



4<sup>th</sup> February 2008

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**CONDITION 7 NOTIFICATION:  
Special Delivery Group Rates 2008**

Dear Caroline,

I am writing to formally notify you, under Condition 7 of Royal Mail's licence, of the new Special Delivery Group Rates and volume bands that will be effective from the 4<sup>th</sup> May 2008.

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



4<sup>th</sup> February 2008

Annex A – Special Delivery Group Rates valid from 4 May 2008

Next Day	£500 compensation			£1000 compensation			£2500 compensation		
	150-200k	200-350k	350-500k	150-200k	200-350k	350-500k	150-200k	200-350k	350-500k
Annual volume									
Up to 100g	3.74	3.59	3.47	4.49	4.34	4.22	5.59	5.44	5.32
100g - 500g	4.14	3.99	3.92	4.89	4.74	4.67	5.99	5.84	5.77
500g - 1kg	4.82	4.68	4.50	5.57	5.43	5.25	6.67	6.53	6.35
1kg - 2kg	5.41	5.24	5.23	6.16	5.99	5.98	7.26	7.09	7.08
2kg - 10kg	15.08	14.50	13.95	15.83	15.25	14.70	16.93	16.35	15.80

By 9am	£50 compensation			£1000 compensation			£2500 compensation		
	150-200k	200-350k	350-500k	150-200k	200-350k	350-500k	150-200k	200-350k	350-500k
Annual volume									
Up to 100g	7.80	7.44	7.39	9.05	8.69	8.64	10.15	9.79	9.74
100g - 500g	8.77	8.31	8.26	10.02	9.56	9.51	11.12	10.66	10.61
500g - 1kg	9.73	9.58	9.53	10.98	10.83	10.78	12.08	11.93	11.88
1kg - 2kg	12.13	11.73	11.68	13.38	12.98	12.93	14.48	14.08	14.03

To qualify for this price, each site must:

- Post via a collection and not through a Post Office outlet
- Post through a Special Delivery 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- Accept that six months after the commencement date of the contract, the group price will be withdrawn if volumes are not on track and that all sites will revert back to either rate card or site based discounts.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.