

ACCESS AGREEMENT 2-5kg Packets

1 Background

1.1 **[insert customer name]** ("Customer") entered into an Access Agreement with Royal Mail on **[insert date]**. By agreeing to the terms of this Agreement the Customer will from the **[insert date]** have the option of handing over to Royal Mail Wholesale Packets weighing 2-5kg, on the terms set out in this Agreement.

1.2 Should the Customer exercise this option, the terms of this Agreement shall apply to such Packet postings including but not limited to the criteria that must be satisfied for Mailing Items to qualify as Packets, the Deep Rural Tolerance as set out at paragraph 7 and the Access Charges that apply to 2-5kg Packets as set out in this Agreement.

1.3 All other terms of the Access Agreement will apply in addition to the provisions of this Agreement (including for the avoidance of doubt provisions relating to Force Majeure). Should the terms of this Agreement conflict with the Access Agreement, the terms of this Agreement will prevail.

1.4 Definitions and interpretation (in this Agreement, and in addition to the Access Agreement)

2 – 5kg Packet	means a Packet weighing more than 2kg and no heavier than 5kg;
ALPS	means an Auto Level Packet Sleeve as defined in the ALPS Agreement;
ALPS Agreement	means an agreement between Royal Mail and the Customer for the purchase of ALPS by the Customer; and
Individual Posting	means an Originating Customer Posting, Customer Entity Posting, or Pre-sorted Agency Posting presented as a discretely prepared element of the Daily Posting by use of a Unique Customer Identifier (UCID) that is declared on the associated bag labels and in the specified column on the Manifest.

For the avoidance of doubt, except as set out in the table above, all defined terms set out in this Agreement shall have the meaning attributed to such term in the Access Agreement.

2 Services

2.1 All 2-5kg Packets may only be posted by the Standard Access 120 and Access 1400 services. For the avoidance of doubt, 2-5kg Packets cannot be sent by any other Access Service.

3 Presentation

3.1 All Access 1400 Packet Mailing Items which the Customer hands over to Royal Mail shall be contained in Bags, or ALPS may be used in place of a Bag (provided that the Customer has signed an ALPS Agreement and York Agreement with Royal Mail) where the minimum number of Mailing Items per Bag cannot be accommodated due to either weight restrictions or physical

size. For the avoidance of doubt, ALPS may be used in place of Bags and where a Customer opts to use ALPS in place of a Bag, the ALPS must not contain a mix of loose loaded Packets and Bags. Under no circumstances may Bags be placed into ALPS for presentation to Royal Mail.

- 3.2 All Access 120 Packet Mailing Items can be handed over in Bags or ALPS (provided that the Customer has signed an ALPS Agreement and a York Agreement with Royal Mail). ALPS used for Access 120 Packet Mailing Items are not restricted to only being used where the minimum number of Mailing Items per Bag cannot be accommodated due to weight restrictions or physical size; they can be used as the primary container for the selection code.
- 3.3 Each Bag or ALPS must contain at least 5 packets. Each packet shall weigh more than 2kg but shall not weigh more than 5kg.
- 3.4 The Customer may hand over to Royal Mail Packet Postings which are sorted to the Access 120 or 1400 sortation requirements of the User Guide, and the Access Charges appropriate to that sortation shall be payable by the Customer.
- 3.5 The Customer may on each Working Day:
 - 3.5.1 for each Individual Posting; and
 - 3.5.2 in respect of each Posting which comprises a Consolidated Posting,

fill one Bag or ALPS per sortation selection with Mailing Items sorted according to Access 120 but which do not meet the minimum Bag or ALPS fill requirements set out in paragraph 3.3, which shall be charged at the Access Charges. Any additional under volume containers for the same selection sortation shall be charged the Under Volume Bag item prices in accordance with paragraph 6.2.

4. Use of Address Labels

- 4.1 The label below is an example of a layout; label sizes and designs may vary but the following elements on a label are mandatory:
 - a. clear, legible addresses on all Packet labels;
 - b. delivery address has high prominence to make it clear for postmen to read and must have a 5mm clear zone around it;
 - c. no information to obstruct the clarity of the delivery address nor the return address;
 - d. portrait or landscape is acceptable;
 - e. delivery address can be to right or left of customer information provided there is high clarity and legibility of the delivery address and the ability to easily associate the delivery address with the indicia;
 - f. the words preceding the return address must clearly state "Return Address";
 - g. the return address must be in a font size noticeably smaller than the delivery address and still legible.



5 Revenue protection and mail verification

5.1 If Royal Mail establishes to its reasonable satisfaction that the Customer has not complied with any of its obligations under, or with the requirements in, this Agreement Royal Mail shall be entitled:

- 5.1.1 to reject the relevant Mailing Items, Bags or ALPS under paragraph 2.5.1 of Schedule 1 of the Access Agreement, or
- 5.1.2 allow hand over of the relevant Mailing Items, Bags or ALPS upon the Customer agreeing to pay Royal Mail's prevailing, applicable First Class Packetpost tariff in respect of those Mailing Items.

6 Pricing

6.1 The Customer shall pay Access Charges calculated using the following formula:

$$((\text{Average Weight} - a) * b) + c$$

where:

1400 Packets 2001g – 5000g				
	Price	A	b	c
National		100	0.0708	- 6.98059

120 Packets 2001g – 5000g				
	Price	A	b	c
National		100	0.0853	- 2.84491

6.2 The Customer shall pay the Under Volume Bag prices (price per item) as set out below:
 (b) 2001g - 5000g at Access 1400 prices + £1.90

6.3 The Access Charges are exclusive of VAT and stated at the values for the period year ending 31 March 2012.

- 6.4 Subject to Paragraphs 6.5 and 6.6 Royal Mail may vary the Access Charges in respect of 2 -5kg Packets by the higher of RPI or a 5% increase on the current 2 - 5kg Packet Access Charges (as increased from time to time under this Paragraph 6). For avoidance of doubt, Royal Mail is permitted to decrease prices at its sole discretion by giving ten weeks' prior written notice.
- 6.5 Royal Mail shall provide the Customer with ten weeks' prior written notice of any increase to the 2 - 5kg Packet Access Charges under Paragraph 6.4.
- 6.6 Royal Mail will not increase the 2 - 5kg Packet Access Charges under Paragraph 6.4 more than once in any twelve month period (such period commencing on the Commencement Date until 31 March and in each subsequent year the period of twelve months ending on 31 March).

7 Deep Rural Tolerance

- 7.1 A surcharge will be payable by the Customer on all Packets to Post Code Areas listed in paragraph 7.1.1 that exceed the Deep Rural Tolerance, in the amount set out at paragraph 7.2 of this Agreement (**Deep Rural Surcharge**) if:
- 7.1.1 the Customer hands over to Royal Mail Packets which are accepted by Royal Mail for conveyance and delivery to the following Postcode Areas HS, KW, PH, IV, PA, LD, DG, TD, ZE, JE, GY and IM; and
 - 7.1.2 the volume of Packets to the Post Code Areas listed at paragraph 7.1.1 in any rolling six month period exceeds 4% of the total number of Packets accepted by Royal Mail under the Access Agreement (**Deep Rural Tolerance**).
- 7.2 The Deep Rural Surcharge payable in accordance with paragraph 7.1 of this Agreement shall be £2 per Mailing Item.
- 7.3 The Deep Rural Tolerance and the Deep Rural Surcharge may be varied annually by Royal Mail provided always that Royal Mail shall provide the Customer with ten weeks' prior written notice of such variation.
- 7.4 The measure of Deep Rural Tolerance will be based on the total volume of all Packets accepted by Royal Mail from the Customer, not just those within the 2-5kg range.

8 Termination

- 8.1 Without prejudice to the right to terminate under clauses 8.1 and 8.2 of the Access Agreement, either Party may terminate this Agreement at any time by giving the other six months' prior written notice.
- 8.2 Where the Customer is unable to carry out or meet its obligations under this Agreement due to any reasonable cause not within its reasonable control, Royal Mail acknowledges that in those circumstances it shall not consider that the Customer is in material or persistent breach of the terms of the Access Agreement provided always that the Customer will notify Royal Mail of any such circumstances relevant to this Paragraph 8.2, such notification to include timings and details of the actions to be undertaken by the Customer to remedy those circumstances. For the avoidance of doubt, this Paragraph 8.2 shall not apply to the Customer's obligations to adhere to the payment terms as set out in Clause 11 of the Access Agreement.

9 Notices

All notices and other communications to be served or given to either party under this Agreement shall be given or served in accordance with the terms of the Access Agreement.

10 General

- 10.1 Save as amended by this Agreement, which shall take precedence in relation to the matters to which it relates, the terms of the Access Agreement shall otherwise remain in full force and effect.
- 10.2 This Agreement and any dispute or claim arising out of or in connection with it or its subject matter or formation (including non-contractual disputes or claims) is governed by and construed in accordance with the law of England and Wales.
- 10.3 The Customer irrevocably agrees that the courts of England and Wales shall have exclusive jurisdiction to settle any dispute or claim that arises out of or in connection with this Agreement or its subject matter or formation (including non-contractual disputes or claims).

This Agreement has been entered into on the date stated below.

I am an authorised signatory of the Customer to the Access Agreement to which this Agreement relates

Signed by _____).....

Duly authorised for and on behalf of:

Company _____

Print Name _____

Position _____

Signed by _____).....

Duly authorised for and on behalf of:

Company **Royal Mail Group Ltd**

Print Name _____

Position _____

Date _____