

21 November 2019

Royal Mail Wholesale

4th Floor 185 Farringdon Road London EC1A 1AA

Updating the Baseline Year for National Price Plan One

Dear Customer,

The Baseline Year is a 12-month period we use to measure Royal Mail's posting profile, from which we then set the National Spread Benchmark and Urban Density Benchmark of National Price Plan One. The current Baseline Year is 1 July 2015 to 30 June 2016.

Some customers have understandably suggested that we should be using the most up to date data to ensure that Royal Mail's profile reflects the use of mail services, and accordingly we are updating the Baseline Year to 1 April 2018 to 31 March 2019. Additionally, with the significant increase in barcoding levels over the past few years, we can now use Mailmark data, to determine the Royal Mail profile, providing even greater assurance on the accuracy of our profile.

When will the change take effect from?

We would like the change to the Baseline Year to be effective from 1 April 2020 (see Access Letters Contract Change Notice 055 appended to this letter). The Access Letters Contract requires us to provide 190 days' notice to amend the Baseline Year. This means we would have had to provide notice to you by 23 September 2019, which we were unable to meet. This is a change that some of our customers tell us is important to them. Therefore we seek consent from all our Access customers to introduce the change on a shorter notice period than required under the Access Letters Contract, but still in excess of the regulatory minimum notice period of 70 days required under USPA 7.4 of the USP Access Conditions.

If we receive unanimous consent from all our Access customers by 23 December 2019, the change will become effective from 1 April 2020. If we do not receive consent from all customers by 23 December 2019, we will not be able to proceed with the change. We will confirm by email whether we have received unanimous consent or not by 24 December 2019.

To provide your consent, please sign a copy of this letter at Annex A below and return by email to shaun.roberts@royalmail.com.

If you have any queries relating to the change to the Baseline Year, please contact your Account Director.

Yours sincerely,

Tim Cable Wholesale Products Director Royal Mail Letters

| Annex A: Customer consent | | |
|--|----------|---|
| I provide consent on behalf of to the Baseline Year to take effec | | ess Letters Contract holder) for the change |
| Authorised Signatory | Name | Date |

ACCESS LETTERS CONTRACT CHANGE NOTICE: NUMBER 055

Date: 21 November 2019

This notice applies if you hold an Access Letters Contract (Contract) with Royal Mail Group Limited, a company registered in England and Wales (number 04138203) with its registered address at 100 Victoria Embankment, London, EC4Y 0HQ.

1 Definitions and interpretation

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

2 Changes to the Contract

- 2.1 Under Clause 13.2.1(a) of the General Access Terms and Conditions, we hereby notify you of the change to the definition of "Baseline Year" to be amended to read "1 April 2018 to 31 March 2019, or such other period of 12 months as may be amended by us from time to time in line with clause 13.2.1".
- 2.2 The changes detailed in paragraphs 2.1 will take effect from 1 April 2020.

Yours sincerely,

Tim Cable

Wholesale Products Director

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