



22nd December 2009

Philip Groves & Rebecca Churchill
Postcomm
Hercules House
6 Hercules Road
LONDON
SE1 7DB

Mark Waples
Royal Mail Letters Centre
35-50 Rathbone Place
LONDON
W1T 1HQ
mark.waples@royalmail.com

Copied for information to:

Nigel Woods & Cem Suleyman
Consumer Focus
4th floor
Artillery House
Artillery Row
LONDON
SW1P 1RT

**CONDITION 7 NOTIFICATION:
Royal Mail Tracked™ entry level reduction**

Dear Philip & Rebecca,

I am writing to formally notify you, under Condition 7 of Royal Mail's Licence, that on 6th April 2010, Royal Mail will be lowering the minimum volume entry level for Royal Mail Tracked™ from 5,000 to 2,000 items per annum. The product specification and Terms and Conditions otherwise remain unchanged.

The base prices for Royal Mail Tracked™ customers posting between 2,000 and 4,999 items per annum are shown in Annex A. The base price will be calculated according to customer's own forecasted annual posting profile. Actual prices will vary from the base prices according to destination and sortation as per the existing Royal Mail Tracked™ product. The Royal Mail Tracked calculator, accessed via Royal Mail's website, will be updated with these changes prior to deployment as will the Terms & Conditions. Royal Mail anticipates that the lower entry limit will negate the ability to combine Special Delivery volumes with RM Tracked volumes to access the latter and so will make adjustments to clauses 5.4 and 5.5 of the RM Tracked contract.

This lower entry limit represents a benefit to customers and the market as a whole by expanding the availability of item tracking to smaller businesses. We would like to make this change as soon as possible but are mindful of our obligations under Condition 7.

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

Cont...

Yours sincerely,

A handwritten signature in black ink, reading "M Waples", is displayed on a light gray rectangular background.

Mark Waples
Head of Regulation & Compliance



22nd December 2009

Annex A: New set of base prices for Royal Mail Tracked™

| Weight band | Base Price |
|-------------|------------|
| 0-0.99kg | £3.95 |
| 1-1.49kg | £4.95 |
| 1.5-1.99kg | £4.95 |
| 2-2.49kg | £6.50 |
| 2.5-2.99kg | £6.50 |
| 3-3.49kg | £6.50 |
| 3.5-3.99kg | £6.50 |
| 4-4.49kg | £6.50 |
| 4.5-4.99kg | £6.50 |