



3 May 2007

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**CONDITION 7 NOTIFICATION:
Special Delivery Group Rates**

Dear Caroline,

I am writing to formally notify you, under Condition 7 of Royal Mail's licence of the new Special Delivery Group Rates that will be effective from the 3rd August 2007.

Special Delivery Group Rates allow account customers who operate across multiple sites to qualify for volume related discounts. The minimum tariffs and compensation bands are detailed in Annex A.

A copy of this letter has been sent to Postwatch and will be published on Royal Mail's website within four working days.

Yours sincerely,

Mark Waples
Regulation & Commercial Policy Manager

Cont...

Annex A

Special Delivery Group Rates				
Valid From 3rd August 2007				
By 1pm				
	£500 comp.	£1,000 comp.	£2,500 comp.	
	group rate	group rate	group rate	
Up to 100g	£ 3.56	£ 4.11	£	5.11
100g - 500g	£ 3.96	£ 4.51	£	5.51
500g - 1kg	£ 4.68	£ 5.23	£	6.23
1kg - 2kg	£ 5.24	£ 5.79	£	6.79
2kg - 10kg	£ 14.50	£ 15.05	£	16.05
By 9am				
	£50 comp.	£1,000 comp.	£2,500 comp.	
	group rate	group rate	group rate	

To qualify for this price, each site must:

- Post via a firms collection (not through a Post Office outlet)
- Post through a PPI account.
- Use Royal Mail's electronic billing system
- Not post foreign currency or any items deemed as high risk

The Customer must:

- Meet the minimum 200,000 items per annum entry-level volume requirement. At commencement of the contract, the customer must provide Royal Mail with a breakdown of expected volumes per quarter.
- Accept that any shortfall in volume per quarter will be retrospectively billed in line with agreed terms (one invoice).
- Accept that six months after the commencement date of the contract, the group price will be withdrawn if volumes are not on track and that all sites will revert back to either rate card or site based discounts.
- Accept that the price is available for 12 months from commencement of the contract and will be reviewed at this time.