

WHOLESALE PARCELS CONTRACT CHANGE NOTICE: NUMBER 012

DATE: 8 September 2017

This notice applies to you if you hold a **Wholesale Parcels 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(b) of the Parcels General Access Terms and Conditions, we notify you of a change to the Urban Density methodology of National Price Plan One (SSCs). The change necessitates a change to the following terms of the Contract:

a. Schedule 1: Definitions

The definition of Urban Density Benchmark will change to read as follows:

Urban Density Benchmark	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 Baseline 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 the Baseline Year.
-------------------------	---

b. Schedule 3, Option A, National Price Plan One (SSCs)

Paragraph 7.1 will change to read as follows:

- 7.1 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 Contract 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 surcharge you the Urban Density Surcharge Rate per Mailing Item for the whole of that shortfall.

c. Profiles and Permitted Variances

The new methodology is introduced with a 40% permitted variance. The new Urban Density Benchmark and Urban Permitted Variance for 2018/19 are published on the Website.

- 2.2 The changes detailed in paragraphs 2.1 will take effect from **26 March 2018**.



Luisa Fulci
Regulated Products Director
Consumer and Network Access