

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

COMPETITIVE PRODUCT PRICES
PRIORITY MAIL CONTRACT 660 (MC2020-246)
NEGOTIATED SERVICE AGREEMENT

Docket No. CP2020-276

**USPS NOTICE OF AMENDMENT TO
PRIORITY MAIL CONTRACT 660, FILED UNDER SEAL**
(June 1, 2021)

The Postal Service hereby provides notice that the terms of Priority Mail Contract 660, in the above-captioned proceeding, have changed as contemplated by the contract's terms. A redacted version of the amendment to Priority Mail Contract 660 is provided in Attachment A, and the unredacted amendment is being filed under seal. The amendment will become effective three business days following the day that the Commission completes its review of this filing.

This amendment will not materially affect the cost coverage of Priority Mail Contract 660. Therefore, the supporting financial documentation and financial certification initially filed in this docket remain applicable. The Postal Service hereby incorporates by reference the Application for Non-Public Treatment originally filed in this docket, for the protection of the customer-identifying information that has been filed under seal.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorney:

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June 1, 2021

ATTACHMENT A TO REQUEST

REDACTED AMENDMENT TO PRIORITY MAIL CONTRACT 660

AMENDMENT #1
OF
SHIPPING SERVICES CONTRACT
BETWEEN
THE UNITED STATES POSTAL SERVICE
AND
[REDACTED]
REGARDING
PRIORITY MAIL SERVICE

WHEREAS, the United States Postal Service (the "Postal Service") and [REDACTED], ("Customer") entered into a Shipping Services Contract, Priority Mail Contract 660/Docket No. CP2020-276, regarding Priority Mail Service on September 15, 2020.

WHEREAS, the Parties desire to amend the terms in Sections I.B, I.C, I.G.1, I.G.2 and I.I of the Contract, as well as, Section I of the Appendix to the Contract.

NOW, THEREFORE, the Parties agree that the Contract is hereby amended as detailed below. The existing Contract remains unchanged in all other respects. This Amendment shall become effective three (3) business days following the day on which the Commission issues all necessary regulatory approval.

Replace Sections I.B, I.C, I.G.1, I.G.2 and I.I of the Contract, as well as, Section I of the Appendix to the Contract, as follows:

I. Terms

B. This Contract applies to Customer's outbound packages that Customer directly fulfills and/or transports by physically touching the packages ("Fulfillment Contract Packages"), as well as, packages shipped by Customer's clients using Customer's logistics management software to ship their outbound packages ("Managed Contract Packages"), (collectively "Contract Packages"), excluding packages originating from and/or addressed to ZIP Codes contained in Table A below, as follows:

1. Priority Mail weight-based packages that do not exceed [REDACTED];
2. Priority Mail cubic packages that do not exceed [REDACTED];
3. Priority Mail Flat Rate Envelopes [REDACTED];
4. Priority Mail Flat Rate Boxes [REDACTED]; and

5. Priority Mail Regional Rate Boxes [REDACTED]



C. Pay Methods, Qualifying Volume and Data Requirements.

1. Customer will manifest Contract Packages, as specified by the Postal Service, using separate permit numbers and/or PC Postage meter numbers to ship such packages, and will use the Electronic Verification System (“eVS”), successor eVS, other USPS approved manifest systems or USPS approved PC Postage vendors for payment of such packages. Approved meters or permits must be registered to the customer, with the customer’s name and address information. Customer shall identify pay methods exclusively for its Fulfillment Contract Packages and separate pay methods exclusively for its Managed Contract Packages. No individual meter or permit shall be used both for Managed and Fulfillment Contract Packages. If a shipper, who is using Customer’s fulfillment and/or logistics management software services, has a direct Shipping Services Contract with the Postal Service, Customer is prohibited from using its own payment accounts for shipment of packages. Customer also agrees to not prohibit shippers using its fulfillment or logistics management software services from using shippers’ own Shipping Services Contract payment accounts and the prices afforded to them in their Shipping Services Contract. No permit, account or payment method may be used for Contract Packages unless such permit, account or payment method has been approved by the Postal Service. Contract pricing for any newly approved permits, payment methods, and/or PC Postage accounts will be effective within fifteen (15) business days after the Parties mutually agree to add such permit, pay method, and/or PC Postage account.
2. Additional data requirements that apply to Contract Packages are as follows:
 - a. Customer shall provide the Postal Service an updated list of its fulfillment locations and addresses at all times.
 - b. Customer shall provide the Postal Service an updated list of its clients’ fulfillment locations and addresses at all times from where clients ship Managed Contract Packages.
 - c. Each Customer or client fulfillment location shall be identified with a unique MID in shipping data along with the shipper name and physical shipping origin address.

- d. Providing pricing below prevailing Priority Mail Commercial Plus prices for Contract Packages is strictly prohibited unless authorized through the process as stated in the Appendix to this Contract.
3. Valid Volumes for tier calculations. Only Contract Packages, and Customer's other non-discounted Priority Mail packages ("Total Packages"), shipped from authorized permits, payment methods, and/or PC Postage accounts shall count toward the tier discounts in Section I.G.
4. The requirements set forth in this Section I.C must be met no later than thirty (30) calendar days after the Effective Date of this Amendment unless modified by mutual agreement in writing. Should Customer fail to do so, the Postal Service may move Customer to prevailing Priority Mail Commercial Plus prices five (5) business days from notification. Additionally, if Customer or its clients are found shipping Contract Packages at Contract Prices from locations it has not previously communicated to the Postal Service in writing as of the date of shipment, such packages may be reassessed by the Postal Service at prevailing Priority Mail Commercial Plus prices and Customer must pay the additional postage due within thirty (30) calendar days of notification. The Postal Service also reserves the right to move Customer to prevailing Priority Mail Commercial Plus prices as a result of repeated occurrences of Customer or clients shipping Contract Packages from ZIP Codes not previously communicated to the Postal Service in writing. The Postal Service also reserves the right to reassess Contract Packages at prevailing published prices after repeated occurrences of Customer failing to provide valid, unique MIDs, shipper names and shipping addresses in shipping data for each shipping location.

G. [Unchanged.]

1. From the effective date of the Amendment, Customer shall receive Tier 3 discounts for its Contract Packages through the Contract Quarter ending September 30, 2021. The price tier for the subsequent Contract Quarter will be determined by the volume of Total Packages shipped in the Contract Quarter ending September 30, 2021.
2. Subsequent Pricing. In subsequent Contract Quarters, Contract Package price tiers will be determined by Customer's volume of Total Packages shipped in the previous Contract Quarter, pursuant to Table C in Section I.G.
3. [Unchanged.]
4. [Unchanged.]

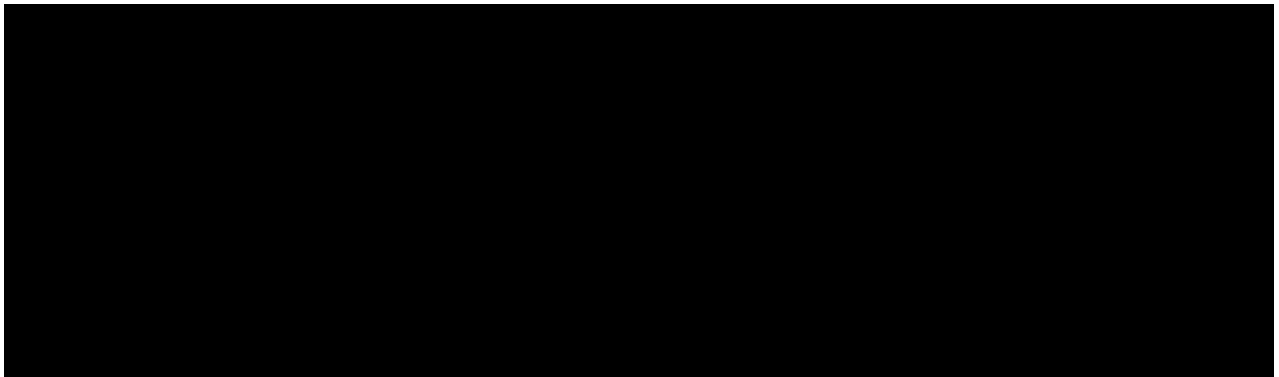
[Replace Section I.I, as follows.]

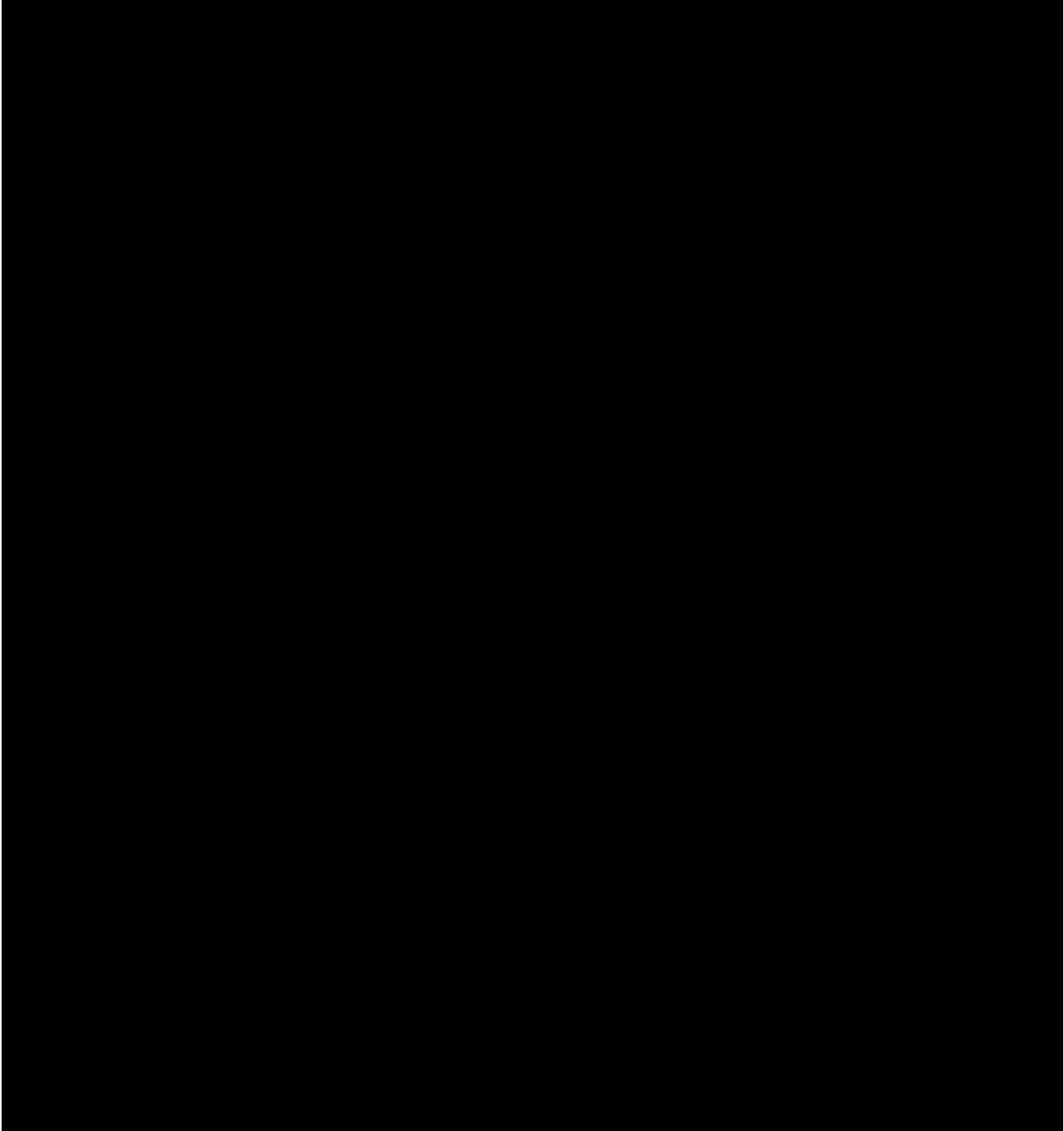
- I. Quarterly Business Reviews. The Parties shall, within thirty (30) calendar days after the conclusion of each full Contract Quarter in each Contract Year, jointly conduct a business review of Customer's Contract Packages, the agreed-upon locations referred to in Section I.C, and other performance expectations under this Contract either in person, by telecom, or by webinar. Each Contract Quarter, Customer must provide to the Postal Service the previous Contract Quarter's volume and amount of discount provided to each client by client name and MID that has access to Priority Mail using rates, rebates, discounts, gratuities, freebies, promotions, inducements or other incentives that make Priority Mail available at prices less than published Commercial Plus prices. If the Postal Service determines that the data provided for clients with access to Priority Mail using rates, rebates, discounts, gratuities, freebies, promotions, inducements or other incentives that make Priority Mail available at prices less than published Commercial Plus prices is incomplete or inaccurate, the Postal Service will notify Customer and Customer shall have thirty (30) calendar days to provide complete and accurate data. If, after the thirty (30) calendar days, the Postal Service finds the data to be inaccurate or incomplete, the Postal Service may require, at its discretion, Customer to move any client where client's data is incomplete and inaccurate to prevailing Commercial Plus prices within fifteen (15) calendar days of written notice by the Postal Service to Customer. If either Party is unable to conduct a business review within thirty (30) calendar days after the conclusion of the above referenced Contract Quarters, it shall notify the other Party in writing (i.e. email or mail) of that fact and propose a date as soon as practicable thereafter. The Postal Service must notify Customer, within fifteen (15) calendar days after the start of each full Contract Quarter, of the applicable tiered discounts for any Contract Packages shipped during that Contract Quarter. The calculated rate for the new Contract Quarter will become effective within fifteen (15) calendar days from the start of the new Contract Quarter.

Appendix to Shipping Services Contract

[Replace Section I, as follows.]

I. Marketplace Requirements





In the event that the Customer is authorized to offer access to Product to one or more Third Parties under this Section I, as part of the overall bundled logistics fulfillment services it provides to such Third Parties, for so long as Customer offers access to Product to any Third Party, Customer shall:

5. Ensure that each Third Party approved hereunder is bound by and expressly agrees to comply with all requirements that the Customer is subject to under the Contract, and expressly agrees that the Third Party's access to Product may be terminated or

suspended in accordance with the Contract terms. In addition, in the event that the Customer receives a written notice from the Postal Service indicating that any Third Party has breached any Contract term, the Customer shall terminate the Third Party's access to the Product effective as of the termination date set forth in said notice (the "Termination Date"), unless the Third Party, as applicable, cures such breach to the Postal Service's satisfaction prior to the Termination Date.

6. Upon request of the Postal Service (not more than four (4) times per Contract year), deliver complete and accurate transaction level data for all Third Party transactions within four (4) weeks of the date of the written request, which data shall be sufficient for the Postal Service to accurately compare postage amounts paid to the Postal Service by Customer with postage amounts paid to Customer by each Third Party and shall be in an electronic file format as specified by the Postal Service.
7. Upon request of the Postal Service, deliver to the Postal Service the Shipper Information and Payment Information listed below, as well as such other information that may be reasonably requested (not more than four (4) times per Contract year, except in cases of suspected fraud, short-paid postage or breach of any Contract term), within four (4) weeks of the date of the written request. Notwithstanding the foregoing, in the event that the Postal Service suspects that a Third Party has short-paid postage, committed fraud or breached any Contract term, Customer shall furnish the Shipper Information and Payment Information listed below, as well as such other information that may be reasonably requested, to the Postal Service immediately upon receipt of a written request from the Postal Service. The Customer shall ensure that any and all Shipper Information, Payment Information and other information furnished to the Postal Service hereunder shall be complete and accurate in all respects and in an electronic file format as specified by the Postal Service. As used herein, "Shipper" shall mean the Third Party for whom the package is being entered into the mailstream.

Shipper Information:

- Unique Shipper ID
- Shipper Legal Name(s) and DBAs at the Account Level
- Shipper Name at the Site Level
- Shipper Address, City, State, ZIP Code
- Legal Address Sufficient for Delivering Service of Process
- Email Address
- Contact Phone Number
- Trusted Address Verification

Payment Information:

- Legal Name of Shipper
- Product Code/Description at the Mail Category Code Level
- Payment Type
- Payment Date and Time

- Payment Amount
- Reported Package Characteristics, including but not limited to mailing date, weight, dimensions, and origin and destination ZIP Codes

8. In the event that any Third Party short-pays postage, fully support the Postal Service's efforts to recoup unpaid amounts, which may include, without limitation, immediately suspending the Third Party's access to Product if requested by the Postal Service.

9. 

6. Provide the below-listed privacy notice to all Third Parties when the Customer is collecting Third Party information on behalf of the Postal Service to administer financial transactions for purchasing postage and to meet postage system reporting requirements. A Privacy Act Statement meets privacy notice requirements when the Customer asks individual Postal Service customers to provide information about themselves and that information will be maintained in a Privacy Act System of Records by the Postal Service. In addition, when collecting Third Party information for its own purposes, the Customer shall disclose to all Third Parties that such information is subject to the Customer's privacy policy.

Privacy Act Statement: Your information will be used to facilitate the purchase of U.S. Postal Service (USPS) postage and fulfill transactional reporting requirements for USPS postage systems. Collection is authorized by 39 U.S.C. 401, 403, and 404. Providing the information is voluntary, but if not provided, your transaction may not be processed. USPS does not disclose your information to third parties without your consent, except to facilitate the transaction, to act on your behalf or request, or as legally required. This includes the following limited circumstances: to a congressional office on your behalf; to financial entities regarding financial transaction issues; to a USPS auditor; to entities, including law enforcement, as required by law or in legal proceedings; and to contractors and other entities aiding us to fulfill the service (service providers). For more information regarding our privacy policies, visit www.usps.com/privacypolicy.

7. Deliver to the Postal Service, upon request, such other items and perform such other actions, as the Postal Service may reasonably determine are necessary in order to permit Customer to continue to offer Product to Third Parties, such as executing a trademark license.

IN WITNESS WHEREOF, the Parties hereto have caused this Amendment to be duly executed as of the later date below:

UNITED STATES POSTAL SERVICE

Signed by: _____ *jacqueline krage strako* _____

Printed Name: Jacqueline Strako

Title: Chief Commerce & Business Solutions Officer and Executive Vice President

Date: 5/27/2021

