Price Plan Two (Zones) as referenced in Appendix 1 of Averaged Price Plan Two (Zones);

<b>ALPS</b>	means an auto level packet sleeve;
<b>ALPS Lease Application Form</b>	means the application form available on the Website to request the leasing of Royal Mail ALPS from us;
<b>ALPS Usage Data</b>	means the following data for each calendar year to be recorded and provided by you and by us: a) by month, your average daily handover volume of Royal Mail ALPS under the Contract; b) by month, your average peak day handover volume of Royal Mail ALPS under the Contract; c) (by you only) by month, the daily volume of Royal Mail ALPS you use upstream; and d) (by us only) by month, the total number of Royal Mail ALPS allocated to you under the Contract;
<b>Annual Lease Charge</b>	means the annual charge to be paid by you for the lease and maintenance of Leased Yorks under Part 4 of Schedule 6 (Container Options);
<b>Annual Per ALPS Lease Fee</b>	means the annual leasing charge for each Leased ALP in your Agreed Lease Pool, which charge is published on our Website as at the Container Start Date and amended from time to time in accordance with the terms of the Contract;
<b>Annual Per ALPS Maintenance Fee</b>	means the annual charge payable for the maintenance of each Leased ALP in your Agreed Lease Pool, which is published on our Website as at the Container Start Date and amended from time to time in accordance with the terms of the Contract;
<b>Annual Per York Lease Fee</b>	means the annual leasing charge for each Leased York, which is published on our Website as at the Container Start Date and amended from time to time in accordance with the terms of the Contract;
<b>Annual Per York Maintenance Fee</b>	means the annual charge for the maintenance of each Leased York, which is published on our Website as at the Container Start Date and amended from time to time in accordance with the terms of the Contract;
<b>Annual Review Meeting</b>	has the meaning given to it in paragraph 5.1 of Part 4 of Schedule 6 (Container Options);
<b>Annual Total Per ALPS Fee</b>	means a sum equal to the Annual Per ALPS Lease Fee and the Annual Per ALPS Maintenance Fee;
<b>Annual Total Per York Fee</b>	means a sum equal to the Annual Per York Lease Fee and the Annual Per York Maintenance Fee;
<b>Application Form</b>	means a York Lease Application Form or an ALPS Lease Application Form (as applicable);
<b>Application Period</b>	means, in respect of each Trunking Scheme, a period of 30 days commencing on the date on which we publish the potential Trunking

	Scheme in accordance with paragraph 3.2 of Part 4 (Trunking Services) of Schedule 4;
<b>ASBOF</b>	means the Advertising Standards Board of Finance or any successor body of that body from time to time;
<b>ASBOF Levy</b>	means the voluntary levy on Advertising Mail or Partially Addressed Mail (as applicable) payable to ASBOF;
<b>Associate</b>	means in relation to either Party (i) any Affiliate of that Party or (ii) an agent (including a franchisee or owner-driver) of that Party engaged by that Party to fulfil its obligations under the Contract;
<b>Attributable Volumes</b>	means has the meaning given to it in paragraph 5.1 of National Price Plan One (SSCs);
<b>Averaged Price Plan Two (Zones)</b>	means the price plan set out in Option B of Schedule 3;
<b>Batch</b>	means a selection of Mailmark Mailing Items that meet the minimum entry volume requirement for the service being used and which are all of the same format, sortation and machine-readability option. A Batch is submitted to the eManifest;
<b>Baseline Year</b>	means 1 April 2019 to 31 March 2020, or such other period of 12 months as may be amended by us from time to time in line with clause 13.2(a) of the General Access Terms and Conditions;
<b>Benchmark</b>	means the National Spread Benchmark and the Urban Density Benchmark;
<b>Bill Payer</b>	means the Participant in the Supply Chain that is responsible for paying Royal Mail for the Mailmark Mailings;
<b>Business Mail Large Letters</b>	means Mailing Items which are declared by you as Business Mail Large Letters and which meet the criteria set out in Part 2 (Royal Mail Business Mail Large Letter™) of Schedule 4 and the User Guide;
<b>Business Mail Large Letters Posting</b>	means a UCID Posting containing only Business Mail Large Letters;
<b>Carrier</b>	means a carrier, who has an Access Contract with us, and hands over its own Mailing Items to us or has the authority to report and handover Mailing Items on behalf of an Originating Customer, other Postal Operators or other users who have an Access Contract with us;
<b>Carrier Combined York Allocation</b>	means the total maximum number of Royal Mail Yorks allocated to all Carriers for each Posting, as set out in the relevant Trunking Scheme Particulars;

<b>Christmas and New Year Period</b>	means the period starting on the first Monday in December in any year and ending:  a) (in England, Wales and Northern Ireland) at the start of the first Working Day after the immediately following New Year public holiday; or b) (in Scotland) at the start of the first Working Day after the immediately following Scottish New Year public holiday;
<b>Chronic Excess Event</b>	has the meaning given to it in paragraph 3.7(a)(ii) of Part 4 of Schedule 6 (Container Options);
<b>Client Report</b>	means the client report generated by us in accordance with the User Guide as varied from time to time;
<b>Commercial Contact</b>	means: a) in your case, the person identified at clause 4.2 of the Contract Details; b) in our case, the person who is appointed as our commercial contact in relation to the Contract, whose details are as published on the Website and as may be amended from time to time;
<b>Confidential Information</b>	means all information of a confidential nature (including details of mailing profiles and security processes in respect of Mailing Items) which is disclosed by one of us to the other:  a) before or after the date of this Contract; and b) relating to the subject matter of this Contract.  The disclosure may be in writing, orally or by any other means, directly or indirectly;
<b>Consistent Excess Event</b>	has the meaning given to it in paragraph 3.7(a)(i) of Part 4 of Schedule 6 (Container Options);
<b>Container</b>	means a bag, Tray, York, ALPS or any other primary container type approved by us from time to time;
<b>Container Option</b>	means the provision of Containers under Schedule 6 (Container Options) or any of its Parts;
<b>Container Start Date</b>	means the date we agree to start providing you with Royal Mail Containers or such other date as agreed between you and us;
<b>Contract</b>	means this contract between you and us, which is comprised of the documents set out in paragraph 5.1 of the Contract Details;
<b>Contract Details</b>	means the part of this Contract entitled "Contract Details" signed by you and us;
<b>Contract Year</b>	means the period of 12 months from your Access Start Date until the anniversary of your Access Start Date and each subsequent period of 12 months from each anniversary of your Access Start Date;

<b>Credit Account</b>	means the credit account operated in line with clause 11 of the General Access Terms and Conditions;
<b>Customer Access Indicator</b>	means your marks, impressions or other devices that may, subject to our prior approval, be shown on each Mailing Item which is to be conveyed and delivered under this Contract and that may be changed by agreement between you and us (acting reasonably);
<b>Customer ALPS</b>	means ALPS containers purchased by you from time to time in line with paragraphs 2.3 and 2.5 of Part 2 of Schedule 6 (Container Options);
<b>Customer Entity</b>	means a discrete posting unit or third party that you wish to be recognised for the purpose of handing over Mailing Items as UCID Postings in line with this Contract;
<b>Customer Segment</b>	means each of the following customer categories: a) Direct Customers; b) Carriers; and c) Intermediaries;
<b>Customer Yorks</b>	means York containers purchased by you from time to time in line with paragraphs 2.2 and 2.4 of Part 2 of Schedule 6 (Container Options);
<b>Daily Posting</b>	means the total amount of Mailing Items handed over by you on any single Working Day to us to deliver under this Contract;
<b>Data Opt Out</b>	means: (a) your right (where you are the posting customer); or (b) the Originating Customer's or Customer Entity's right (as applicable), to opt out of JICMAIL's data sharing initiative as referred to in paragraph 5.2(b) or 5.2(c) of Part 1 of Schedule 4 (Standard Services);
<b>Data Opt Out Notification</b>	has the meaning given to it in paragraph 5.2(b) of Part 1 of Schedule 4 (Standard Services);
<b>Delivery Address</b>	means the address to which a Mailing Item is to be delivered and which must consist of an addressee and a geographic address;
<b>Delivery Points</b>	means a postal address (business or residential) to which we deliver Mailing Items;
<b>Destination Inward Mail Centre</b>	means the Inward Mail Centre to which we will transport Mailing Items for the Destination Postcodes Areas on your behalf if you are participating in the relevant Trunking Scheme, as specified in the Trunking Scheme Particulars;
<b>Destination Postcode Areas</b>	means the Postcode Areas for each Trunking Scheme specified in the Trunking Scheme Particulars;
<b>Digital Stamp Design Specification</b>	means the specification for the design, approval, print and production of the Digital Stamp Indicator as set out in Appendix F of the User Guide;

<b>Digital Stamp Indicator</b>	has the meaning given to it in paragraph 1.1 of Part 5 of Schedule 5 (Operational Presentation Facilities);
<b>Direct Customer</b>	means an Originating Customer, who has an Access Contract with us;
<b>Discount</b>	means the reduction on the charges payable on a Mailing Item eligible for the selected Access Service, as published on our Website and as amended from time to time in line with the terms of this Contract for the amendment of Access Charges;
<b>Disruptive Events</b>	means any cause beyond our reasonable control (including industrial disputes);
<b>Dual Access Slots</b>	means two Access Slots, at least one of which must be an Early Access Slot;
<b>Dual Slot Mail Centre</b>	means an Inward Mail Centre at which Dual Access Slots have been agreed between you and us, as set out in the ABV Implementation Timeline (or as subsequently agreed between us);
<b>Dynamic National Spread Benchmark</b>	means a dynamic version of our National Spread Benchmark which we use to provide you with regular updates on your performance against the Profile Commitment in accordance with paragraph 8 'Reviews' of Schedule 3 - Price Plans OPTION A (National Price Plan One (SSCs)). It is calculated using the same methodology as the National Spread Benchmark, apart from the measurement period, which shall be a rolling 12 month period ending on the last day of the immediately preceding Quarter rather than the Financial Year and it will be provided by us to affected customers within a reasonable time period after the end of each Quarter;
<b>Dynamic Royal Mail Zonal Posting Profile</b>	means a dynamic version of our Royal Mail Zonal Posting Profile which we use to provide you with regular updates on your performance against the Profile Commitment in accordance with paragraph 5 'Reviews' of Schedule 3 - Price Plans OPTION B (Averaged Price Plan Two (Zones)) and paragraph 4 'Reviews' of Schedule 3 - Price Plans OPTION D (Regional Price Plan (Zones)). It is calculated using the same methodology as the Royal Mail Zonal Posting Profile, apart from the measurement period, which shall be a rolling 12 month period ending on the last day of the immediately preceding Quarter rather than the Financial Year and it will be provided by us to affected customers within a reasonable time period after the end of each Quarter;
<b>Dynamic Urban Density Benchmark</b>	means a dynamic version of our Urban Density Benchmark which we use to provide you with regular updates on your performance against the Profile Commitment in accordance paragraph 8 'Reviews' of Schedule 3 – Price Plans OPTION A (National Price Plan Once (SSCs)). It is calculated using the same methodology as the Urban Density Benchmark, apart from the measurement period, which shall be a rolling 12 month period ending on the last day of the immediately preceding Quarter rather than the Financial Year and it will be provided by us to affected customers within a reasonable time period after the end of each Quarter;



<b>Early Access Slot</b>	has the meaning set out in the User Guide;
<b>eManifest</b>	means an electronic file created via the eManifest Handling System (eMHS) for each Supply Chain per Working Day. A Batch or Batches are submitted to the eManifest, and once confirmed the eManifest contains a record of your Mailmark Mailing Items which is used to provide eManifest and Batch level reporting;
<b>eManifest Billing</b>	has the meaning given to it in paragraph 1.1 of Part 4 of Schedule 8 (Mailmark® Options);
<b>eManifest Billing Specification</b>	means the process and requirements set out in the User Guide for eManifest Billing;
<b>eManifest Billing Start Date</b>	means the date from which you may start to use eManifest Billing as notified by us to you in writing;
<b>eManifest Handling System (eMHS)</b>	means the web based interface which enables the creation of the eManifest and is used for all actions relating to the eManifest (such as submitting Batches);
<b>Exceptions Process</b>	the Procedures for Handling non-Compliant Postings set out in Section 10 of the User Guide;
<b>Excess Containers</b>	means Containers in excess of the number of Containers that we agreed to provide to you under this Contract, and Excess Trays, Excess ALPS, Excess Leased ALPS, Excess Yorks and Excess Leased Yorks shall be construed accordingly;
<b>Excess Lease Charge</b>	has the meaning given to it in paragraph 3.7(b) of Part 4 of Schedule 6 (Container Options);
<b>Excess Trigger Event</b>	has the meaning given to it in paragraph 3.7(a) of Part 4 of Schedule 6 (Container Options);
<b>Failed SSC</b>	has the meaning given to it in paragraph 4.2 of National Pricing Plan One (SSCs);
<b>Fees Uplift</b>	has the meaning given to it in paragraph 7.3(a) of Part 4 of Schedule 4 (Standard Services);
<b>Financial Year</b>	means 1 April to 31 March;
<b>Forecast</b>	means what you tell us about your planned future Postings under the User Guide;
<b>Format</b>	means the format of a Mailing Item, i.e. whether it is a Letter or a Large Letter;

<b>General Access Terms and Conditions</b>	means the part of this Contract entitled "General Access Terms and Conditions";
<b>General Large Letters</b>	means Mailing Items that are treated as General Large Letters in accordance with the requirements set out in Figure 1 of the User Guide;
<b>Handover Day</b>	has the meaning set out in the User Guide;
<b>Handover Inward Mail Centre</b>	means the Inward Mail Centre where you shall deposit Mailing Items which correspond to the Destination Postcode Areas if you are participating in the relevant Trunking Scheme, as specified in the Trunking Scheme Particulars;
<b>Holding Company</b>	has the meaning set out in Section 1159 of the Companies Act 2006;
<b>Implied Customer Invoiced Amount</b>	means using the Implied Zonal Average Unit Prices, calculation of the invoiced amount that you would have paid if your Actual Posting Profile had been posted on the Zonal Price Plan;
<b>Implied Zonal Average Unit Price</b>	means your average unit price of your Postings on Averaged Price Plan Two (Zones) multiplied by the Weighted Average Price Variance Percentage for each Zone, as referenced in Annex A;
<b>Incorrect Sort</b>	has the meaning given to it in paragraph 2.4 of Part 6 of Schedule 5 (Operational Presentation Facilities);
<b>Independent Marketing Specialists</b>	means Nielsen Media Research Limited (company no. 01765758) with registered offices at Venture House, 2 Arlington Square, Downshire Way, Bracknell, Berkshire, RG12 1WA, and such additional and/or replacement independent advertising market analysts as appointed by JICMAIL from time to time;
<b>Indicium</b>	means the marks placed on a Mailing Item in line with the User Guide comprising the Royal Mail Access Indicator and if required by you the Customer Access Indicator;
<b>Industry Input Data</b>	<p>means, in respect of each Advertising Mail Posting and/or Partially Addressed Mail Posting (as applicable) for which the Data Opt Out has not been exercised:</p> <ul style="list-style-type: none"> <li>a) the identity of the advertiser and the brand for that Posting;</li> <li>b) the volumes for that Posting disaggregated to SSC level (but no lower); and/or</li> <li>c) the Mail Reference for that Posting;</li> </ul>
<b>Insolvency Event</b>	<p>means any of the following events (or any event analogous to any of the following in a jurisdiction other than England and Wales):</p> <ul style="list-style-type: none"> <li>a) an administrator or a receiver (including any administrative receiver or manager) is appointed over the whole or any part of a Party's assets; or</li> <li>b) in your case:</li> </ul>

	<ul style="list-style-type: none"> <li>i. you have an order made or a resolution passed for the winding-up of your company or business or the appointment of a provisional liquidator (except in the case of a bona fide scheme of solvent amalgamation or reconstruction);</li> <li>ii. you have an application for an administration order presented in respect of you or documents are filed with court for the appointment of an administrator or notice of intention to appoint an administrator has been given by you, one of your directors or members or by a qualifying floating chargeholder in respect of you (as defined in paragraph 14 Schedule B1 Insolvency Act 1986);</li> <li>iii. circumstances arise which entitle a court or a creditor to appoint a receiver or manager or entitle the court to appoint an administrator or make a winding-up order;</li> <li>iv. if you have made any composition with your creditors generally;</li> <li>v. a creditor or encumbrancer of yours attacks or takes possession of the whole or any part of your assets;</li> <li>vi. a distress, execution, sequestration, or other such process is levied or enforced on or sued against the whole or any part of your assets which (in our reasonable opinion) puts your ability to fulfil your obligations to us at risk, and where such attachment or process is not discharged within 10 Working Days; or</li> </ul> <p>c) if the other party:</p> <ul style="list-style-type: none"> <li>i. suspends, or threatens to suspend, payment of its debts</li> <li>ii. is unable to pay its debts as they fall due</li> <li>iii. admits inability to pay its debts or</li> <li>iv. is deemed unable to pay its debts within the meaning of Section 123 of the Insolvency Act 1986; or</li> <li>v. suspends or ceases to carry on all or a substantial part of its business;</li> </ul>
<b>Intellectual Property Rights</b>	means patents, rights to inventions, copyright and related rights, trade marks business names and domain names, rights in get-up, goodwill and the right to sue for passing off, rights in designs, database rights, rights to use, and protect the confidentiality of, confidential information (including know-how) and all other intellectual property rights, in each case whether registered or unregistered and including all applications and rights to apply for and be granted, renewals or extensions of, and rights to claim priority from, such rights and all similar or equivalent rights or forms of protection which subsist or will subsist now or in the future in any part of the world;
<b>Intermediaries</b>	means an intermediary entity, who has an Access Contract with us, and who produces or manages Mailing Items on behalf of a Customer Entity or an Originating Customer, and hands those Mailing Items over to a Carrier for subsequent handover to us;
<b>Inward Mail Centre</b>	means one of our inward mail centres as detailed on our Website;
<b>JICMAIL</b>	means JICMAIL LIMITED with company number 04123433 and whose registered address is 70 Margaret Street London W1W 8SS, or such replacement company from time to time;
<b>JICMAIL Levy</b>	means the voluntary levy on Advertising Mail and/or Partially Addressed Mail (as applicable) payable to JICMAIL;

<b>JICMAIL Levy Cap</b>	<p>means:</p> <p>(a) in the 2021 calendar year, a cap of £5,000 per each Originating Customer and Customer Entity; and</p> <p>(b) in any subsequent year, the amount published on our Website (and, for the avoidance of doubt, if no cap is published on our Website then no cap shall apply);</p>
<b>Large Letter</b>	means a Mailing Item the dimensions of which meet the specifications for a large letter as set out in the User Guide;
<b>Leased ALPS</b>	means a Royal Mail ALPS that we lease to you from time to time in accordance with the terms of Part 4 of Schedule 6 (Container Options), including any Excess Leased ALPS;
<b>Leased York</b>	means a Royal Mail York that we lease to you from time to time in accordance with the terms of Part 4 of Schedule 6 (Container Options), including any Excess Leased Yorks;
<b>Letter</b>	means a Mailing Item the dimensions of which meet the specifications for a letter as set out in the User Guide;
<b>Letter of Responsibilities</b>	means the letter agreed between us giving details of any sub-contracting arrangements agreed to by us under which you have sub-contracted to a third party the performance of any of your obligations under your Contract, as amended by agreement between us from time to time;
<b>Magazine Subscription Mail</b>	means Large Letters which are declared by you as Magazine Subscription Mail and which meet the criteria for Magazine Subscription Mail set out in this Contract including the User Guide;
<b>Magazine Subscription Mail Posting</b>	means a UCID Mailing containing only Large Letters of the same Title;
<b>Mailing Item</b>	means a Letter or Large Letter;
<b>Mailmark Adjustment</b>	means an adjustment charge payable in relation to non-compliant Mailmark Mailing Items, as published on our Website and as may be amended from time to time;
<b>Mailmark Barcode</b>	means a barcode which is either a Royal Mail 2D data matrix barcode or a Royal Mail 4-state barcode which contains encoded data and offers eManifest and Batch level reporting;
<b>Mailmark Economy Mailing Items</b>	means Letters which are declared by you as Mailmark Economy Mailing Items and which meet the criteria for the Mailmark Economy Mail Service set out in this Contract including the User Guide;
<b>Mailmark Economy Posting</b>	means a UCID Posting containing Mailmark Economy Mailing Items;

<b>Mailmark Economy Service Standard</b>	has the meaning given to it in paragraph 3.2 of Part 2 of Schedule 8 (Mailmark® Options);
<b>Mailmark IP</b>	means intellectual property rights in the Reports (and the information in them) and the brands Royal Mail Mailmark® and Mailmark™;
<b>Mailmark Mailing(s)</b>	means a Batch or multiple Batches of Mailmark Mailing Items declared on the eManifest;
<b>Mailmark Mailing Items</b>	means Mailing Items which are declared by you as Mailmark Mailing Items and which meet the criteria for the Royal Mail Mailmark® Service set out in this Contract including the User Guide;
<b>Mailmark option</b>	means an option for making Letter and Large Letter format Mailing Items machine-readable, involving the addition of a Mailmark barcode on each Mailing Item to make that item uniquely identifiable. The Mailmark option provides eManifest and Batch level reporting;
<b>Mail Originator</b>	means the Participant in the Supply Chain on whose behalf the Mailmark barcode Mailing Items are being produced and delivered;
<b>Mail Producer</b>	means the Participant in the Supply Chain that is responsible for producing (including printing and enclosing) the Mailmark barcode Mailing Items;
<b>Mail Reference</b>	means a unique reference code of no more than twenty (20) characters which identifies a Customer Entity's or Originating Customer's specific Partially Addressed Mail or Advertising Mail Posting such that each Partially Addressed or Advertising Mail Posting will have a unique and distinct Mail Reference associated with it;
<b>Manifest</b>	means a declaration by you giving details of a Posting, in line with the User Guide;
<b>Maintenance Charge Review</b>	has the meaning given to it in paragraph 3.4 of Part 2 of Schedule 5 (Container Options);
<b>Manual Mailmark Mailing Items</b>	means General Large Letters which are declared by you as Manual Mailmark Mail and which meet the criteria for Manual Mailmark Mail set out in this Contract including the User Guide;
<b>Manual Mailmark Mail Posting</b>	means Manual Mailmark Mailing Items containing only General Large Letters;
<b>Mixed SCID Container(s)</b>	means a Container containing Mailmark Mailing Items that are from different SCIDs but are all of the same Format, Price Plan and Access Service;
<b>Mixed Weight</b>	has the meaning given in the User Guide;
<b>Mixed Weight Mailing Items</b>	means a Container of Mailing Items of different weight bands but all of the same Format which is labelled and declared by you as mixed weight mail,

	and which meets the criteria for such mail set out in this Contract and Part 1 of Schedule 5 (Operational Presentation Facilities);
<b>Mixed Weight Specification</b>	means the process and requirements set out in the User Guide, as amended from time to time in accordance with clause 13 of the General Access Terms and Conditions;
<b>Mixed Weight Start Date</b>	means the date from when you can use the Mixed Weight Operational Presentation Facility;
<b>Mixing SCIDs</b>	has the meaning given to it in paragraph 1 of Part 4 of Schedule 5 (Operational Presentation Facilities);
<b>Mixing SCID Specification</b>	means the process and requirements set out in the User Guide, as amended from time to time in accordance with clause 13 of the General Access Terms and Conditions;
<b>Mixing SCID Start Date</b>	means the date from when you can use the Mixed SCID Operational Presentation Facility;
<b>Multiple Access Slots</b>	means the Dual Access Slots and the Tri-Access Slots;
<b>Multiple Slot Mail Centres</b>	means the Dual Slot Mail Centres and the Tri-Slot Mail Centres;
<b>National Price Plan One (SSCs)</b>	means the price plan set out in Option A of Schedule 3 (Price Plans);
<b>National Profile Areas</b>	means the two national profile areas of the United Kingdom which are (a) England and Wales and (b) Scotland and Northern Ireland;
<b>National Spread Adjustment</b>	means the Adjustments for failure to meet the National Spread Benchmark calculated as set out in paragraph 5 of National Price Plan One (SSCs) in Schedule 3 (Price Plans);
<b>National Spread Adjustment Rate</b>	means your average unit price for Mailing Items sent under National Price Plan One (SSCs) of Schedule 3 as calculated using your Mailing Items invoiced by us in the Contract Year;
<b>National Spread Benchmark</b>	means our geographic profile as measured by the combined volumes of Retail bulk Mailing Items and Access Mailing Items for each SSC in the applicable Financial Year expressed as a percentage of total volumes for Retail bulk Mailing Items and Access Mailing Items for all SSCs in the Financial Year, as published by us within a reasonable time period after the end of each Financial Year;
<b>New Service Proposal</b>	has the meaning set out in clause 13.8(b) of the General Access Terms and Conditions;

<b>Operational Contact</b>	means:  a) in your case, the person identified at clause 4.1 of the Contract Details; b) in our case, the person who is appointed as our operational contact in relation to the Contract, whose details are as published on the Website and as may be amended from time to time;
<b>Operational Presentation Facility</b>	means any of the services provided under Schedule 5 (Operational Presentation Facilities);
<b>Operator</b>	means a customer permitted by us to hand over Mailing Items on behalf of Originating Customers;
<b>Opt Out Period</b>	has the meaning given to it in paragraph 5.2(c) of Part 1 of Schedule 4 (Standard Services);
<b>Originating Customer</b>	means an end posting customer (including an Agency Customer) for whom a Carrier hands over Mailing Items to us;
<b>Partially Addressed Mail</b>	means Mailing Items which are declared by you as partially addressed mail, and which meet the criteria for Partially Addressed Mail set out in this Contract including Part 1 of Schedule 4 (Standard Services) and the User Guide;
<b>Partially Addressed Mail Posting</b>	means a UCID Posting containing only Partially Addressed Mail;
<b>Participant</b>	means for a Mailmark Mailing, the Participant is each of the Bill Payer, Carrier, Mail Originator, and Mail Producer that together make up a Supply Chain;
<b>Parties</b>	means you and us, and the word <b>Party</b> will be interpreted accordingly;
<b>Performance Rebate Amount</b>	means an amount calculated in accordance with the formula set out in paragraph 2.5 of Schedule 2 (Service Standard and General Service Obligations) of these General Access Terms and Conditions;
<b>Permitted Variance</b>	means a variance we permit from a measurement used in the measurement of your profile and compliance with National Price Plan One (SSCs) or Averaged Price Plan Two (Zones) expressed either as a percentage of that measurement or as a whole number by which variance up or down from that measurement will be permitted, as published on our Website and as amended from time to time in accordance with clause 13.2(d) of the General Access Terms and Conditions;
<b>Postage</b>	means the amount payable by you to us for Mailing Items handed over in a Daily Posting;
<b>Postal Operator</b>	means a postal operator, as defined in the Act;

<b>Postcode</b>	means an alphanumeric code owned and developed by us, and allocated by us, to identify a Delivery Point or group of Delivery Points;
<b>Postcode Area</b>	means the first (either one or two) letter(s) of a Postcode, which is used to identify a geographical area for Mailing Items to be delivered;
<b>Postcode Sector</b>	means the first three, four or five alphanumeric digits of a Postcode up to and including the first alphanumeric digit of the inward Postcode, which is used to identify a geographical area for Mailing Items to be delivered;
<b>Posting</b>	means the total amount of Mailing Items each day which you hand over to an individual Inward Mail Centre for us to convey and deliver;
<b>Posting Docket</b>	means the certificate containing details of Postings (which we need to calculate the Postage), described in the User Guide;
<b>Posting Entity</b>	means a posting site or consolidation machine used to prepare Mailing Items for hand over to us as a UCID Posting under the terms of this Contract;
<b>Presentation Specifications</b>	means the requirements set out in the User Guide as to how a Posting must be sorted, segregated, presented and handed over to us including meeting the relevant Access Service Specifications;
<b>Price</b>	has the meaning given to it in your Transitional Arrangement (if you are a Transitional Customer);
<b>Price Plan</b>	means a Price Plan which is made available by us as set out in Schedule 3 (Price Plans);
<b>Pricing Structure</b>	means those elements of the Price Plans used to establish the price and the measurement of your profile and compliance including SSCs, Postcode Sectors and Zones;
<b>Profile Adjustment</b>	means an Adjustment that we may levy if you fail to meet (a) in the case of National Price Plan One (SSCs) or Averaged Price Plan Two (Zones), the Profile Commitment of that Price Plan or (b) in the case of the Regional Price Plan, the relevant Royal Mail Zonal Posting Profile for your chosen Region or Regions;
<b>Profile Commitment</b>	means in National Price Plan One (SSCs), your commitment to meet the Benchmarks and in Averaged Price Plan Two (Zones), your commitment to meet the Royal Mail Zonal Posting Profile;
<b>Prohibited Item</b>	has the meaning set out in the User Guide;
<b>Qualifying Criteria</b>	means the eligibility criteria for eManifest Billing as set out in paragraph 2.1 of Part 4 of Schedule 8 (Mailmark® Options);
<b>Quarter</b>	means each three-month period starting on the first day of April, July, October, and January in each Financial Year;



<b>Ratio Threshold</b>	means the level at which the SSC Ratio is accepted by us to be meeting the National Spread Benchmark, as published on our Website;
<b>Region</b>	means one of: (a) England and Wales; (b) Scotland; or (c) Northern Ireland;
<b>Regional Price Plan (Zones)</b>	means the price plan set out in Option D of Schedule 3 (Price Plans);
<b>Regional Zonal Calculator</b>	means the calculator described in Annex A to the Regional Price Plan (Zones) for your use in the calculation of Profile Adjustments under that Price Plan and which is available on our Website;
<b>Regulator</b>	means Ofcom, or any successor body that is appointed to fulfil its functions;
<b>Regulatory Body</b>	means the Regulator, the Competition Commission, the European Commission, the Office of Fair Trading and in each case, any successor body or bodies in the United Kingdom or European Union;
<b>Regulatory Conditions</b>	means the conditions which the Regulator imposes on persons providing postal services under Part 3 of the Act, as amended;
<b>Reports</b>	means the eManifest and Batch level reports relating to your Mailmark Mailings that are produced by Royal Mail's systems when you use the Mailmark option;
<b>Restricted Item</b>	has the meaning set out in the User Guide;
<b>Royal Mail Access Indicator</b>	means our marks, impressions or other devices shown on each Mailing Item which is to be conveyed and delivered under this Contract. These marks, impressions and devices are set out in the User Guide and may be changed by us (acting reasonably) in line with clause 13.2(a);
<b>Royal Mail ALPS</b>	means ALPS that we own, lend and/or are willing to lease to you in line with the terms of Parts 2 and 4 of Schedule 6 (Container Options) (as applicable), including any Excess ALPS;
<b>Royal Mail Container</b>	means a Royal Mail bag, Tray, Royal Mail York or Royal Mail ALPS;
<b>Royal Mail Group</b>	means each and any Subsidiary or Holding Company of Royal Mail Group Limited and each and any Subsidiary of a Holding Company of Royal Mail Group Limited;
<b>Royal Mail SSC Percentage</b>	means the volume of Mailing Items delivered by us for each SSC in the applicable Financial Year expressed as a percentage of total volume delivered by us for all SCCs in the applicable Financial Year;
<b>Royal Mail's Transportation Cost</b>	means the annual cost which we incur for providing the Trunking Services for each Trunking Scheme, for the Trunking Scheme Period, as notified to you by us;

<b>Royal Mail Yorks</b>	means Yorks that we own, lend, hire and/or are willing to lease to you in line with the terms of Parts 2, 3 and 4 of Schedule 6 (Container Options) (as applicable), including any Excess Yorks;
<b>Royal Mail Zonal Posting Profile</b>	means our zonal posting profile as measured by the combined volumes of retail bulk Mailing Items and access Mailing Items delivered by us to each Zone (excluding London for the purposes of the Regional Price Plan) in each Financial Year and expressed as a percentage of the total volume of all those Mailing Items delivered by us to all Zones (excluding London for the purposes of the Regional Price Plan) in each Financial Year, as published by us within a reasonable time period after the end of each Financial Year;
<b>Royal Mail Zonal Posting Profile Adjusted for Permitted Variance</b>	means the adjusted Royal Mail Zonal Posting Profile that results when we apply the relevant Permitted Variance under Averaged Price Plan Two (Zones);
<b>Rural Zone Variance Percentage</b>	means your average national price as calculated using the Letters variance percentage to the Rural Zone of the Zonal Price Plan, detailed in the price tables on the Website;
<b>Sample/Seed</b>	has the meaning given to it in paragraph 4 of Part 1 (Royal Mail Advertising Mail® and Royal Mail Partially Addressed Mail®) of Schedule 4 (Standard Services);
<b>Sanctions Laws</b>	means all laws, export controls, regulations and orders imposing sanctions (including trade restrictions and economic sanctions) on countries, individuals or entities;
<b>Security Checks</b>	means the checks that we may be required by law, or the laws or regulations of other jurisdictions, or as part of our security operations to carry out and which may include X-ray screening, decompression or, in exceptional circumstances, the opening of a Mailing Item;
<b>Segregation by Format</b>	has the meaning given to it in the User Guide;
<b>Service</b>	means a service that we agree to provide to you under this Contract, as varied from time to time in accordance with clause 13 of the General Access Terms and Conditions;
<b>Service Standard</b>	has the meaning set out in paragraph 2.2 of Schedule 2 (Service Standard and General Service Obligations);
<b>Service Standard Period</b>	means (during the first year of this Contract) the period from the Access Start Date until 31 March and (in each subsequent year) the period of 12 months ending on 31 March in each case excluding the Christmas and New Year Period;

<b>Sold ALPS</b>	has the meaning given to it in your Transitional Arrangement (if you are a Transitional Customer);
<b>Sold York</b>	has the meaning given to it in your Transitional Arrangement (if you are a Transitional Customer);
<b>SSC Permitted Variance Number</b>	means a Permitted Variance number of SSCs for the England and Wales National Profile and one for the Scotland and Northern Ireland National Profile, as published on our Website and applied to National Price Plan One (SSCs) of Schedule 3 (Price Plans);
<b>SSC Ratio</b>	has the meaning given in paragraph 4.1 of National Price Plan One (SSCs) in Schedule 3 (Price Plans);
<b>Standard Selection Code or SSC</b>	means the unique numeric code that identifies the selections as used in the Access Selection File. Also referred to in this Contract as 'SSC';
<b>Statement of Process</b>	means a document on our Website which you may use to request a change to this Contract;
<b>Subsidiary</b>	has the meaning set out in Section 1159 of the Companies Act 2006;
<b>Supply Chain</b>	means the combination of all of the four Participants (Bill Payer, Carrier, Mail Originator, Mail Producer) that is required for each Mailmark Mailing relating to those specific Participants;
<b>Supply Chain IDs (SCIDs)</b>	means the unique identifier assigned to each Supply Chain;
<b>Title</b>	means a specific Magazine Subscription Mail publication;
<b>Tolerance</b>	has the meaning set out in Section 10 of the User Guide;
<b>Transitional Arrangement</b>	means, if you are a Transitional Customer, your written agreement with us setting out the process by which we have agreed for the transitional: a) sale by you (and purchase by us) of certain Customer Yorks or Customer ALPS previously used to hand over mail to us under the terms of Part 2 of Schedule 6 (Container Options) (as applicable); and b) leasing by us of an equivalent number of Royal Mail Yorks under Part 4 of Schedule 6 (Container Options) to replace those purchased Customer Yorks or Customer ALPS;
<b>Transitional Customer</b>	means a customer who has entered into a Transitional Arrangement with us;
<b>Transitional Yorks</b>	means, if you are a Transitional Customer, those Royal Mail Yorks that are to be leased to you pursuant to Part 4 of Schedule 6 (Container Options) in replacement of the Sold Yorks, as identified in your Transitional Arrangement;
<b>Trays</b>	means trays that we own and lend to you in line with the terms of Part 1 of Schedule 6 (Container Options), including any Excess Trays;

<b>Tray Decanting</b>	means the Service described in Part 1 of Schedule 6 (Container Options);
<b>Tri-Access Slots</b>	three Access Slots, at least two of which must be Early Access Slots;
<b>Tri-Slot Mail Centres</b>	means an Inward Mail Centre at which Tri-Access Slots have been agreed between you and us (or as subsequently agreed between us);
<b>Trunking Fee</b>	means the charge for each Trunking Scheme specified in the Trunking Scheme Particulars, payable for the Trunking Services and calculated in accordance with paragraph 6 of Part 4 of Schedule 4 (Standard Services);
<b>Trunking Scheme</b>	means the provision of Trunking Services from one specified Handover Inward Mail Centre to one specified Destination Inward Mail Centre;
<b>Trunking Scheme Particulars</b>	means the particulars of each Trunking Scheme, as set out in the User Guide and as otherwise notified to you and/or published from time to time on our Website;
<b>Trunking Scheme Period</b>	has the meaning given to it in paragraph 3.2 of Part 4 of Schedule 4 (Standard Services);
<b>Trunking Scheme Start Date</b>	means the start date of each Trunking Scheme, as specified in the Trunking Scheme Particulars;
<b>Trunking Services</b>	means the services to be provided by us under Part 4 of Schedule 4 (Standard Services);
<b>Trunking Specification</b>	means the document set out in the User Guide, as amended from time to time in accordance with clause 13 of the General Access Terms and Conditions;
<b>UCID</b>	means the optional unique customer identifying number assigned by you to each of your Originating Customers, Customer Entities and Posting Entities and used and displayed as specified in the User Guide;
<b>UCID Posting</b>	means the total amount of Mailing Items which you hand over on any single Working Day to us to deliver which has been identified by the use of a UCID as discrete to an Originating Customer, Customer Entity or Posting Entity;
<b>Uplift Notice</b>	has the meaning given to it in paragraph 7.3(a) of Part 4 of Schedule 4 (Standard Services);
<b>Urban Density Adjustment Rate</b>	means a unit price equivalent to the Rural Zone variance percentage for Letters as applied to your average national price of National Price Plan One (SSCs);

<b>Urban Density Benchmark</b>	means our urban density profile for each SSC. We will measure the urban density profile for a given SSC by using the combined volumes of Retail Bulk Mail Items and Access Mailing Items for that SSC in the applicable Financial Year to determine the Urban Volume for that SSC and expressing the Urban Volume for that SSC as a percentage of the total volume of Retail bulk Mailing Items and Access Mailing Items for that SSC in that Financial Year, as published by us within a reasonable time period after the end of each Financial Year;
<b>Urban Permitted Variance</b>	means as published on our Website and as applied to National Price Plan One (SSCs);
<b>Urban SSC Percentage</b>	means the percentage of the volume of your Mailing Items delivered in a Contract year to those Postcode Sectors in each SSC that we classify as having a high density of delivery points and/or businesses as published on our Website;
<b>Urban Volume</b>	means the volume of your Mailing Items delivered in the applicable Financial Year to those Postcode Sectors that we classify as having a high density of delivery points and/or businesses as published on our Website
<b>User Guide</b>	means the document entitled Access Letters User Guide published by us, as may be changed under clause 13 of the General Access Terms and Conditions;
<b>Valuables</b>	has the meaning set out in the User Guide as amended from time to time;
<b>Vehicle Declaration</b>	has the meaning given in the User Guide;
<b>Vehicle Manifest</b>	means the manifest containing additional information about each vehicle and the details of which Containers are carried by each vehicle for handover at an Inward Mail Centre;
<b>Voting Period</b>	has the meaning set out in clause 13.8(c) of the General Access Terms and Conditions;
<b>Website</b>	means <a href="http://www.royalmailwholesale.com">www.royalmailwholesale.com</a> or such other website address as we may use and notify to you from time to time as the website address for our wholesale business, as amended from time to time;
<b>Weighted Average Price Variance Percentage</b>	means the average Zonal price variance percentage for each Zone (as published with the Zonal Calculator on the Website) weighted according to the percentage contributed by format for each Zone, as referenced in Averaged Price Plan Two (Zones);
<b>Wheeled Containers</b>	has the meaning given to it in paragraph 1.1 of Part 2 of Schedule 6 (Container Options);
<b>Working Day</b>	means any day which is not a Sunday, bank holiday, public holiday or a non-service day approved as such by the Regulator;

<b>York</b>	means a caged trolley(s) used to move or transport bags of Mailing Items;
<b>York Hire Application Form</b>	has the meaning given to it in paragraph 2.2 of Part 3 of Schedule 5 (Container Options);
<b>York Lease Application Form</b>	means the application form available on the Website to request the leasing of Royal Mail Yorks from us;
<b>York Usage Data</b>	means the following data for each calendar year to be recorded and provided by you and us: (a) by month, your average daily handover volume of Royal Mail Yorks under the Contract; (b) by month, your average peak day handover volume of Royal Mail Yorks under the Contract; (c) (by you only) by month, the daily volume of Royal Mail Yorks you use upstream; and (by us only) by month, the total number of Royal Mail Yorks allocated to you under the Contract;
<b>Your Percentage</b>	has the meaning given to it in paragraph 6.2 of Part 4 of Schedule 4 (Standard Services);
<b>Your York Allocation</b>	means the maximum number of Yorks containing Mailing Items for the Destination Postcode Areas which you may present on any given Posting in relation to each Trunking Scheme, as notified by us to you in accordance with Paragraph 3.2(c) of Part 4 of Schedule 4 (Standard Services);
<b>Zonal Calculator</b>	means the calculator described in Appendix 1 to Averaged Price Plan Two (Zones) for your use in the calculation of Adjustments under that Price Plan and which is available on our Website;
<b>Zonal Charges</b>	means the charges for all Mailing Items posted by any access customer under the Zonal Pricing Plan and which are published on the Website as at the date of this Contract and amended from time to time in accordance with the terms of the Contract;
<b>Zonal Indicator</b>	has the meaning set out in the User Guide;
<b>Zonal Price Plan</b>	means the price plan set out in Option C of Schedule 3 (Price Plans);
<b>Zones</b>	means the pricing zones into which we divide the United Kingdom based on the delivery density of Postcode Sectors, as published on the Website and as may be amended from time to time in accordance with clause 13.2(a) of the General Access Terms and Conditions; and
<b>Zone Z Adjustment Rate</b>	means a unit price equivalent to the Rural Zone Variance Percentage for Letters as applied to your average price for your chosen Price Plan (or your chosen Region of the Regional Price Plan (Zones)).

## **2 Interpretation**

### **2.1 In this Contract:**

- (a) a reference to a background clause, clause, Schedule or Annex is a reference to the relevant background clause, clause, Schedule or Annex of this Contract;
- (b) a reference to a paragraph or a Part is a reference to the relevant paragraph or Part of the Schedule in which it appears;
- (c) headings and sub-headings are included for reference only and shall not affect how this Contract is interpreted;
- (d) use of the singular includes the plural and vice versa;
- (e) use of any gender includes the other genders;
- (f) where a word or expression is defined, related words and expressions shall be construed accordingly;
- (g) the words include, including and in particular are used for illustration or emphasis only, and do not limit or prejudice the generality of the words used before it;
- (h) a reference to a Party to this Contract (including the words you, we and us) includes that Party's successors and permitted assigns;
- (i) a reference to any statute or statutory provision shall be interpreted as including any amendments, modifications or re-enactments to that statute or provision;
- (j) a reference to this Contract or any other document referred to in this Contract is a reference to this Contract or that other document as amended, changed, novated or supplemented (unless this was done in breach of this Contract); and
- (k) a reference to a day (including in the phrase Working Day) means a period of 24 hours running from midnight to midnight.

## Schedule 2

### Service Standard and General Service Obligations

#### 1 The Services

1.1 Provided that you comply with the terms of this Contract, you may hand over to an Inward Mail Centre Mailing Items that bear Postcodes served by that particular Inward Mail Centre from the Access Start Date.

1.2 Subject to you complying with the terms of this Contract we shall:

- (a) for Mailing Items with a Delivery Address in the United Kingdom, handed over by you at our Inward Mail Centres, and accepted by us in line with this Contract, convey and deliver these Mailing Items to the relevant addresses within the United Kingdom within a reasonable time;
- (b) for Mailing Items with a Delivery Address in Jersey, Guernsey or the Isle of Man, handed over by you at our Inward Mail Centres, and accepted by us in line with this Contract, arrange for these Mailing Items to be conveyed and delivered provided that:
  - (i) the volume of your Mailing Items with Delivery Addresses in Jersey, Guernsey and the Isle of Man in any rolling 12 month period does not exceed the Royal Mail SSC Percentage for those territories; and
  - (ii) at the time they are handed over we treat the relevant territory as a domestic destination under our business bulk mail sortation services.

If we no longer treat Jersey, Guernsey or the Isle of Man as domestic destinations under our business bulk mail sortation services, we shall notify you under clause 13.2(a) of the General Access Terms and Conditions, and Mailing Items for the relevant territory will no longer be accepted under this Contract; and

- (c) use reasonable efforts to meet the Service Standard set out in paragraph 2 below.

#### 2 The Service Standard

2.1 Unless stated otherwise, we will deliver your Mailing Items only on Working Days.

2.2 Subject to you complying with the terms of this Contract, the **Service Standard** is that we shall deliver or attempt to deliver 95 per cent of the total number of Mailing Items handed over by you to us with a correct Delivery Address in the United Kingdom to the relevant address on the Working Day following the date the handover occurred or is deemed to have occurred in accordance with this Contract, provided that:

- (a) performance against the Service Standard shall be calculated by reference to our average performance percentage over the Service Standard Period; and
- (b) the total number of Mailing Items referred to in the Service Standard shall not include Mailing Items:



- (i) handed over by you to us that are not accepted by us in line with this Contract;
- (ii) the delivery of which is affected by a Disruptive Event;
- (iii) that are non-compliant with the Presentation Specifications, but have been accepted by us in accordance with Section 10 of the User Guide;
- (iv) that have been lost (including Mailing Items which have not been delivered within 15 Working Days of the date on which we accepted it from you in line with this Contract);
- (v) exceeding the Tolerance in accordance with Section 10 of the User Guide;
- (vi) the delivery of which is delayed as a result of carrying out Security Checks; and/or
- (vii) with a delivery address outside the United Kingdom.

2.3 Each year we (or an independent company) will measure our performance against the Service Standard. As the holder of an Access Contract you agree to participate in the process of measuring the Service Standard if you are asked to do so by us or the independent company responsible for that process.

2.4 Each year we will publish on our Website how we have performed against the Service Standard. Subject to paragraph 2.8, we must pay you a Performance Rebate Amount in respect of each Service Standard Period based on our performance in that period compared to a Compensation Target of 90 per cent. We will periodically review the Compensation Target to take in to account the performance of similar next day Royal Mail delivery services for letters. Any changes made following such a review will be implemented in accordance with clause 13 of the General Access Terms and Conditions.

2.5 The **Performance Rebate Amount** will be calculated in accordance with the following formula:

$$\text{PRA} = \text{AP} * \text{P}$$

where:

**PRA** is the Performance Rebate Amount;

**AP** is the aggregate Postage liable to be paid by you to us in the relevant Service Standard Period adjusted in accordance with clause 11.8(a) of the General Access Terms and Conditions and excluding any expenditure on Mailing Items that did not comply with the terms of this Contract; and

**P** is:

- (a) 0, if the performance of the "Royal Mail Wholesale" business meets or exceeds the Compensation Target; or

- (b) 0.1 per cent, for each 0.1 per cent failure that our actual performance against the Service Standard is below the Compensation Target, up to a maximum of 4 per cent for any Service Standard Period.
- 2.6 Any Performance Rebate Amount payable to you must be paid within one month of the announcement made under paragraph 2.4.
- 2.7 Payment of the Performance Rebate Amount under paragraph 2.6 shall be made:
  - (a) by way of credit against future Postage; or
  - (b) by cheque, if you have terminated your Contract within a Service Standard Period in respect of which a Performance Rebate is awarded in accordance with paragraph 2.4.
- 2.8 We are not obligated to pay the Performance Rebate Amount for any Service Standard Period where:
  - (a) you have not provided reasonable proof that you have suffered loss as a result of our failure to meet our Compensation Target;
  - (b) you have not complied with your credit limits under clause 11.10 of the General Access Terms and Conditions without reasonable excuse;
  - (c) you have paid less than 80 per cent of your invoices within 3 Working Days after the due date for payment; and / or
  - (d) the total Performance Rebate Amount due to you is less than £20.

## **Schedule 3**

### **Price Plans**

[CUSTOMER: Select your Price Plan(s) from Price Plan Options A, B, C and D. You may select any of Options A, B, C and D alone, or combine either Option A or B with Option C. You may not select both Options A and B and you may not combine Option D with any of Options A, B or C.]

Defined terms in this Schedule 3 have the meaning given to them in Schedule 1 (Definitions and Interpretation).

### **OPTION A**

#### **National Price Plan One (SSCs)**

##### **1 Introduction**

- 1.1 You acknowledge that the Access Charges for National Price Plan One (SSCs) are offered on the premise that your Daily Postings under this Price Plan will reflect a typical Royal Mail national geographic mix of Mailing Items.

##### **2 Eligibility to opt for a National Price Plan**

You may only opt for National Price Plan One (SSCs) if you are able to prove to our reasonable satisfaction that you have a reasonable likelihood of meeting the National Spread Benchmark and the Urban Density Benchmark.

##### **3 Your Profile Commitment under National Price Plan One (SSCs)**

- 3.1 The geographic spread and urban density of your Daily Postings under this Price Plan will be measured against the National Spread Benchmark and the Urban Density Benchmark during each Financial Year. You agree to meet the National Spread Benchmark and the Urban Density Benchmark.
- 3.2 A failure by you to meet the National Spread Benchmark and/or the Urban Density Benchmark shall not constitute a material breach for the purposes of clause 7.2 of the General Access Terms and Conditions, but shall entitle us to levy a National Spread Adjustment and/or Urban Density Adjustment (both of which are Profile Adjustments) in accordance with paragraphs 5 and 7 of this Price Plan; provided, however, that we will not apply any Profile Adjustments for failure to meet your Profile Commitment in a Financial Year if you prove, to our reasonable satisfaction, that such failure results directly from:
- (a) a major corporate transaction that involves you, such as a material change in your ownership or structure as a result of a merger, acquisition, restructuring or other major corporate transaction; or
  - (b) unplanned changes in volumes, origination and/or types of Mailing Items as a result of events or circumstances beyond your reasonable control which were not reasonably foreseeable.

For the avoidance of doubt, you may not claim relief from Profile Adjustments under this clause 3.2 for the same set of circumstances any more than once.

## **4 The National Spread Benchmark**

- 4.1 To assess whether you have met the National Spread Benchmark, we shall calculate what percentage of your total volume of Mailing Items in a Financial Year was delivered to each SSC to arrive at your Actual SSC Percentage for each SSC. We shall then compare your Actual SSC Percentage with the National Spread Benchmark for every SSC and express this as a ratio (SSC Ratio) for every SSC. For example, if your Actual SSC Percentage for a particular SSC is 3 per cent, and the National Spread Benchmark for that SSC is 4 per cent, the SSC Ratio for that SSC is 0.75.
- 4.2 We shall apply a Ratio Threshold for each SSC. If your SSC Ratio in any SSC is lower than the Ratio Threshold, that is a Failed SSC. You have met the National Spread Benchmark in a Financial Year if in both National Profile Areas the number of your Failed SSCs is no greater than the SSC Permitted Variance Number for each National Profile Area.
- 4.3 If you do not meet the National Spread Benchmark and you are in breach of paragraph 3.1 above we may levy National Spread Adjustments calculated in accordance with paragraph 5.

## **5 National Spread Adjustment**

- 5.1 Subject to paragraph 5.2, the National Spread Adjustment is calculated by working out the number of additional Mailing Items which you would need to have declared under this Price Plan in each Failed SSC to meet the Ratio Threshold for each SSC (**Attributable Volume**). The National Spread Adjustment will be the National Spread Adjustment Rate per Mailing Item applied to your Attributable Volume.
- 5.2 In carrying out the calculation in paragraph 5.1, we shall in each National Profile Area first calculate the Attributable Volume for each Failed SSC. We then rank in highest Attributable Volume order the Failed SSCs for each National Profile Area. The highest ranking Failed SSCs for each National Profile Area will be the SSCs included within the SSC Permitted Variance Number. Only the Attributable Volume of the remaining Failed SSCs will be used to calculate Adjustments for the purpose of paragraph 5.1.

## **6 The Urban Density Benchmark**

- 6.1 To assess whether you have met the Urban Density Benchmark, we shall measure your Urban SSC Percentage for each SSC and compare it to the Urban Density Benchmark for that SSC. We shall calculate whether your Urban SSC Percentage is greater than or less than the Urban Density Benchmark for each SSC by more than the Urban Permitted Variance.
- 6.2 If none of your Urban SSC Percentages are greater than or less than the Urban Density Benchmark by more than the Urban Permitted Variance, you have met the Urban Density Benchmark.
- 6.3 If any of your Urban SSC Percentages is greater than or less than the Urban Density Benchmark by more than the Urban Permitted Variance, you have not met the Urban Density Benchmark and if you are in breach of paragraph 3.1 we may levy an Adjustment as set out in paragraph 7.

## **7 The Urban Density Adjustment**

For any SSC for which your Urban SSC Percentage is greater or less than the Urban Density Benchmark by more than the Urban Permitted Variance, we shall multiply the percentage by which you fall short of or exceed the Urban Permitted Variance for that SSC by your total volume for that SSC for that Financial Year to arrive at a number of Mailing Items for that SSC which represents that percentage shortfall or excess. If the sum of all the excess volumes exceeds the sum of all the shortfalls, we shall take no action. If the sum of all the shortfalls exceeds the sum of all the excesses so that there is an overall shortfall, we will levy the Urban Density Adjustment Rate per Mailing Item for the whole of that shortfall.

## **8 Reviews**

8.1 Where we accept your uploaded data pursuant to paragraph 8A.3 or we use the actual volume of Mailing Items you have uploaded to our DocketHub system and data derived from our processing machines pursuant to paragraph 8A.4 as representative of your Actual SSC Percentage and Urban SSC Percentage, we will measure your actual Daily Postings' performance against the Dynamic National Spread Benchmark and Dynamic Urban Density Benchmark in each calendar month.

8.2 Where we undertake statistical sampling pursuant to paragraph 8A.5, we will measure your actual Daily Postings' performance against:

- (a) the Dynamic National Spread Benchmark in each calendar month; and
- (b) the Dynamic Urban Density Benchmark in each Quarter.

8.3 We will provide you with details of your Actual Posting Profile on a monthly basis within a reasonable time after the end of the month to which the report applies. In the written report after the end of each Quarter, we will also:

- (a) provide details of your performance against the Dynamic National Spread Benchmark and/or Dynamic Urban Density Benchmark; and
- (b) indicate whether according to the national spread and urban density of your Daily Postings to that point you are likely to be required to pay any Profile Adjustments for that Financial Year.

### **8.4 8A Measuring your volume of Mailing Items for the purpose of deriving your Actual SSC Percentage and Urban SSC Percentage**

8A.1 If you have not chosen the Mailmark option pursuant to paragraph 8A.4, you may opt to declare your actual volume of Mailing Items by zone for the purpose of calculating your Actual SSC Percentage and Urban SSC Percentage. To do this, you must provide us with the information on your Actual Posting Profile with each Daily Posting. You can do this by uploading to our DocketHub system (or any successor electronic billing system), on the day of handover, a Manifest for each Inward Mail Centre that details the number of Mailing Items by weight and by Zone for each Container (in line with the illustration of the Manifest set out in Appendix 2 to this Schedule 3 and the User Guide). Mailing Items for destination to the London Zone must be declared on your Manifest as Zone D. It is your responsibility to upload the Manifest in line with this paragraph 8A.1 and the User Guide.

8A.2 Where the address data on a Mailing Item does not have the Postcode selection in sufficient detail to identify a Zone, you must declare such Mailing Item as Zone Z.

8A.3 Provided that:

- (a) you have provided a correct Actual Posting Profile in accordance with the requirements of paragraph 8A.1 and the User Guide for at least 85 per cent of your total volume of Mailing Items in a Financial Year; and
- (b) the number of Zone Z declared Mailing Items does not exceed 10 per cent of your total number of Mailing Items in a Financial Year,

then we shall accept your uploaded data as representative of your Actual SSC Percentage and Urban SSC Percentage.

8A.4 You may opt to use the Mailmark option for the purpose of calculating your Actual SSC Percentage and Urban SSC Percentage if at least 85% of your total volume of Mailing Items in a Financial Year comply with the specification for the Mailmark option set out in the User Guide. If you choose the Mailmark option and at least 85% of your total volume of Mailing Items in a Financial Year comply with the specification for the Mailmark option set out in the User Guide, then we will use the actual volume of Mailing Items you have uploaded to our Dockethub system (in relation to the National Spread Benchmark) and data we derive from our processing machines (in relation to the Urban Density Benchmark) to determine your actual volume of Mailing Items by Zone for the purpose of calculating your Actual SSC Percentage and Urban SSC Percentage.

8A.5 If you:

- (a) choose not to provide an Actual Posting Profile pursuant to paragraph 8A.1 or do not meet the requirements in paragraph 8A.3; or
- (b) do not use the Mailmark option or you have not posted at least 85% of your Daily Postings in a Financial Year using the Mailmark option,

then we will undertake statistical sampling of your Mailing Items under this Price Plan and from the results of that sampling we will derive a figure representing your Actual SSC Percentage and Urban SSC Percentage during the Financial Year. You agree to accept the results of that sampling activity.

## **9 Payment of Profile Adjustments**

We will invoice you for any Profile Adjustments within 30 days of notifying you of your end of Financial Year performance. Payment of the Profile Adjustments invoiced shall be made in accordance with clause 11 of the General Access Terms and Conditions.

## **10 Payment of Profile Adjustments on Termination of this Contract or Change of Price Plan**

If this Contract terminates or you change or terminate this Price Plan during a Financial Year, we may levy Profile Adjustments in respect of the period from the start of the Financial Year to the date of change or termination of this Price Plan or termination of the Contract (which we refer to in this paragraph as an Abbreviated Financial Year). We will calculate your Profile Adjustments for the Abbreviated Financial Year in line with paragraphs 5 and 7 above as if the Abbreviated Financial Year was a Financial Year, and we will invoice you for those Profile Adjustments

within 30 days of notifying you of your end of Abbreviated Financial Year performance.

## **11 Transferring to the Zonal Price Plan**

If the number of items incurring Profile Adjustments exceeds 15 per cent of your annual volume as invoiced by us under this Price Plan in any Financial Year, we shall terminate your right to post under this National Price Plan (SSCs) on not less than 30 days' notice and you shall be required from the expiry of that 30 day period to post all Mailing Items under the Zonal Price Plan.

## **12 Changes to our Pricing Structure**

The terms of this National Price Plan One (SSCs) are part of our Pricing Structure, and may be varied from time to time in accordance with the provisions of clause 13.2(a) of the General Access Terms and Conditions.

## **OPTION B**

### **Averaged Price Plan Two (Zones)**

#### **1 Introduction**

You acknowledge that the Access Charges for Averaged Price Plan Two (Zones) are offered on the premise that your Daily Postings under this Price Plan will reflect a typical Royal Mail national geographic mix of Mailing Items.

#### **2 Eligibility to opt for an Averaged Price Plan Two (Zones)**

You may only opt for Averaged Price Plan Two (Zones) if you are able to prove to our reasonable satisfaction that it is reasonably likely that the geographic spread of your Daily Postings in any Financial Year will conform to the Royal Mail Zonal Posting Profile.

#### **3 Your Profile Commitment under Averaged Price Plan Two (Zones)**

- 3.1 The geographic spread of your Daily Postings under this Price Plan in each Financial Year will be measured against the Royal Mail Zonal Posting Profile in each Zone. You agree to conform to the Royal Mail Zonal Posting Profile.
- 3.2 Breach of paragraph 3.1 of this Price Plan shall not constitute a material breach for the purposes of clause 7.2 of the General Access Terms and Conditions but shall entitle us to levy an Adjustment calculated in accordance with Appendix 1 of this Price Plan.

#### **4 Measuring your Actual Posting Profile**

- 4.1 If you have not chosen the Mailmark option pursuant to paragraph 4.4, you may opt to declare your actual volume of Mailing Items by zone for the purpose of calculating your Actual Posting Profile. To do this, you must provide us with the information on your Actual Posting Profile with each Daily Posting. You can do this by uploading to our DocketHub system (or any successor electronic billing system), on the day of handover, a Manifest for each Inward Mail Centre that details the number of Mailing Items by weight and by Zone for each Container (in line with the illustration of the Manifest set out in Appendix 2 to this Schedule 3 and the User Guide). Mailing Items for destination to the London Zone must be declared on your Manifest as Zone D. It is your responsibility to upload the Manifest in line with this paragraph and the User Guide.
- 4.2 Where the address data on a Mailing Item does not have the Postcode selection in sufficient detail to identify a Zone, you must declare such Mailing Item as Zone Z.
- 4.3 Provided that:
  - (a) you have provided a correct Actual Posting Profile in accordance with the requirements of paragraph 4.1 and the User Guide for at least 85 per cent of your total volume of Mailing Items in a Financial Year; and
  - (b) the number of Zone Z declared Mailing Items does not exceed 10 per cent of your total number of Mailing Items in a Financial Year,



then we shall accept your uploaded data as representative of your Actual Posting Profile.

- 4.4 You may opt to use the Mailmark option for the purpose of calculating your Actual Profile Percentage if at least 85% of your total volume of Mailing Items in a Financial Year comply with the specification for the Mailmark option set out in the User Guide. If you choose the Mailmark option and at least 85% of your total volume of Mailing Items in a Financial Year comply with the specification for the Mailmark option set out in the User Guide, we will use the data we derive from our processing machines to determine your actual volume of Mailing Items by Zone for the purpose of calculating your Actual Profile Percentage.

- 4.5 If you:

- (a) choose not to provide an Actual Posting Profile pursuant to paragraph 4.1 or do not meet the requirements in paragraph 4.3; or
- (b) do not use the Mailmark option or you have not posted at least 85% of your Daily Postings in a Financial Year using the Mailmark option,

then we will undertake statistical sampling of your Mailing Items under this Price Plan and from the results of that sampling we will derive a figure representing the percentage of the total volume of your Daily Postings you have posted in each Zone during the Financial Year to give us your Actual Profile Percentage for each Zone. You agree to accept the results of that sampling activity.

- 4.6 We will compare your Actual Profile Percentage with the Royal Mail Zonal Posting Profile Adjusted for Permitted Variance as more fully described in Appendix 1 of this Price Plan.
- 4.7 If your Actual Profile Percentage is no greater than the Royal Mail Zonal Posting Profile Adjusted for Permitted Variance, you have conformed to the Royal Mail Posting Profile.
- 4.8 If your Actual Profile Percentage is greater than the Royal Mail Zonal Posting Profile Adjusted for Permitted Variance, you have failed to conform to the Royal Mail Zonal Posting Profile and we may levy Profile Adjustments calculated in accordance with Appendix 1 of this Price Plan.

## **5 Reviews**

- 5.1 Where we accept your uploaded data pursuant to paragraph 4.3 or we use the data derived from our processing machines pursuant to paragraph 4.4, we will provide details of your Actual Posting Profile on a monthly basis in a written report within a reasonable time after the end of the month to which the report applies. In the written report provided after the end of each Quarter, we will also:
- (a) provide details of your performance against the Dynamic Royal Mail Zonal Posting Profile; and
  - (b) indicate whether according to the profile of your Mailing Items by Zone to that point you are likely to be required to pay any Profile Adjustments for that Financial Year.

- 5.2 Where we undertake statistical sampling pursuant to paragraph 4.5, we will share your performance against the Dynamic Royal Mail Zonal Posting Profile in a written report within a reasonable time after the end of the Quarter to which the report applies. This report will also indicate whether according to the profile of your Mailing Items by Zone to that point you are likely to be required to pay any Profile Adjustments for that Financial Year.
- 5.3 If the date on which we begin assessment is part way through a Financial Year, we will increase our sampling during the remainder of that Financial Year to ensure we achieve statistically valid sampling results for that Financial Year.

## **6 Payment of Profile Adjustments**

We will invoice you for any Profile Adjustments within 30 days of notifying you of your end of Financial Year performance. Payment of the Profile Adjustments invoiced shall be made in accordance with clause 11 of the General Access Terms and Conditions.

## **7 Payment of Profile Adjustments on Termination of this Contract or Change of Price Plan**

If this Contract terminates or you change or terminate this Price Plan during a Financial Year, we may levy Profile Adjustments in respect of the period from the start of the Financial Year to the date of the change or termination of Price Plan or termination of this Contract (which we refer to in this paragraph as an Abbreviated Financial Year). Subject to statistically sufficient sampling data having in our reasonable opinion been collected by us during the Abbreviated Financial Year, we will calculate your Profile Adjustments for the Abbreviated Financial Year in line with paragraph 4 and Appendix 1 of this Price Plan as if the Abbreviated Financial Year was a Financial Year, and we will invoice you for those Profile Adjustments within 30 days of notifying you of your end of Abbreviated Financial Year performance.

## **8 Transferring to the Zonal Price Plan**

If the total number of your Mailing Items exceeding the permissible amount in each Zone which has a positive Weighted Average Price Variance Percentage exceeds 15 per cent of your annual volume of Mailing Items (as invoiced by us under the Averaged Price Plan Two (Zones) in any Contract Year) we may terminate your right to post under the Averaged Price Plan Two (Zones) on not less than 30 days' written notice and you shall be required from the expiry of that 30 day period to post all Mailing Items under the Zonal Price Plan.

## **9 Changes to our Pricing Structure**

The terms of this Averaged Price Plan Two (Zones) are part of our Pricing Structure, and may be varied from time to time in accordance with the provisions of clause 13.2(a) of the General Access Terms and Conditions.

## Appendix 1

### Calculation of Profile Adjustments

The principle of this Averaged Price Plan Two (Zones) is that you will meet the Royal Mail Zonal Posting Profile. If you fail to meet this profile, we will levy an Adjustment if your Implied Customer Invoiced Amount is greater than your Allowed Customer Invoiced Amount. Using the Zonal Calculator published on our Website, as updated from time to time, the following steps explain how we calculate such Adjustments:

- 1 Using the Royal Mail Zonal Profile, we apply a Permitted Variance (see the Zonal Calculator on our Website) to the Zones where the Weighted Average Price Variance Percentage is a positive (i.e. those Zones where prices are more expensive on average than the national price) and we adjust the Zone(s) where the Weighted Average Price Variance Percentage is negative so that when summed the zonal values equal 100 per cent. The result of applying this Permitted Variance is reflected in the Royal Mail Zonal Posting Profile Adjusted for Permitted Variance. We provide a reference table of these with the Zonal Calculator, available on the Website, and updated at each tariff change in accordance with this Contract.
- 2 Next, we measure the amount you would have paid if your total annual volume reflected the Royal Mail Zonal Posting Profile Adjusted for Permitted Variance. We call this the 'Allowed Customer Invoiced Amount'. We calculate this amount by applying the Implied Zonal Average Unit Price for each Zone to your annual volume for each Zone as re-profiled to reflect the Royal Mail Zonal Posting Profile Adjusted for Permitted Variance.
- 3 The Allowed Customer Invoiced Amount is compared to the amount that you would have paid on an equivalent Zonal Price Plan using your Actual Posting Profile. Again we use the Implied Zonal Average Unit Prices for each Zone multiplied by the volume of your Actual Posting Profile. We call this your Implied Customer Invoiced Amount.
- 4 Where the amount calculated for your Implied Customer Invoiced Amount exceeds the amount calculated for your Allowed Customer Invoice Amount, an Adjustment will be applied equivalent to the difference between the two.

## **OPTION C**

### **Zonal Price Plan**

#### **1 Zonal Access Charges**

- 1.1 Under the Zonal Price Plan you will be charged differing prices for the Mailing Items you hand over to us according to the Zones within which those Mailing Items are to be delivered.

#### **2 Changes to this Price Plan**

The terms of this Zonal Price Plan, including the number of Zones which forms part of our Pricing Structure and the designation of Postcode Sectors to each Zone may be varied from time to time in accordance with the provisions of clause 13 of the General Access Terms and Conditions.

#### **3 Additional requirements for Zonal Mailing Items**

Mailing Items which you hand over to us under this Zonal Price Plan must meet the specifications set out in the User Guide. We may reject Mailing Items which do not fully comply with the User Guide or process them in line with Section 10 of the User Guide.

## **OPTION D**

### **Regional Price Plan (Zones)**

#### **1 Introduction**

- 1.1 You may choose to operate in one or more of the following regions of the UK: England and Wales; Scotland; and Northern Ireland. You must nominate your chosen Region(s) prior to the Access Start Date.
- 1.2 You acknowledge that the Access Charges for the Regional Price Plan (Zones) are weighted averages reflective of the typical Royal Mail geographic mix of Mailing Items for each specific Region. They are offered on the premise that your Actual Posting Profile under this Price Plan will reflect a typical Royal Mail geographic mix of Mailing Items for your chosen Region(s) as measured to the urban, suburban and rural Zones.
- 1.3 The England & Wales Region excludes the London Zone for the purposes of measuring whether you have conformed to the relevant Royal Mail Zonal Posting Profile. Any Mailing Items that are for delivery in the London Zone will be charged the London Zone's Zonal Charges.
- 1.4 We provide a reference table of each Region's Royal Mail Zonal Posting Profile within the Regional Zonal Calculator available on the Website which we will update from time to time following the end of each applicable Financial Year.

#### **2 Eligibility to opt for the Regional Price Plan (Zones)**

- 2.1 You may only opt for the Regional Price Plan (Zones) if you are able to prove to our reasonable satisfaction that it is reasonably likely that the geographic spread of your Daily Postings in any Financial Year in each chosen Region will conform to the Royal Mail Zonal Posting Profile specific to that Region.

#### **3 Measuring your Actual Posting Profile**

- 3.1 The zonal geographic spread of your Daily Postings under this Price Plan in each Financial Year for each chosen Region will be measured against the Royal Mail Zonal Posting Profile specific to that Region.
- 3.2 You shall provide us the information on your Actual Posting Profile with each Daily Posting. You can do this by uploading to our DocketHub system (or any successor electronic billing system), on the day of handover, a Manifest for each Inward Mail Centre that details the number of Mailing Items by weight and by Zone for each Container (in line with the illustration of the Manifest set out in Annex B to this Price Plan and the User Guide). Mailing Items for destination to the London Zone must be declared on your Manifest as Zone D. It is your responsibility to upload the Mailing Items to the correct Zone. Subject to your correct and accurate completion of the Manifest in line with this paragraph and the User Guide, we shall accept your uploaded data as representative of your Actual Profile Percentage for each Zone.
- 3.3 Where the address data on a Mailing Item does not have the Postcode selection in sufficient detail to identify a Zone, you must declare such Mailing Items as Zone Z. The number of Zone Z Mailing Items must not exceed 10 per cent of your total number of Mailing Items in a Financial Year. We may charge you for the number of

Zone Z Mailing Items that exceed this 10 per cent level at the Zone Z Adjustment Rate.

- 3.4 At the end of each Financial Year, if your Actual Posting Profile for each chosen Region does not match the applicable Royal Mail Zonal Posting Profile for that Region we will charge you Profile Adjustments calculated in respect of that Financial Year in accordance with Appendix 1 of this Price Plan.

#### **4 Reviews**

- 4.1 We will review your Actual Posting Profile for each chosen Region and we will provide you with details of your Actual Posting Profile on a monthly basis in a written report within a reasonable time after the end of the calendar month to which the report applies. In the written report after the end of each Quarter, we will also:
- (a) provide details of your performance against the Dynamic Royal Mail Zonal Posting Profile; and
  - (b) indicate whether according to the profile of your Mailing Items by Zone to that point you are likely to be required to pay any Profile Adjustments for that Financial Year.

#### **5 Profile Adjustments**

- 5.1 We will invoice you for any Profile Adjustments within 30 days of notifying you of your end of Financial Year performance. Payment of the Profile Adjustments invoiced shall be made in accordance with clause 11 of the General Access Terms and Conditions.

#### **6 Payment of Profile Adjustments on Termination of this Contract or Change of Price Plan**

- 6.1 If this Contract terminates or you change this Price Plan during a Financial Year, we may levy Profile Adjustments in respect of the period from the start of the Financial Year to the date of the change of this Price Plan or termination of the Contract (which we refer to in this paragraph as an Abbreviated Financial Year). We will calculate your Profile Adjustments for the Abbreviated Financial Year in line with paragraph 3 and Appendix 1 of this Price Plan as if the Abbreviated Financial Year was a Financial Year, and we will invoice you for those Profile Adjustments within 30 days of notifying you of your end of Abbreviated Financial Year performance.

#### **7 Transferring to the Zonal Price Plan**

- 7.1 If the total number of your Mailing Items exceeding the permissible amount in each Zone exceeds 15 per cent of your annual volume of Mailing Items (as invoiced by us under this Price Plan in any Financial Year) we may terminate your right to post under this Regional Price Plan (Zones) on not less than 30 days' written notice and you shall be required from the expiry of that 30 day period to post all Mailing Items under the Zonal Price Plan.

#### **8 Changes to our Pricing Structure**

- 8.1 The configuration of the Zones of this Regional Price Plan (Zones) are part of our Pricing Structure, and may be varied from time to time in accordance with the provisions of clause 13.2(a) of the General Access Terms and Conditions.



## **Appendix 1**

### **Calculation of Profile Adjustments**

The principle of this Regional Price Plan (Zones) is that you will meet the Royal Mail Zonal Posting Profile of each discrete Region that is relevant to your Contract. If you fail to meet this profile, we will levy an Adjustment if you exceed the Royal Mail Zonal Posting Profile in the Zones where the Weighted Average Price Variance Percentage exceeds 0. Using the Regional Zonal Calculator published on our Website, as updated from time to time, the following steps explain how we calculate such Adjustments for each chosen Region:

- 1 We select the relevant Royal Mail Zonal Profile as the benchmark measure. We provide a reference table of these within the Regional Zonal Calculator, available on the Website.
- 2 Next, we input your annual mailing volumes and postage spend to determine your average item price.
- 3 We then input your Actual Profile Percentages to compare them against the relevant Royal Mail Zonal Profile to determine any variances. The calculator expresses the variances as a number of Mailing Items for each Zone.
- 4 Profile Adjustments will occur if, in the Zones where the Weighted Average Price Variance Percentage exceeds 0 after aggregating the positive and minus variances of Mailing Items calculated in accordance with paragraph 1, above, for such Zones, you have an overall excess number of Mailing Items. We calculate the total Profile Adjustments by taking the variance in the number of Mailing Items by Zone multiplied by your average item price and that sum is then multiplied by the relevant Zone's Weighted Average Price Variance Percentage.
- 5 If your Actual Posting Profile in the Zones where the Weighted Average Price Variance Percentage exceeds 0 after aggregating the positive and minus variances of Mailing Items calculated in accordance with paragraph 1 above, for such Zones, you have an overall minus variance in number of Mailing Items, then no rebate will be paid in respect of such minus variance.



## Appendix 2

### The Manifest

- 1 On the Manifest, you must declare Mailing Items for each Container by Service, average item weight, and number of Mailing Items for each Zone. Where the address data on a Mailing Item does not have the Postcode selection in sufficient detail to identify a Zone, you must declare such Mailing Items as Zone Z. It is your responsibility to upload the Mailing Items to the correct Zone. An example of the correct completion of the Manifest is shown in Figure 1 of this Appendix.
- 6 You may choose to apply to each of your Mailing Items a Zonal Indicator relevant to the Postcode Sector of the corresponding address. If you do so, you must position the Zonal Indicator on a Mailing Item in accordance with the User Guide.

**Figure 1: The Manifest**

<b>Access Point:</b> Inward Mail Centre  <b>Access Site:</b> Mail Centre <b>IMC Address:</b> Any Road Posttown AA1 1AA	<b>Date of Handover to Royal Mail:</b> dd/mm/yy  <b>Account Number:</b>  <b>Posting Docket No:</b>  <b>Licence No:</b>
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**Job Reference:** \_\_\_\_\_

Sheet \_\_\_\_\_ of \_\_\_\_\_

**Individual Bag Identification**

Container ID No.	Originating Customer No.	SSC	Postcode Area	No. Items WB1					No. Items WB2					No. Items WB3					Ave Weight WB2 (g)	Ave Weight WB3 (kg)	Actual Total Weight (kg)	Average Weight of Mail Items (g)	Total Items (units)	Format	Mech/Man/Sort	Level	
				Nat	A	B	C	D	Z	Nat	A	B	C	D	Z	Nat	A	B									C
12345678	ABCDEFGG	123	DE		2	5	1				2	1	6							150		2.15	126	17	Large Letter	Manual	70
12345679	ABCDEFGH	123	DE							5	9	3		1					220		3.96	189	18	Large Letter	Manual	70	
12345670	ABCDEFI	12345	DE1		55	35	53		7												9.0	60	150	Letter	Mech	70	
Total no. of Containers		Totals																									

<b>Delivery Note –</b>  This delivery note does not constitute acceptance that the above details are correct, as these details will be subject to Royal Mail revenue protection and mail verification checks. For the avoidance of doubt, this document only acknowledges the handover of Mailing Items on a time and date specified.  Royal Mail – Please print name: Royal Mail – Signature:	<b>For Royal Mail Use Only</b>  Date of Handover to Royal Mail  Arrival Time at Royal Mail
<b>For Customer Use only</b>  Customer Defined Information field	