



29th October 2010

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CONDITION 7 NOTIFICATION:

Service Enhancement and Price Change to
International Signed For, International Signed For Packs
& International Advice of Delivery

Dear Philip,

I am writing to formally notify you, under Condition 7 of our Licence, that Royal Mail will be making an amendment to the International Signed For service and changing the price of its public tariff¹.

From 31st January 2011 we intend to provide enhanced tracking information for public tariff International Signed For items². Currently, tracking information is provided only for the UK part of the journey of the item, so this enhancement will give our customers increased visibility of the progress of their mail. Initially it is anticipated that the new tracking information will be available for a group of industrialised countries and further destinations will be added over time³. Royal Mail would like to offer this enhanced service to customers as soon as possible but is mindful of its Condition 7 obligation to stand still for 3 months.

At the same time we will increase the retail price of public tariff International Signed For to £4.95. The price of enhanced compensation will remain unchanged. The price of International Signed For Packs, being a composite of Airmail, International Sign For and packaging prices, will also increase by 70p from 31st January 2011 to £7.65 for Europe destinations and £9.35 for Rest of World destinations.

The enhanced tracking offering is expected to be available via the eBay/PayPal Online Postage channels as an alternative to Airsure which will cease to be available. As the enhancements made to International Signed For will make International Advice of Delivery outdated, Royal Mail plans to phase out International

¹ Public Tariff includes stamps, franking meters and STL

² This enhancement will also be added to Contract International Signed For

³ It is unlikely that we will be able to add tracking information for all worldwide destinations, due to the technical limitations of some designated postal operators.

Cont...

Advice of Delivery at some point after 31st January 2011. From the 31st January the price of International Advice of Delivery will increase to £1.50 excluding VAT.

A copy of this letter will be sent to Consumer Focus and will be published on our web site within 4 working days.

Yours sincerely,

A handwritten signature in black ink that reads "M Waples". The signature is written in a cursive style with a large, stylized 'M'.

Mark Waples
Head of Regulation & Compliance