



22nd December 2009

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**CONDITION 7 NOTIFICATION:
Special Delivery™ Contract Prices and Group Rates 2010**

Dear Philip & Rebecca,

I am writing formally to notify you, under Condition 7 of Royal Mail's Licence, of the new Special Delivery™ Contract prices and Group Rates that will be effective from 6th April 2010.

Special Delivery™ Contract prices for Next Day and 9.00am allow account customers to qualify for volume related discounts. The new minimum tariffs are detailed in Appendix A.

Special Delivery™ Group Rates allow account customers who operate across multiple sites to qualify for volume related discounts. The new minimum tariffs are detailed in Appendix B.

We have taken the opportunity to reduce some prices slightly in the heavier weight bands in line with other services.

A copy of this letter has been sent to Consumer Focus and will be published on Royal Mail's website within four working days. Changes will be made to product Terms & Conditions in due course.

Yours sincerely,

Mark Waples
Head of Regulation & Compliance

22nd December 2009

Appendix A: Special Delivery™ Contract Pricing Guidelines for Next Day and 9.00am from 6th April 2010

Special Delivery™ Contract Minimum Pricing Guidelines from 6 th April 2010													
9.00am													
Annual Volume	Up to 5k	5-15k	15-30k	30-60k	60-100k	100-150k	150-200k	200-350k	350-500k	500-750k	750K - 1.5M	1.5M -3M	3M+
Up to 100g	£10.85	£10.35	£9.95	£9.40	£8.75	£8.30	£7.87	£7.50	£7.42	£7.33	£7.25	£7.17	
100g - 500g	£12.45	£11.68	£11.06	£10.49	£9.82	£9.25	£8.57	£8.16	£8.09	£8.02	£7.95	£7.88	N/A
500g - 1kg	£14.21	£13.50	£12.78	£11.96	£11.08	£10.26	£9.38	£9.28	£9.21	£9.14	£9.07	£9.00	N/A
1kg - 2kg	£17.27	£15.66	£14.80	£13.87	£12.95	£12.03	£11.11	£11.06	£11.01	£10.96	£10.92	£10.87	N/A
Next Day													
Annual Volume	Up to 5k	5-15k	15-30k	30-60k	60-100k	100-150k	150-200k	200-350k	350-500k	500-750k	750K - 1.5M	1.5M -3M	3M+
Up to 100g	£4.87	£4.30	£4.19	£4.10	£3.97	£3.88	£3.73	£3.59	£3.45	£3.30	£3.20	£3.16	£3.11
100g - 500g	£5.20	£4.67	£4.56	£4.44	£4.29	£4.11	£3.97	£3.83	£3.75	£3.62	£3.56	£3.52	£3.48
500g - 1kg	£6.29	£5.40	£5.30	£5.15	£4.92	£4.72	£4.59	£4.48	£4.31	£4.24	£4.19	£4.17	£4.14
1kg - 2kg	£7.91	£6.46	£6.31	£6.00	£5.57	£5.32	£5.10	£4.98	£4.97	£4.95	£4.90	£4.90	£4.85
2kg - 10kg	£20.65	£17.50	£17.00	£16.50	£15.90	£15.40	£14.80	£14.25	£13.70	£13.15	£12.65	£12.65	£12.50

Notes:

Please note the above prices and conditions below do not constitute Royal Mail's terms and conditions for the Contract Special Delivery service. The above prices reflect our minimum prices for the relevant service and these may vary according to individual customer requirements.

Volume discounts are based on annual posting volume. Items contributing to the volume discount rate (as per the matrix above) must be posted from a single site and the contract price will apply to items posted from that location only. The customer must also have a credit account with Royal Mail (to which Royal Mail credit policy applies).

Please note that these prices include basic compensation for loss or damage of a Special Delivery™ item to a maximum of £50 for Special Delivery 9.00am and £500 for Special Delivery Next Day, or the market value of the item, whichever is the lesser. Higher levels of compensation are available for an additional fee; for Next Day 85p for up to £1,000.00 and £2.55 for up to £2,500.00, and for 9.00am it is £1.55 for up to £1,000.00 and £3.10 for up to £2,500.00 .

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Appendix B: Special Delivery™ Group Rates for Next Day and 9.00am from 6th April 2010

Special Delivery™ Minimum Group Rates from 6 th April 2010												
9.00am												
	£50 compensation				£1000 compensation				£2500 compensation			
Annual volume	150-200k	200-350k	350-500k	500-750k	150-200k	200-350k	350-500k	500-750k	150-200k	200-350k	350-500k	500-750k
Up to 100g	£8.12	£7.70	£7.62	£7.53	£9.67	£9.25	£9.17	£9.08	£11.22	£10.80	£10.72	£10.63
100g - 500g	£8.92	£8.41	£8.34	£8.27	£10.47	£9.96	£9.89	£9.82	£12.02	£11.51	£11.44	£11.37
500g - 1kg	£9.78	£9.58	£9.51	£9.44	£11.33	£11.13	£11.06	£10.99	£12.88	£12.68	£12.61	£12.54
1kg - 2kg	£12.13	£11.73	£11.68	£11.63	£13.68	£13.28	£13.23	£13.18	£15.23	£14.83	£14.78	£14.73
Next Day												
	£500 compensation				£1000 compensation				£2500 compensation			
Annual volume	150-200k	200-350k	350-500k	500-750k	150-200k	200-350k	350-500k	500-750k	150-200k	200-350k	350-500k	500-750k
Up to 100g	£3.87	£3.70	£3.55	£3.40	£4.72	£4.55	£4.40	£4.25	£6.42	£6.25	£6.10	£5.95
100g - 500g	£4.19	£4.03	£3.95	£3.82	£5.04	£4.88	£4.80	£4.67	£6.74	£6.58	£6.50	£6.37
500g - 1kg	£4.77	£4.63	£4.46	£4.39	£5.62	£5.48	£5.31	£5.24	£7.32	£7.18	£7.01	£6.94
1kg - 2kg	£5.26	£5.08	£5.07	£5.05	£6.11	£5.93	£5.92	£5.90	£7.81	£7.63	£7.62	£7.60
2kg - 10kg	£15.08	£14.50	£13.95	£13.40	£15.93	£15.35	£14.80	£14.25	£17.63	£17.05	£16.50	£15.95

Notes:
Please note the above prices and conditions below do not constitute Royal Mail's terms and conditions for the Contract Special Delivery service Group Rates. The above prices reflect our minimum prices for the relevant service and these may vary according to individual customer requirements.
Volume discounts are based on annual posting volumes, reviewed quarterly. The customer must also have a credit account with Royal Mail (to which Royal Mail credit policy applies).