



23rd December 2008

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**CONDITION 7 NOTIFICATION:
Withdrawal of ASTLL™ from Meters**

Dear Philip,

I am writing to formally notify you, as required by Condition 7 of Royal Mail's Licence, that Royal Mail will be withdrawing the ability to purchase Automated Standard Tariff Large Letter (ASTLL) through a franking meter on 6th April 2009. ASTLL will continue to be available when purchased on account.

Royal Mail has taken this decision as ASTLL sold through a franking meter poses a high risk to revenue and customer satisfaction. ASTLL mail items are not distinguishable from other meter mail items and so ASTLL items cannot be checked for adherence to specification. As a result there is a high risk of surcharging at Delivery Offices where the items appear to have been underpaid. The cost of introducing additional controls to prevent these problems is not economically feasible because of the small number of ASTLL meter customers (thought to be less than 100). Royal Mail will be contacting these customers to explain the reason for this decision and inform them of alternative products.

Although in February 2007 Postcomm decided that ASTLL meter services were substantially similar to First and Second Class Metered Services, the fact that ASTLL did not exist in March 2006 means that, logically, the change cannot be less beneficial to users than as was offered and provided in March 2006 and for that reason Royal Mail does not believe that an issue arises under Condition 21(2).

Cont...

A copy of this letter has been sent to Consumer Focus and will be published on Royal Mail's website within 4 working days. The ASTLL page on our website and literature will be updated in due course.

Yours sincerely,

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

Mark Waples
Head of Regulation and Compliance