

Schedule 7

Agency Terms

1 Background

This Schedule 7 sets out the terms on which you and we agree that you may post mail on behalf of other parties, acting as their agent and such terms shall apply to your Contract with us in addition to the General Access Terms and Conditions (and the rest of this Contract). Defined terms in this Schedule 7 will have the meaning given to them in Schedule 1 (Definitions and Interpretation).

2 Compliance with Agency Terms

- 2.1 Before giving any proposed Agency Customer an Agency Customer Contract to sign, you shall give them a copy of this Contract (including the User Guide). You shall update them on any changes, and give them copies of such changes, to this Contract within 7 days of any change coming into effect.
- 2.2 You agree to use reasonable efforts to ensure that your Agency Customers carry out their obligations set out in, and comply with, the terms of this Contract and their Agency Customer Contract.

3 Eligibility criteria for Agency Customers: exempt or partially exempt from VAT

- 3.1 We may refuse any application by you to act as an agent for a posting customer who is not exempt, or partially exempt from VAT in line with UK legislation at our discretion. If any Agency Customer ceases to be exempt or partially exempt from VAT you must notify us as soon as practicable. We may terminate the Agency Customer Contract of that Agency Customer on 30 days' notice to them at any time after they cease to be exempt or partially exempt from VAT.

4 Agency Customer minimum spend

- 4.1 If the aggregate amount invoiced by us to any of your Agency Customers in any Agency Customer Contract Year does not exceed £5,500 (or, in any Agency Customer's first Agency Customer Contract Year, a sum pro-rated to reflect the number of days remaining in such year), then we may terminate that Agency Customer's Credit Account and/or we may terminate that Agency Customer's Contract on giving the Agency Customer not less than 30 days' notice in line with the terms of their Agency Customer Contract.

5 Execution of the Agency Customer Contract

- 5.1 For each Agency Customer to whom you have given a copy of this Contract (including the User Guide) pursuant to paragraph 2.1 and for whom you have authority to act as their agent for the purpose of their Agency Customer Contract:
- (a) you must complete those sections of the Agency Customer Application Form which the form indicates are to be completed by you and submit to us such completed application form via the link on our Website;
 - (b) as soon as practicable after we receive the completed Agency Customer Application Form from you, we shall carry out our standard customer credit

checks in line with our published credit policy. If the proposed Agency Customer satisfies these standard checks we will send:

- (i) the Agency Customer the Agency Customer Application Form (which may include an amended credit limit section of the form) for them to review and accept. The Agency Customer must accept the details in the Agency Customer Application Form and the Agency Terms as soon as practicable and in any event within 28 days of receiving the Agency Customer Application Form from us; and
 - (ii) a notice to you informing you that we have sent the Agency Customer Application Form to the Agency Customer;
- (c) once we have confirmed our acceptance, you may hand over Agency Postings from the Agency Customer Access Start Date (as defined in the Agency Customer Contract) stated in it.

6 Liability

- 6.1 The provisions of clause 5 of the General Access Terms and Conditions shall apply mutatis mutandis to our and your liability under this Schedule 7, including any liability that we may have to your Agency Customers or any liability that your Agency Customers may have towards us.

7 Disruptive Events

- 7.1 If we cannot carry out any obligation under this Contract or any Agency Customer Contract because of a Disruptive Event, we will tell you about the 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.

- 7.2 Our obligations under this Contract and any Agency Customer 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).

- 7.3 If we cannot carry out any obligation under this Contract or any Agency Customer Contract because of a Disruptive Event we will:

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

8 Terminating this Schedule or Agency Customer Contract

- 8.1 Regardless of any other term of this Contract, we may terminate the terms of this Schedule 7 by giving you not less than 12 month's written notice.

- 8.2 We may terminate an Agency Customer Contract with any of your Agency Customers in line with the terms of this Contract or their Agency Customer Contract. We will use

our reasonable efforts to give you advance notice of our intention to terminate that Agency Customer Contract.

9 Confidentiality

9.1 You and we and your Agency Customers must treat the terms and conditions of the Contract or the Agency Customer Contract and any Confidential Information as confidential and must not disclose the details of the Contract or the Agency Customer Contract or any Confidential Information to any third party without the other Party's written consent, except as permitted by paragraph 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 Each of us may (in good faith) disclose the terms and conditions of the Contract or the Agency Customer 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 the Contract or the Agency Customer 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 paragraph 12.

9.3 In the case of paragraphs 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.

9.4 Each of us may use the other's Confidential Information to exercise our respective rights and perform our respective obligations under the Contract or the Agency Customer Contract without the other Party's consent.

9.5 The terms of this paragraph 9 shall continue to apply after the Contract or the Agency Customer Contract is terminated or ends.

10 Obligation to notify us of your Agency Postings

- 10.1 As soon as practicable following agreement of the Client Report, and in any event by 6pm on that Working Day, you shall tell us the number of Mailing Items for each Agency Customer by format, and weight for each service within that Daily Posting. Detailed reporting procedures are set out in the User Guide and you must comply with these. The information you give should include any information about any Agency Posting, including Agency Postings that are subject to an Adjustment, so that we can invoice your Agency Customers in line with this Contract, the User Guide and their Agency Customer Contracts.
- 10.2 If you provide us with the information under this paragraph 10, we shall invoice the Agency Customers using this information. These Agency Customers shall be responsible for payment of these invoices. If the information provided is incorrect, we shall (at your request and cost) issue amended invoices and/or credit notes to your Agency Customers. You shall indemnify us in respect of any dispute raised by any of your Agency Customers regarding any incorrect information.
- 10.3 If you do not provide us with the information under this paragraph 10, we shall invoice you for that Daily Posting based on the Client Report for that Daily Posting. You shall be responsible for payment of these invoices in line with clause 11 of your General Access Terms and Conditions, and the terms of the General Access Terms and Conditions relating to invoices, payment and non-payment shall apply.

11 Payment Terms

- 11.1 Payment for the Services used by Agency Customers should be made in line with the terms set out in this Contract, (including clause 11 of the General Access Terms and Conditions, Schedule 3 (Price Plans), this Schedule 7 - in particular, the terms of paragraphs 10 and 11 of this Schedule 7 - and the User Guide) and the Agency Customer Contract.
- 11.2 We will give you an account number for each Agency Customers' credit account as soon as reasonably practicable but in any event before the Agency Customer Access Start Date. You must ensure Mailing Items handed over to us on behalf of each Agency Customer are assigned correctly to each Agency Customers' credit account.
- 11.3 You may not post on behalf of any Agency Customer until you have received the account number for their credit account and we have activated it.
- 11.4 You shall ensure that your Agency Customers comply with any credit limit placed on their credit account and all other conditions relating to their credit account.
- 11.5 If any of your Agency Customers are no longer eligible for a credit account, you may not post on their behalf until their credit account has been reinstated. You acknowledge that additional terms and conditions may be applied to their credit account before it is reinstated.
- 11.6 If your Agency Customers are responsible for payment of invoices under paragraph 10, you shall use reasonable efforts to ensure that each of your Agency Customers pays these in line with this Contract and its Agency Customer Contract. If you have done so and any of your Agency Customers still do not pay any of their invoices in line with this Contract and their Agency Customer Contract, their failure to pay is not classed as a breach by you of your Contract. However you shall provide us with any

information and assistance we may reasonably ask for in order to recover all amounts due from those Agency Customers under the terms of this Contract and their Agency Customer Contracts.

12 Disputes

- 12.1 If there is a dispute about or under or in connection with this Contract or any Agency Customer Contract in relation to any of your Agency Customers, your Agency Customer should notify you and that dispute should be resolved by you and us in line with clause 12 of the General Access Terms and Conditions. We do not deal directly with Agency Customers' disputes.

13 Changes

- 13.1 You may ask for a change to an Agency Customer Contract by following the procedure set out in the Statement of Process which you will find on the Website. Your Agency Customers cannot directly request a change to their Agency Customer Contract; that request must be made by you.
- 13.2 We shall not require your Agency Customers' consent to make changes to the Contract or any part of the Contract in line with the terms of the Contract. Clause 13 and 17.10 of the General Access Terms and Conditions apply to the whole of your Contract including but not limited to this Schedule 7 or any changes to Access Charges or any other charges which may affect Agency Customers. You shall inform your Agency Customers of any changes that are made to the Contract in line with the terms of the Contract, including changes to Access Charges or any other charges.
- 13.3 We may change any Agency Customer Contract without your consent or that of any of your Agency Customers in the circumstances set out in clause 13 and 17.10 of the General Access Terms and Conditions and this paragraph 13.
- 13.4 If the Regulator indicates that it wants to change or consult on a change to the Regulatory Conditions which would impact on any of the Services, you and we will discuss any impact of the change on this Contract or the Agency Customer Contracts at the review meetings mentioned in clause 17.3 of the General Access Terms and Conditions. If the Regulator decides to change the Regulatory Conditions, we shall give you at least 90 days' written notice of any change to this Contract or the Agency Customer Contracts (or, if shorter, such period as it is reasonably possible to give in order to meet the requirements of the Regulator as to the time within which such change must be made) that is needed to reflect the obligations placed on us under the revised Regulatory Conditions. This change to the Contract and the Agency Customer Contracts shall take effect on the date the change is made to the Regulatory Conditions. You shall inform your Agency Customers of any such changes under this paragraph 13.4.

14 Intellectual Property Rights

- 14.1 All Intellectual Property Rights in the Customer Access Indicator belong to you, even if it is used on your Agency Customers' Mailing Items. All Intellectual Property Rights in the Royal Mail Access Indicator belong to us, even if it is used on your Agency Customers' Mailing Items. The terms of clause 15 of the General Access Terms and Conditions shall apply to any other Intellectual Property Rights arising under this Contract or any Agency Customer Contract.

15 Indicium and Royal Mail Access Indicator

- 15.1 On expiry or termination of this Contract, this Schedule 7 or the Agency Customer Contract for any reason and subject to any express terms set out elsewhere in this Contract or the Agency Customer Contract you shall ensure that your Agency Customers will comply with the requirements set out in clause 8 of the General Access Terms and Conditions.

16 Agency Customers and National Price Plans

- 16.1 Mailing Items that you hand over to us on behalf of your Agency Customers and amounts that we invoice to your Agency Customers under the terms of this Contract and the Agency Customer Contracts will be classed by us for the purpose of your National Price Plan (if you have selected a National Price Plan in this Contract) as if those Mailing Items were handed over to us on your behalf and as if those amounts invoiced had been invoiced to you.
- 16.2 Under the terms of your National Price Plan (if you have selected a National Price Plan in this Contract) we may levy Profile Adjustments if your Mailing Items do not meet the required posting profile. For the avoidance of doubt, all Profile Adjustments are payable by you and not by your Agency Customers.

17 General

- 17.1 *Opening Mailing Items:* We may open Mailing Items to check that they comply with this Contract and any Agency Customer Contract if we reasonably believe that we need to open and check Mailing Items to see if your Agency Customers are complying with this Contract and any Agency Customer Contract.
- 17.2 Sanctions:
- (a) You must ensure that the Mailing Items handed over to us under an Agency Customer Contract are not prohibited under applicable Sanctions Laws. Information about sanctions can be found on our website at 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.

- 17.3 *Waiver*: Any failure by either Party or an Agency Customer to enforce or to exercise (at any time or for any period) any term of or right under this Contract or any Agency Customer Contract shall not:
- (a) constitute a waiver of that term or right; or
 - (a) affect that Party's or Agency Customer's right to enforce or exercise that term or right later.
- 17.4 *Rights of third parties*: Regardless of the terms of clause 17.8 of the General Access Terms and Conditions, nothing in this Contract or any Agency Customer 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, save that we and your Agency Customers may enforce our respective rights against each other where indicated in this Contract and the Agency Customer Contracts.
- 17.5 *Invalidity*: If any authority or court finds that any clause or part of a clause of the Contract or of any Agency Customer 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 or such Agency Customer Contract.
- 17.6 *Compliance with law or regulatory requirement*: Regardless of any other term of the Contract, if this Contract or any part of it or if any Agency Customer 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 and the Agency Customer Contracts so that they do comply with that law or regulatory requirement.