



5th August 2009

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**CONDITION 7 NOTIFICATION:
Amendment to Royal Mail Tracked Terms and Conditions**

Dear Philip,

Further to my letter of 23rd December 2008 regarding the product extension of Royal Mail Tracked, I am writing to formally notify you, as required by Condition 7 of Royal Mail's Licence, that on 5th November 2009 Royal Mail will extend the capability of the Royal Mail Tracked™ product. These extensions have been developed in response to a market demand from customers to align the service for customers sending less than 300,000 items per annum.

New features for customers sending less than 300,000 items per annum

Customers posting less than 300,000 items per annum will have an option to post through the Regional Distribution Centre (RDC) network in addition to Mail Centres. Customers will be able to post items weighing up to 15 kilograms. Pricing will be based on average weights rather than on the volume percentage at each weight band.

Customers will be able to benefit from the following optional attributes at additional cost:

- Electronic proof of delivery signature capture at the doorstep
- Text and email pre-notification options
- A charge equal to the outbound price may apply to items returned to sender

Pricing

The maximum and minimum daily posting volume bands on the pricing calculator will be simplified (from 5 to 3 bands in each case). For customers sending less than 300,000 items per annum the

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effect of an 'unsmooth' posting pattern will be reduced to a maximum of 2% price increase compared with up to 14% currently.

Merging the pricing scales for above and below 300,000 items per annum will result in the following price changes:

- 5% price reduction in the volume bands of 300-400,000 items per annum; and 3.6% reduction in the volume bands of 400-600,000 items per annum
- Some price points above 3 kilograms item weight will be increased by a maximum of 4%. This change is necessary to ensure the correct relationship between the weight and item size.

For customers sending a one-off posting of 100,000 items over 5 working days, a price based on 300,000 items per annum will be offered. Prices can be calculated from a pricing calculator accessed via Royal Mail's [website](#).

Details relating to customers posting more than 300,000 items per annum

For customers sending more than 300,000 items per annum the effect of an 'unsmooth' posting pattern will be reduced to a maximum price increase of 6.2% compared with up to 50% currently.

A copy of this letter is sent to Consumer Focus and will be published on Royal Mail's website within 4 working days. Full details of the Royal Mail Tracked™ product extension including the terms and conditions will be published on Royal Mail's website prior to launch.

Yours sincerely,



Mark Waples
Head of Regulation and Compliance