Wholesale Parcels User Guide Amendment notice number 046: Section 6.2

Date: 12 March 2018

Dear Customer.

We notify you under clause 13.2.3 of the Wholesale Parcels Contract that we are making amendments to the Wholesale Parcels User Guide with effect from 22 May 2018. The amendments are being made to reflect a change to the Under Volume Container Charges.

From this date, Section 6.2 will read as follows [changes highlighted in yellow]:

"6.2 Under Volume Containers (Bags, Trays, ALPS)

An Under Volume Container is a Container that does not contain the minimum number of Mailing Items in each weight step as defined in section 6.1.

Your **Actual Container Fill** is the specific number of Mailing Items in an Under Volume Container that you give us on a per container basis.

The Wholesale Average Container Fill is the total number of Mailing Items received by Wholesale in the previous Financial Year divided by the number of containers received in that period.

The Under Volume Container Charge is the fixed charge that we apply in the calculation set out in 6.2.1 below.

Both the Wholesale Average Container Fill and the Under Volume Container Charge are published on our Website and as amended in accordance with clause 13.2.3 of the Contract.

6.2.1 Unique Customer Identifier (UCID) Postings

You have the option of using a Unique Customer Identifier (UCID) on your Container Labels. This is an identifying number (maximum 15 characters) created and assigned by you that uniquely identifies each of your discrete Customer Entities, Posting Entities and Originating Customers which allows you to associate Mailing Items relating to each separate entity/customer The numbering methodology for UCIDs must be submitted and approved by us before use. If you wish to use UCIDs you must complete Schedule 4 of your Contract to submit your proposed UCID numbering methodology for approval by us.

Where a UCID is assigned to a Customer Entity, Posting Entity or Originating Customer, each time you hand over Mailing Items for a particular entity/Customer, the same unique UCID must be used. It is mandatory for that UCID to remain unchanged throughout the life of the Contract, except if you have our approval to make changes.

Where a valid UCID is used, we will restrict the corrective actions we may take under Schedule 2 of the Contract and section 15 of this User Guide against any Mailing Items we find during Revenue Protection which do not comply with the terms of your Contract and this User Guide to those Mailing Items bearing the same UCID.

If you fail to use a UCID in accordance with the terms of your Contract and this User Guide, you will lose the right for your UCID to be recognised for the purposes of Revenue Protection. Where you present a UCID Posting in accordance with Schedule 2 of your Contract and this User Guide then

one Under Volume Container per Standard Selection Code (SSC) per UCID per Service used per day will be charged at the Charges relevant for that Service. This is subject to all other terms and conditions being met.

Any additional Under Volume Container will be surcharged. In calculating the surcharge for an Under Volume Container, we deduct your Actual Container Fill from the Wholesale Average Container Fill, and multiply the resulting number by the Under Volume Container Charge, giving the surcharge due for that individual Under Volume Container in each case, as set out below:

(Wholesale Average Container Fill - Actual Container Fill) x Under Volume Container Charge.

For clarity, Under Volume Container Charges are applied in addition to the postage charges for the items.

Where we have agreed to your numbering methodology for UCID Postings and UCID numbers are being used, for each Container relating to the same UCID Posting, the same UCID number must be visible within the Customer ID field of the Customer Final Label (CFL) (see Section 7) and correspond with the UCID number on the Manifest.

6.2.2 Selecting the Under Volume Container to be charged.

Where more than one Under Volume Container is produced, DocketHUB (or other systems we may develop and make available) will select the Under Volume Container per SSC per Service that will be charged at the relevant Charge on the basis of the following:

- The Under Volume Container per SSC with the least number of Mailing Items; or
- Where two or more Under Volume Containers have the same number of Mailing Items, the Container with the highest average item weight.

All additional Under Volume Containers are to be charged as detailed in section 6.2 and must be declared as such on the Manifest and Posting Docket.

You shall ensure that the Container fill per SSC is maximised subject to the need to meet the requirement that each Container of Mailing Items presented must have the item contents accurately recorded on the Manifest and correspond to the Container's UCID."

Yours sincerely,

Luisa Fulci

Regulated Products Director

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Consumer and Network Access