

BEFORE THE
POSTAL REGULATORY COMMISSION
WASHINGTON, D.C. 20268-0001

MARKET TEST OF EXPERIMENTAL PRODUCT-
INTERNATIONAL MERCHANDISE RETURN SERVICE
NON-PUBLISHED RATES

Docket No. MT2013-2

**CUSTOMER CONTRACT FILING NOTICE FOR
INTERNATIONAL MERCHANDISE RETURN SERVICE – NON-PUBLISHED RATES
SERIAL NUMBER MT-IMRS-NPR-FY14-001
(September 26, 2013)**

In compliance with Order No. 1806,¹ the United States Postal Service gives notice of filing an International Merchandise Return Service customer agreement with the serial number MT-IMRS-NPR-FY14-001. The effective date for this agreement would be October 1, 2013.

The Postal Service is filing this contract with the Commission under seal. The agreement is derived from a common template² and appears essentially the same when redacted. A redacted version of this agreement is filed publicly as Attachment 1.

The Postal Service incorporates by reference the application for non-public treatment that was filed in conjunction with the Postal Service's July 1, 2013, notice in

¹ Order No. 1806, Order Authorizing Market Test to Proceed and Granting Extension, Docket No. MT2013-2, August 12, 2013

² The common template is the IMRS – NPR model contract, which was included as Attachment 4 to the Notice of the United States Postal Service of the Market Test of Experimental Product International Merchandise Return Service – Non-published Rates (IMRS – NPR) and Notice of Filing IMRS-NPR Model Contract and Application for Non-Public treatment of Materials Filed Under Seal. Docket No. MT2013-2, July 1, 2013.

this docket. The application protects from disclosure information in the contract that the Postal Service is filing today with the Commission under seal in this docket.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

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September 26, 2013

**GLOBAL CUSTOMIZED MAIL AGREEMENT BETWEEN
THE UNITED STATES POSTAL SERVICE AND**

[REDACTED]

This Agreement ("Agreement") is between [REDACTED] ("Mailer"), with offices at [REDACTED] and the United States Postal Service ("USPS"), an independent establishment of the Executive Branch of the United States Government, with offices at 475 L'Enfant Plaza SW, Washington, DC 20260-9998. The Mailer and the USPS may be referred to individually as a "Party" and together as the "Parties."

INTRODUCTION

WHEREAS, the Parties desire to enter into a non-exclusive relationship whereby the USPS will provide certain products and/or services to the Mailer pursuant to the terms and conditions contained herein;

WHEREAS, the Parties desire to be bound by the terms of this Agreement;

NOW, THEREFORE, in consideration of the mutual promises set forth below, the Parties hereby agree as follows:

ARTICLE 1. PURPOSE OF THE AGREEMENT

This Agreement shall govern the use the Mailer may make of customized mail service for International Merchandise Return Service from designated countries as specified in Annexes to this Agreement.

ARTICLE 2. DEFINITIONS

As used in this Agreement:

1. "IMM" means the *International Mail Manual* as found on the USPS website pe.USPS.com on the date of mailing.
2. "DMM" means the *Domestic Mail Manual* as found on the USPS website pe.USPS.com on the date of mailing.
3. "Qualifying Mail" means mail that meets the requirements set forth in Article 3 of this Agreement.
4. "Effective Date" means the first date on which the USPS is willing to accept Qualifying Mail.

ARTICLE 3. QUALIFYING MAIL

Qualifying Mail under this Agreement is International Merchandise Return Service (IMRS). IMRS is a non-published service offered by the USPS. IMRS allows for items tendered to Postal Operators in designated countries and which are intended for delivery to addressees in the United States without payment of postage in the designated country. The USPS collects postage and fees for these items from the Mailer in the United States. Qualifying Mail must bear a special label provided by the Mailer.

ARTICLE 4. SPECIFIC PREPARATION REQUIREMENTS

All items mailed under this Agreement must conform to the preparation requirements as defined in separate Preparation Requirement documents specific for each designated country. The USPS shall provide the Mailer with such Preparation Requirement documents prior to the Effective Date of this Agreement.

ARTICLE 5. OBLIGATIONS OF THE USPS

The USPS hereby agrees:

1. Transportation. To coordinate with the appropriate postal authority for the country in which the International Merchandise Return Service items are tendered for delivery of those items in the United States.
2. Confidentiality. To seek non-public treatment of information it determines to be eligible for protection from public disclosure under applicable law and practice when it files the Agreement with the Postal Regulatory Commission, or when it files information (including data) in connection with the Agreement in accordance with other regulatory requirements.

ARTICLE 6. OBLIGATIONS OF MAILER

The Mailer hereby agrees:

1. Qualified Business Reply Mail (QBRM) Program. To participate in either the Qualified Business Reply Mail (QBRM) Program by paying the prescribed accounting fee in accordance with IMM 382.3 and DMM 505.1 or the Merchandise Return Service (MRS) program (see DMM 505). It is not necessary for the Mailer to obtain a separate permit to have IMRS items processed through their advance deposit account.
2. Postage. To pay postage for Qualifying Mail according to the prices listed in the applicable Annex(es) to this Agreement.
3. Payment Method. To pay postage directly to the USPS for all Qualifying Mail by use of an advance deposit account. It is not necessary for the Mailer to obtain a separate permit to have IMRS items processed through their advance deposit account.
4. Confidentiality. To treat as confidential and not disclose to third parties, absent express written consent by the USPS, any information related to this Agreement that is treated as non-public by the Postal Regulatory Commission.
5. Origin Country Requirements. To comply with any requirements or orders of the Postal Operator of the country in which the IMRS shipment is tendered or any applicable laws of the country of origin.

ARTICLE 7. MODIFICATION OF PRICES

1. In the event that the USPS incurs an increase in [REDACTED] [REDACTED] the USPS shall notify the Mailer and modify the price established under this Agreement. The increase in price shall be the same flat rate as the increase in costs.

2. The USPS will give the Mailer thirty (30) days notice of any change to the price established under this Agreement.
3. Any revision to the price(s) established under this Agreement shall not be retroactive.

ARTICLE 8. NO SERVICE GUARANTEE

Nothing in this Agreement shall be construed as a representation or guarantee by the USPS that Qualifying Mail will be delivered to the appropriate addresses within any particular time.

ARTICLE 9. CUSTOMS DUTIES AND TAXES

The USPS shall not be liable for any Customs duties and/or taxes for items mailed under this Agreement.

ARTICLE 10. TERM OF THE AGREEMENT

The USPS will notify the Mailer of the Effective Date of the Agreement within thirty (30) days after the Agreement has been executed. The Agreement will remain in effect for one calendar year from the Effective Date or the last day of the month which falls one calendar year from the Effective Date, whichever is later, unless terminated sooner pursuant to Article 11 or Article 12.

ARTICLE 11. TERMINATION OF THE AGREEMENT

1. Either Party to this Agreement, in its sole discretion, may terminate the Agreement for any reason, without cost, fault, or penalty, regardless of whether either Party is in default, upon a thirty (30) day written notification, unless a time frame longer than thirty (30) days that falls within the term of the Agreement is indicated by the terminating Party.
2. Should the USPS publish prices for International Merchandise Return Service, this Agreement shall terminate at 11:59 p.m. on the date prior to the date such prices go into effect.

ARTICLE 12. MODIFICATION OF THE AGREEMENT

1. Any modification of this Agreement or additional obligation assumed by either Party in connection with this Agreement, with the exception of changes to prices under the terms of Article 7, shall be binding only if placed in writing and signed by each Party.
2. Modifications may be contingent upon any and all necessary approvals by USPS management's executive committee, the Board of Governors of the USPS, the Governors of the USPS, the Postal Regulatory Commission, and/or any other governmental body with oversight responsibility for the USPS.
3. If such approvals are required, the modifications will not become effective until such time as all necessary approvals are obtained.
4. The USPS will notify the Mailer of the date the modification becomes effective within thirty (30) days after receiving the approval of the entities that have oversight responsibility for the USPS.

5. The USPS shall have no obligation to notify the Mailer of the status of the approval process or of potential fulfillment of the approval process.

ARTICLE 13. ENTIRE AGREEMENT AND SURVIVAL

1. This Agreement, including all Annexes thereto, shall constitute the entire agreement between the Parties regarding International Merchandise Return Service and any prior understanding or representation of any kind preceding the date of this Agreement shall not be binding upon either Party except to the extent incorporated in this Agreement. The provisions of Article 5, Paragraph 2; Article 6, Paragraph 4; and Article 14 shall expire ten (10) years from the date of termination or expiration of this Agreement.
2. In the event that either the Mailer or the USPS terminates this Agreement under the terms of Article 11 or Article 12 before the normal expiration date, or in the event that the Mailer and the USPS do not enter into a customized agreement upon the expiration of this current Agreement, Article 24 shall survive termination or expiration of this Agreement. All other Articles of this Agreement shall survive termination or expiration of this Agreement to the sole extent that they bear on the Parties surviving obligations under Article 24.

ARTICLE 14. CONFIDENTIALITY

The Mailer acknowledges that as part of securing approval of this Agreement, and in other subsequent regulatory filings, the Agreement and supporting documentation will be filed with the Postal Regulatory Commission ("Commission") in a docketed proceeding. The Mailer authorizes the USPS to determine the scope of information that must be made publicly available in any Commission docketed proceeding. The Mailer further understands that any unredacted portion of the Agreement or supporting information will be available on the Commission's public website, www.prc.gov. In addition, the USPS may be required to file information in connection with this instrument (including revenue, cost, or volume data) in other Commission dockets, including PRC Docket Numbers ACR2013, ACR2014, and/or ACR2015. The Mailer has the right, in accordance with the Commission's rules, to address its confidentiality concerns directly with the Commission. The procedure for making an application to the PRC for non-public treatment of materials believed to be protected from disclosure is found at Title 39, Code of Federal Regulations, Section 3007.22 found on the Commission's website: www.prc.gov/Docs/63/63467/Order225.pdf. At the request of the Mailer, the USPS will notify the Mailer of the docket number of the Commission proceeding to establish the prices in this instrument once assigned.

ARTICLE 15. FORCE MAJEURE

Neither Party shall be liable for its failure to perform under the terms of this Agreement due to any contingency beyond its reasonable control, including acts of God, fires, floods, wars, sabotage, accidents, labor disputes or shortages, governmental laws, ordinances, rules and regulations, whether valid or invalid, court orders whether valid or invalid, inability to obtain material, equipment or transportation, and any other similar or different contingency.

ARTICLE 16. EFFECT OF PARTIAL INVALIDITY

The invalidity of any portion of this Agreement will not and shall not be deemed to affect the validity of any other provision. In the event that any provision of this Agreement is held to be invalid, the Parties agree that the remaining provisions shall be deemed to be in full force and effect.

ARTICLE 17. LIMITATION OF LIABILITY: INSURANCE

The USPS shall not be liable for any loss of Qualifying Mail or damage to Qualifying Mail mailed under the terms of this Agreement.

ARTICLE 18. INDEMNITY

The Mailer shall indemnify and hold harmless the USPS and its officers, agents, and employees from any and all claims, losses, costs, damages, or expenses ("Claims") growing out of or connected in any other way with the discharge by the Mailer or its agent(s) of any undertaking contained in this Agreement, except for Claims arising out of the negligence or willful misconduct of the USPS or of its officers, agents, or employees. Notwithstanding its obligation to indemnify the USPS, the Mailer shall not be liable for any consequential damages suffered by the USPS.

ARTICLE 19. GOVERNING LAW

This Agreement shall be governed by, construed, and enforced in accordance with United States federal law.

ARTICLE 20. ASSIGNMENT

The rights of each Party under this Agreement are personal to that Party and may not be assigned or transferred to any other person, firm, corporation, or other entity without the prior, express, and written consent of the other Party.

ARTICLE 21. NO WAIVER

The failure of either Party to this Agreement to insist upon the performance of any of the terms and conditions of this Agreement, or the waiver of any breach of the terms and conditions of this Agreement, shall not be construed as thereafter waiving any such terms and conditions, but these shall continue and remain in full force and effect as if such forbearance or waiver had not occurred.

ARTICLE 22. PARAGRAPH HEADINGS AND REFERENCE CITATIONS

The titles to the paragraphs of this Agreement are solely for the convenience of the Parties and shall not be used to explain, modify, simplify, or aid in the interpretation of the provisions of this Agreement. All citations to provisions in the DMM and IMM within this Agreement are intended to refer to the substantive information found within the cited section(s) at the time this Agreement is signed by the Parties. Subsequent changes to the citations or the relevant substantive information due to published revisions of the DMM or IMM shall be applicable to this Agreement upon the effective date of such revisions.

ARTICLE 23. MAILABILITY, CUSTOMS, AND IMPORTABILITY

All items mailed under this Agreement must conform to the mailability requirements of the country in which the items are tendered, must conform to the customs requirements of the United States of America, and conform to the importation and mailability restrictions of the United States of America available at: <http://www.upu.int/en/activities/customs/list-of-prohibited-articles.html>.

ARTICLE 24. CONTINGENCY PRICES

In the event that either the Mailer or the USPS terminates this Agreement under the terms of Article 11 or Article 12 before the normal expiration date, or in the event that the Mailer and the USPS do not enter into a customized agreement upon the expiration of this current Agreement, the Mailer shall pay postage for any Qualifying Mail the USPS receives after the agreed upon termination date or expiration date, as appropriate, [REDACTED]

(Contingency Prices). The Contingency Prices shall be valid for [REDACTED]

[REDACTED] of the termination of this current agreement.

ARTICLE 25. NOTICES

All notices or demands required by this Agreement shall be sufficient if delivered personally or mailed, by Express Mail, to the following individuals:

To the USPS:

Managing Director and Vice President, Global Business
United States Postal Service
475 L'Enfant Plaza SW Room 1P830
Washington, DC 20260-0830

To the Mailer:

[REDACTED]

or via e-mail:

To the USPS at: icmusps@usps.gov

To the Mailer at: [REDACTED]

ARTICLE 26. COUNTERPARTS

The Parties may execute this Agreement in one or more counterparts (including by facsimile or by electronic means such as .pdf format), not all Parties need be signatories to the same documents, and all counterpart-signed documents shall be deemed an original and one instrument.

ARTICLE 27: INTELLECTUAL PROPERTY, CO-BRANDING AND LICENSING

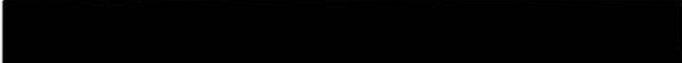
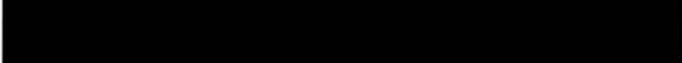
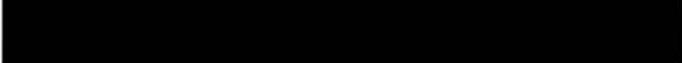
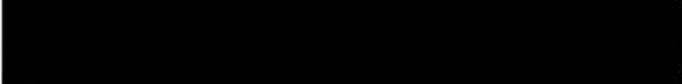
The Parties acknowledge that in the service of marketing the products under this Agreement that such product marketing may be enhanced through the use of co-branding or the use of each Party's trademarks, logos or intellectual property. In such instances, the Parties acknowledge and agree that any use shall be subject to separate written agreements. The Parties acknowledge and agree that neither Party shall use the other Party's trademarks, logos or intellectual property other than to refer to the trademark owner or the trademark owner's services until such time that a license for such use has been executed by the Parties and all laws and regulations required for such license's effectiveness have been perfected, which shall include but not be limited to any recordation requirements.

In witness whereof, each Party to this Agreement has caused it to be executed as indicated below.

ON BEHALF OF THE UNITED STATES POSTAL SERVICE:

Signature: Frank A. Cebello
Name: Frank A. Cebello
Title: Executive Director, Global Business Management
Date: 9/23/13

ON BEHALF OF 

Signature: 
Name: 
Title: 
Date: 

- Annex 1 PRICES FOR INTERNATIONAL MERCHANDISE RETURN SERVICE ITEMS RECEIVED FROM CANADA
- Annex 2 PRICES FOR INTERNATIONAL MERCHANDISE RETURN SERVICE ITEMS RECEIVED FROM AUSTRALIA

ANNEX 1

PRICES FOR INTERNATIONAL MERCHANDISE REPLY SERVICE ITEMS
RECEIVED FROM CANADA

Weight In Pounds	Price	Weight In Pounds	Price
0.5		34	
1		35	
2		36	
3		37	
4		38	
5		39	
6		40	
7		41	
8		42	
9		43	
10		44	
11		45	
12		46	
13		47	
14		48	
15		49	
16		50	
17		51	
18		52	
19		53	
20		54	
21		55	
22		56	
23		57	
24		58	
25		59	
26		60	
27		61	
28		62	
29		63	
30		64	
31		65	
32		66	
33			

ANNEX 2

PRICES FOR INTERNATIONAL MERCHANDISE REPLY SERVICE ITEMS
RECEIVED FROM AUSTRALIA

Weight In Pounds	Price	Weight In Pounds	Price
0.5		34	
1		35	
2		36	
3		37	
4		38	
5		39	
6		40	
7		41	
8		42	
9		43	
10		44	
11		45	
12		46	
13		47	
14		48	
15		49	
16		50	
17		51	
18		52	
19		53	
20		54	
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26		60	
27		61	
28		62	
29		63	
30		64	
31		65	
32		66	
33			