



23 July 2021

Royal Mail Wholesale
4th Floor
185 Farringdon Road
London
EC1A 1AA

PRICE CHANGES FOR THE ACCESS LETTERS CONTRACT AND WHOLESALE PARCELS CONTRACT

Dear Customer,

We would like to inform you of price changes that will come into effect from **4 October 2021** for our Parcels services, under the Wholesale Parcels Contract, and for our General Large Letter (GLL) services, under the Access Letters Contract. We summarise the key changes and enclose the formal changes notices as appropriate to your contract(s). Full details of all the changes that come into effect from 4 October 2021 can be found on the pricing pages of our website, www.royalmailwholesale.com.

It continues to be a difficult economic environment for the mail industry, particularly given the ongoing impact of the COVID-19 pandemic. In line with most UK businesses, Covid-19 has also heavily impacted Royal Mail. To mitigate the impact of the pandemic, in 2020/21 we invested significantly in our operation and in implementing preventive measures to ensure the safety of customers and our own staff, in line with Government guidance, overall increasing our operating costs by £87m. With the impacts of the pandemic ongoing, in 2021/22, we are continuing to invest in our operations through increased temporary workers as well as longer term recruitment to stabilise our delivery performance.

We remain firmly committed to delivering the highest level of service possible, while maintaining and investing in the Universal Service, which Royal Mail is honoured to provide. In addition to the costs outlined above, incurred as a result of the Covid-19 pandemic, maintaining the Universal Service (and providing our Access letters and parcels services over the same network) comes with high fixed costs which need to be paid for.

What is changing?

As recently discussed with you, Royal Mail Wholesale intends on withdrawing all Parcel and GLL services that do not carry a barcode from July 2022. Royal Mail, like other parcel operators, will achieve efficiencies through automated sorting and visibility of parcels in the network.

To help customers with migrating to our barcoded services we are not making any changes to the prices for our new Manual Mailmark service which launched on 5 April 2021, and so customers can get even more value by using this service, which gives a lower price for Parcels and GLLs than the non-Mailmark equivalent services.

However, we are making changes to our non-Mailmark Parcels and GLL services as detailed below.

Parcel price changes

From 4 October 2021, we are increasing our prices for non-Mailmark parcels services. Customers who post parcels using Access 70 and Access 1400 will see a 15p per item increase, extending the differential from our equivalent Mailmark services to +25p.

General Large Letters price changes

We are also bringing in changes to our non-Mailmark General Large Letter prices. Customers who post General Large Letters using Access 70 and Access 1400 will see a 5p per item increase, extending the differential from our equivalent Mailmark services to +10p.

Please also find enclosed the formal change notices as relevant to your contract(s).

Unmanifested adjustment charges for Manual Mailmark GLL

Unmanifested adjustment charges across our Mailmark services are applied where we are unable to identify the applicable service under which mailing items are being posted due to the fact they have not been declared on the eManifest. The methodology we adopt to determine the level of the charge is in place to ensure Royal Mail is paid at the appropriate postage price. So, in the case of unmanifested adjustment charges for Mailmark services we revert unmanifested mailing items to the next identifiable service, which for Mailmark Letters and Large Letters is the Access 70 Business Mail price.

We have identified an anomaly in the application of this methodology to the Manual Mailmark GLL service, as stated in the Access User Guide. Section 15.1.5 states that we will apply the Access 70 Business Mail Large Letter or Access 1400 Business Mail Large Letter (as applicable) postage price for unmanifested GLL Manual Mailmark mailing items. Adopting this approach for the Manual Mailmark GLL service however, means we would be underpaid, for unmanifested items as the postage price for the Access GLL Manual Mailmark service is more than the equivalent Business Mail Large Letter price.

To rectify this anomaly, we are making a change to the Access User Guide, so that unmanifested Manual Mailmark GLL mailing items will be charged at the Access 70 Manual Mailmark GLL price. This also brings the methodology into line with the equivalent Manual Mailmark parcels service which adopts the same approach. Appended to this letter is User Guide Amendment Notice (number 064) which provides full details of the changes to take effect from 4 October 2021.

Monthly contract monitoring reports

To support customers with their contractual performance against their respective price plans under the Access Letters Contract, from 31 January 2022, we will be producing monthly price plan contract monitoring reports for all Regional price plan customers and for eligible NPP1 and APP2 customers.

To qualify for the monthly reports, NPP1 and APP2 customers must be measured for conformance against their respective price plan using their Mailmark data. NPP1 customers who are measured using Mail Characteristics Survey (MCS) data will be able to receive the monthly contract monitoring reports showing their performance against the National Spread Benchmark, and for their performance against the Urban Density Benchmark they will continue to receive reports on a quarterly basis. APP2 customers measured using MCS will continue to receive their reports on a quarterly basis. All Regional price plan customers will receive their reports on a monthly basis.

Contract change notice number 078, appended to this letter, provides full details of the changes we are making to the Access Letters Contract to bring this change into effect.

Our commitment to you

Finally, I would like to take this opportunity to thank you for your business. There have been exceptional challenges over the past year, some of which remain. We look forward to continuing to work with you and are committed to delivering the highest levels of service.

Yours sincerely,



Tim Cable
Wholesale Products Director
Royal Mail Letters

**ACCESS LETTERS CONTRACT CHANGE NOTICE: NUMBER 077
CHANGES AFFECTING ALL PRICE PLANS**

DATE: 23 JULY 2021

This notice applies to you 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 185 Farringdon Road, London, EC1A 1AA.


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 We hereby give you notice under clause 13.2.3 of the General Access Terms and Conditions to change the Access Charges for **General Large Letters** with effect from **4 October 2021**, details of which can be found on our Website, www.royalmailwholesale.com/pricing.

Yours sincerely,



Tim Cable
Wholesale Products Director
Royal Mail Letters

**WHOLESALE PARCELS CONTRACT CHANGE NOTICE: NUMBER 031
CHANGES AFFECTING ALL PRICE PLANS**

DATED: 23 JULY 2021

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 185 Farringdon Road, London, EC1A 1AA.

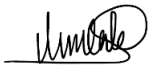
1 Definitions and interpretation

- 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 We hereby give you notice under clause 13.2.3 of the Parcels General Terms and Conditions to change the Charges with effect from **4 October 2021**. Full details of the amended Charges for all Price Plans are included on our Website, www.royalmailwholesale.com/pricing.

Yours sincerely,



Tim Cable
Wholesale Products Director
Royal Mail Letters

**ACCESS LETTERS CONTRACT CHANGE NOTICE: NUMBER 078
CONTRACT MONITORING REPORTS FOR NPP1, APP2 AND REGIONAL PRICE PLANS**

DATE: 23 JULY 2021

This notice applies to you 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 185 Farringdon Road, London, EC1A 1AA.

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 following changes:

2.1.1 In the section entitled 'Terms used in Schedule 3 – Price Plans' in Schedule 1 (Definitions and Interpretation) a new definition will be inserted as follows:

"Quarter" means each three-month period starting on the first day of April, July, October, and January in each Financial Year.

2.1.2 All references to 'quarter' in Schedule 3 (Price Plans) shall be amended to reflect the new definition set out at paragraph 2.1.1. above.

2.1.3 Paragraph 8 of Option A (National Price Plan One (SSCs)) of Schedule 3 (Price Plans) shall be amended as follows:

8 Reviews

8.1 Where we accept your uploaded data pursuant to paragraph 8A.3 or we use the actual volume of Mailing Items you have uploaded to our Dockethub system and data derived from our processing machines pursuant to paragraph 8A.4 as representative of your Actual SSC Percentage and Urban SSC Percentage, we will measure your actual Daily Postings' performance against the National Spread Benchmark and the Urban Density Benchmark in each calendar month.

8.2 Where we undertake statistical sampling pursuant to paragraph 8A.5, we will measure your actual Daily Postings' performance against:

- (a) the National Spread Benchmark in each calendar month; and
- (b) the Urban Density Benchmark in each Quarter.

8.3 We will share this performance with you in a written report within a reasonable time after the end of the month or the Quarter (as applicable) to which the report applies.

This report will also indicate whether according to the national spread and urban density of your Daily Postings to that point you are likely to be required to pay Profile Surcharges for that Contract Year.

2.1.4 Paragraph 8A.1 of Option A (National Price Plan One (SSCs)) of Schedule 3 (Price Plans) shall be amended as follows:

8A.1 If you have not chosen the Mailmark option pursuant to paragraph 8A.4, you may opt to declare your actual volume of Mail Items by zone for the purpose of calculating your Actual SSC Percentage and Urban SSC Percentage. To do this, you must provide us with the information on your Actual Posting Profile with each Daily Posting. You can do this by uploading to our DocketHub system (or any successor electronic billing system), on the day of handover, a Manifest for each Inward Mail Centre that details the number of Mailing Items by weight and by Zone for each Container (in line with the illustration of the Manifest set out in Annex B to this Schedule 3 and the User Guide). Mailing Items for destination to the London Zone must be declared on your Manifest as Zone D. It is your responsibility to upload the Manifest in line with this paragraph and the User Guide.

2.1.5 Paragraph 8A.4 of Option A (National Price Plan One (SSCs)) of Schedule 3 (Price Plans) shall be deleted. The following provisions shall be inserted as paragraphs 8A.4 and 8A.5 of Option A (National Price Plan One (SSCs)) of Schedule 3 (Price Plans):

8A.4 You may opt to use the Mailmark option for the purpose of calculating your Actual SSC Percentage and Urban SSC Percentage, if at least 85% of your total volume of Mailing Items in a Financial Year comply with the specification for the Mailmark option set out in Schedule 20 (Royal Mail Mailmark) and/or in the User Guide. If you choose the Mailmark option and at least 85% of your total volume of Mailing Items in a Financial Year comply with the specification for the Mailmark option set out in Schedule 20 (Royal Mail Mailmark) and/or in the User Guide, then we will use the actual volume of Mailing Items you have uploaded to our Dockethub system (in relation to the National Spread Benchmark) and data we derive from our processing machines (in relation to the Urban Density Benchmark) to determine your actual volume of Mailing Items by Zone for the purpose of calculating your Actual SSC Percentage and Urban SSC Percentage.

8A.5 If you:

- (a) choose not to provide an Actual Posting Profile pursuant to paragraph 8A.1 or do not meet the requirements in paragraph 8A.3; or
- (b) do not use the Mailmark option or you have not posted at least 85% of your Daily Postings in a Financial Year using the Mailmark option,

then we will undertake statistical sampling of your Mailing Items under this Price Plan and from the results of that sampling we will derive a figure representing your Actual SSC Percentage and Urban SSC Percentage during the Financial Year. You agree to accept the results of that sampling activity.

2.1.6 Paragraph 4.1 of Option B (Averaged Price Plan Two (Zones)) of Schedule 3 (Price Plans) shall be amended as follows:

4.1 If you have not chosen the Mailmark option pursuant to paragraph 4.4, you may opt to declare your actual volume of Mail Items by zone for the purpose of calculating your Actual Posting Profile. To do this, you must provide us with the information on your Actual Posting Profile with each Daily Posting. You can do this by uploading to our DocketHub system (or any successor electronic billing system), on the day of handover, a Manifest for each Inward Mail Centre that details the number of Mailing Items by weight and by Zone for each Container (in line with the illustration of the Manifest set out in Annex B to this Schedule 3 and the User Guide). Mailing Items for destination to the London Zone must be declared on your Manifest as Zone D. It is your responsibility to upload the Manifest in line with this paragraph and the User Guide.

2.1.7 Paragraph 4.3 of Option B (Averaged Price Plan Two (Zones)) of Schedule 3 (Price Plans) shall be amended as follows:

4.3 Provided that:

- (a) you have provided a correct Actual Posting Profile in accordance with the requirements of paragraph 4.1 and the User Guide for at least 85% of your total volume of Mailing Items in a Financial Year; and
- (b) the number of Zone Z declared Mailing Items does not exceed 10% of your total number of Mailing Items in a Financial Year,

then we shall accept your uploaded data as representative of your Actual Profile Percentage.

2.1.8 Paragraph 4.4 of Option B (Averaged Price Plan Two (Zones)) of Schedule 3 (Price Plans) shall be deleted. The following provisions shall be inserted as paragraphs 4.4 and 4.5 of Option B (Averaged Price Plan Two (Zones)) of Schedule 3 (Price Plans):

4.4 You may opt to use the Mailmark option for the purpose of calculating your Actual Profile Percentage if at least 85% of your total volume of Mailing Items in a Financial Year comply with the specification for the Mailmark option set out in Schedule 20 (Royal Mail Mailmark) and/or in the User Guide. If you choose the Mailmark option and at least 85% of your total volume of Mailing Items in a Financial Year comply with the specification for the Mailmark option set out in Schedule 20 (Royal Mail Mailmark) and/or in the User Guide, we will use the data we derive from our processing machines to determine your actual volume of Mailing Items by Zone for the purpose of calculating your Actual Profile Percentage.

4.5 If you:

- (a) choose not to provide an Actual Posting Profile pursuant to paragraph 4.1 or do not meet the requirements in paragraph 4.3; or
- (b) do not use the Mailmark option or you have not posted at least 85% of your Daily Postings in a Financial Year using the Mailmark option,

then we will undertake statistical sampling of your Mailing Items under this Price Plan and from the results of that sampling we will derive a figure representing the percentage

of the total volume of your Daily Postings you have posted in each Zone during the Financial Year to give us your Actual Profile Percentage for each Zone. You agree to accept the results of that sampling activity.

- 2.1.9 The rest of the sub-paragraphs in paragraph 4 of Option B (Averaged Price Plan Two (Zones)) of Schedule 3 (Price Plans) shall be re-numbered to take into account the new paragraphs 4.4 and 4.5.
- 2.1.10 Paragraph 5.1 of Option B (Averaged Price Plan Two (Zones)) of Schedule 3 (Price Plans) shall be deleted. The following provisions shall be inserted as paragraphs 5.1 and 5.2 of Option B (Averaged Price Plan Two (Zones)) of Schedule 3 (Price Plans):
- 5.1 Where we accept your uploaded data pursuant to paragraph 4.3 or we use the data derived from our processing machines pursuant to paragraph 4.4, we will share your performance against the Royal Mail Zonal Posting Profile in a written report within a reasonable time after the end of the month to which the report applies to. This report will also indicate whether according to the profile of your Mailing Items by Zone to that point you are likely to be required to pay Profile Surcharges for that Financial Year.
- 5.2 Where we undertake statistical sampling pursuant to paragraph 4.5, we will share your performance against the Royal Mail Zonal Posting Profile in a written report within a reasonable time after the end of the Quarter to which the report applies. This report will also indicate whether according to the profile of your Mailing Items by Zone to that point you are likely to be required to pay Profile Surcharges for that Financial Year.
- 2.1.11 Paragraph 5.2 of of Option B (Averaged Price Plan Two (Zones)) of Schedule 3 (Price Plans) shall be re-numbered as paragraph 5.3.
- 2.1.12 Paragraph 4.1 of Option D (Regional Price Plan Two (Zones)) of Schedule 3 (Price Plans) shall be amended as follows:
- 4.1 We will review your Actual Posting Profile for each chosen Region and we will provide you a written report in respect of your performance within a reasonable time after the end of the calendar month to which the report applies. This report will also indicate whether according to the profile of your Mailing Items by Zone to that point you are likely to be required to pay Profile Surcharges for that Financial Year.

2.2 The changes detailed in paragraph 2.1 above will take effect from 31 January 2021.

Yours sincerely,



Tim Cable
Wholesale Products Director
Royal Mail Letters

**ACCESS USER GUIDE AMENDMENT NOTICE NUMBER 064:
MANUAL MAILMARK UNMANIFESTED CHARGES**

DATE: 23 JULY 2021

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 185 Farringdon Road, London, EC1A 1AA.

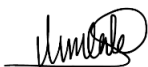
1 Changes

1.1 We notify you under paragraph 8.1 of Schedule 31: Royal Mail Manual Mailmark of the Access Letters Contract that we are changing the Access Letters User Guide to amend the applicable unmanifested charges for the Manual Mailmark Service with effect from 4 October 2021. We are making the following changes per the red text:

1.1.1 **Amend Section 15.1.6 to read as follows:**

| | | | | | |
|--|--|--|------------------------------|--|---|
| <p>For Manual Mailmark Mail the eManifest has not been received or is incorrect.</p> | <p>If you have not uploaded your posting data to the eManifest Handling Service (eMHS) to create the eManifest:</p> <p>i. by 02:00 on the day of handover, for mail you produce via a machine consolidation process; and ii. by 21:00 on the day before handover, for all other pre-sorted Mailing Items; or if there are errors known by you prior to handover to us relating to the upload of your posting data to the eMHS to create the eManifest, we may:</p> <ul style="list-style-type: none"> - hold the Mailing Items until you give us complete and accurate documentation; - reject the Manual Mailmark Mailing Items; and, - apply a Surcharge to cover our administration costs relating to any actions taken. <p>The Surcharges are applied using the following criteria:</p> | | | | |
| | <p>Number of unmanifested items per SCID posting per day</p> | <p>Apply Access 70 Manual Mailmark GLL postage price for the Manual Mailmark Mailing Items</p> | <p>Apply fixed admin fee</p> | <p>Apply per item unmanifested adjustment charge</p> | <p>Apply per item non-compliance charges (e.g. DPS/Postcode Inaccuracy /Missorts)</p> |
| | <p>Less than 500</p> | <p>No</p> | <p>No</p> | <p>No</p> | <p>Yes</p> |
| | <p>Between 500 - 6000</p> | <p>Yes</p> | <p>Yes</p> | <p>No</p> | <p>Yes</p> |
| | <p>More than 6000</p> | <p>Yes</p> | <p>No</p> | <p>Yes</p> | <p>Yes</p> |

Yours sincerely,



Tim Cable
Wholesale Products Director
Royal Mail Letters