

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

COMPETITIVE PRODUCT PRICES  
INBOUND DIRECT ENTRY CONTRACTS WITH FOREIGN POSTAL  
ADMINISTRATIONS (MC2008-6)  
NEGOTIATED SERVICES AGREEMENT

Docket No.  
CP2009-41

**NOTICE OF UNITED STATES POSTAL SERVICE OF FILING  
FUNCTIONALLY EQUIVALENT INBOUND DIRECT ENTRY CONTRACTS  
NEGOTIATED SERVICE AGREEMENT**  
(June 29, 2009)

In accordance with 39 C.F.R. § 3015.5 and Order No. 105,<sup>1</sup> the United States Postal Service (Postal Service) hereby gives notice that the Postal Service has entered into an additional Inbound Direct Entry (IDE) contract with P&T Express Mail Service Joint Stock Company (VNPE). VNPE is established under the aegis of the Vietnam Post and Telecommunications Group, the public postal administration for Vietnam, and VNPE is responsible for Vietnam's fulfillment of international obligations relating to Express Mail Service. Prices and classifications not of general applicability for IDE Contracts were previously established by the Decision of the Governors of the United States Postal Service on the Establishment of Prices and Classifications for Inbound Direct Entry Contracts with Foreign Postal Administrations, issued May 6, 2008 (Governors' Decision No. 08-6).<sup>2</sup> The Postal Regulatory Commission (Commission) has

<sup>1</sup> PRC Order No. 105, Order Concerning Prices Under Inbound Direct Entry Contracts with Certain Foreign Postal Administrations, Docket Nos. MC2008-6, CP2009-14, and CP2009-15, September 4, 2008.

<sup>2</sup> A redacted copy of this decision was filed as an Attachment to the Request of the United States Postal Service to Add Inbound Direct Entry Contracts with Foreign Postal Administrations to the Competitive Product List, and Notice of Filing (Under Seal) the Enabling Governors' Decision and Two Functionally Equivalent Contracts with Foreign Posts, Docket Nos. MC2008-6, CP2008-14, and CP2008-15, August 5, 2008. An unredacted copy of the decision, as well as a record of the Governors' proceedings, was filed under seal that same date.

determined that the individual IDE contracts filed in Docket Nos. CP2008-14 and CP2008-15 are functionally equivalent and should be included in the IDE Contracts product on the Competitive Products List.<sup>3</sup> The Postal Service demonstrates below that the instant agreement is functionally equivalent to the previously submitted IDE agreements. Accordingly, this contract should be included within the IDE Contracts product.

The contract and supporting documents establishing compliance with 39 U.S.C. § 3633 and 39 C.F.R. § 3015.5 are being filed separately under seal with the Commission, although redacted versions of the contract and the certified statement required by 39 C.F.R. § 3015.5(c)(2) are included with this filing as Attachments 1 and 2, respectively.

***I. Identification of the Additional IDE Contract***

The Postal Service believes that this additional IDE contract with VNPE fits within the Mail Classification Schedule (MCS) language included as Attachment A to Governors' Decision No. 08-6. This agreement is set to expire one year after its effective date subject to automatic renewal. The Postal Service will advise the customer within thirty days of completing the regulatory review process.

***II. Confidentiality***

The Postal Service maintains that certain portions of the contract, related financial information, and certain portions of the certified statement required by 39 C.F.R. § 3015.5(c)(2) should remain confidential.<sup>4</sup> Related financial data and portions

---

<sup>3</sup> Order No. 105 at 8.

<sup>4</sup> Because the Commission's recently established rules on confidentiality have not yet taken effect, the Postal Service submits this justification for consideration consistent with prior practice. See PRC Order No. 255, Final Rule Establishing Confidentiality Procedures, Docket No. RM2008-1, June 19, 2009, at 20

of the certified statement contain cost and pricing information showing how prices are developed. Prices and other financial terms in a contract such as this one are highly confidential in the business world, and the Postal Service protects them in accordance with industry standards. Public disclosure would compromise the ability of the Postal Service and foreign postal administrations to negotiate favorable shipping services contracts in the future. Finally, the contract's annexes also contain Postal Service banking information and technical specifications about proprietary Postal Service software: both types of information constitute trade secrets. This information is clearly of a commercial nature, and the Postal Service is aware of no competitor or private company of comparable size and scope that releases such information to the public.

### ***III. Functional Equivalence of IDE Contracts***

The IDE contract under consideration is functionally equivalent to the IDE contracts filed previously, in that they share similar cost and market characteristics, and they therefore should be classified as a single product.<sup>5</sup> With their Decision, the Governors established a pricing formula and classification that ensure each contract meets the criteria of 39 U.S.C. § 3633 and the regulations promulgated thereunder. Therefore, the costs of each contract conform to a common description. In addition, the IDE Contract language contained in the MCS requires that each IDE contract must cover its attributable costs. The contract at issue here meets the Governors' criteria and thus exhibits similar cost and market characteristics to the previous IDE contracts.

---

(ordering the rules to take effect 30 days after publication in the Federal Register, which, according to today's notice, will be July 29, 2009. 74 Fed. Reg. 30938).

<sup>5</sup> In Order No. 85, for example, the Commission concluded, that despite different revenue thresholds, the two Global Plus 1 contracts at issue were "functionally equivalent in all pertinent respects." PRC Order No. 85, Order Concerning Global Plus Negotiated Service Agreements, Docket Nos. CP2008-8, CP2008-9 and CP2008-10, June 27, 2008, at 8.

In a concrete sense as well, this IDE contract shares the same cost and market characteristics as the previous IDE contracts. In essence, with IDE service, the Postal Service is providing foreign postal administrations with the ability to ship sacks of parcels that are pre-labeled for direct entry into the Postal Service's mail stream, in exchange for applicable domestic postage plus a sack handling fee. The core IDE service consists of the sack handling and entry as domestic mail, and does not necessarily depend on the underlying domestic mail services. It is notable, however, that this IDE Contract covers the same domestic services as those in Docket Nos. CP2008-14 and CP2008-15, with the addition of the Priority Mail Small Flat-Rate Box. In almost all substantive respects, this IDE contract resembles the contracts in Docket Nos. CP2008-14 and CP2008-15. Any differences in the amount of fees or in the underlying domestic mail services offered do not alter the IDE Contracts' functional equivalence, because the total costs associated with IDE Contracts are volume-variable and the basic service offered – handling of inbound sacks and induction into the domestic mail stream – is the same.

In addition to cosmetic differences, updates to account for changes in generally applicable Postal Service policies and product structures, and additional terms that simply clarify the applicability of Postal Service policies and export requirements, the Postal Service offers the following identification of material changes, including those that impose new obligations or requirements:

- Term: This contract has a one-year term, subject to automatic renewal. The contracts in Docket Nos. CP2008-14 and CP2008-15 proceed automatically after their first year, until terminated by the parties.
- Underlying Domestic Mail Services: The Priority Mail Small Flat-Rate Box has been added as a domestic mail type that Vietnam Post can access via IDE service. The remaining domestic mail services are the same as those offered under the IDE Contracts in Docket Nos. CP2008-14 and CP2008-15, albeit rearranged to reflect the updated Priority Mail rate structure since Docket No. CP2009-8.
- Future Discounts: The VNPE agreement includes a clause about the parties' desire to explore future opportunities for volume-based discounts. Because this is aspirational and does not represent a new commitment, it does not represent an operative change in the agreement's cost or market characteristics.
- Additional Fees: An item was added to clarify that the Postal Service may charge dimension and balloon rates for items not conforming to the Postal Service's size and weight requirements, as well as for Delivery Confirmation in connection with First Class Mail parcel items. In addition, new language clarifies the need for a permit application fee. These changes are intended to incorporate general rules that apply implicitly in

the context of other IDE agreements, and not to institute changes in actual practice.

- Customs Liability: As a result of negotiations, provisions have changed concerning the IDE customer's payment responsibilities in the event of detention or seizure by Customs and Border Protection. However, the new language expressly maintains that sack handling fees will continue to apply regardless of any other postage liability. Because sack handling represents the distinguishing cost feature of IDE service, the agreement's essential functional equivalence is unaffected by these changes.
- Payment Account Details: The payment methods are the same as those provided in the contract filed in Docket No. CP2009-15, although the Centralized Trust Account payment method was not offered for the contract filed in Docket No. CP2009-14. An annex that explains the account's particulars has been added at VNPE's request, which the Postal Service understands to be based on Vietnam's financial regulatory requirements. Due to negotiations with the respective parties, certain financial thresholds may differ between the instant IDE contract and that filed in Docket No. CP2009-15.

In the Postal Service's view, these updated provisions simply add detail or elaboration to processes that were included in the prior IDE contracts. Because this

agreement, as well as the two filed previously, incorporate the same cost attributes and methodology, the relevant cost and market characteristics are similar, if not the same, for the IDE contracts. The Postal Service does not consider that the specified differences affect either the fundamental service the Postal Service is offering or the fundamental structure of the contracts.

Thus, the cost and market characteristics of this agreement are substantially similar to those of prior IDE contracts. Nothing detracts from the conclusion that these agreements are “substantially equivalent in all pertinent respects.”<sup>6</sup>

#### **IV. Conclusion**

For the reasons discussed above, and on the basis of the financial data filed under seal, the Postal Service has established that this new IDE contract is in compliance with the requirements of 39 U.S.C. § 3633 and is functionally equivalent to other IDE contracts. Accordingly, this contract should be added to the existing IDE Contracts product.

---

<sup>6</sup> PRC Order No. 105 at 8.

Respectfully submitted,

UNITED STATES POSTAL SERVICE  
By its attorneys:

Anthony F. Alverno  
Chief Counsel, Global Business

Jacob Howley

475 L'Enfant Plaza, S.W.  
Washington, D.C. 20260-1137  
(202) 268-8917; Fax -6187  
jacob.d.howley@usps.gov  
June 29, 2009

**Service Level Agreement Between  
the United States Postal Service and P&T Express Service  
Joint Stock Company to  
Facilitate Inbound Sack Shipments**

This Agreement is between the United States Postal Service ("USPS"), an independent establishment of the executive branch of the Government of the United States, and the P&T Express Service Joint Stock Company ("VNPE").

**ARTICLE 1: PURPOSE OF THE AGREEMENT**

This Agreement sets out the terms and conditions upon which VNPE and USPS will cooperate to provide delivery services (the "Services") for VNPE's customers who wish to send Packages or Sacks (both as defined below) to end recipients in the United States. By way of such cooperation arrangement between VNPE and USPS, VNPE's customers in Vietnam can have access to the postal services of USPS, at rates offered by USPS to its domestic customers in the United States.

**ARTICLE 2: DESCRIPTION OF SERVICE**

1. The purpose of this Agreement is to foster growth of international postal trade between VNPE and USPS.
2. After receipt by VNPE of Packages from any Shipper, VNPE will be responsible for:
  - a. affixing USPS domestic labels onto each Package, and for such purpose, USPS hereby authorizes VNPE to affix such USPS domestic labels subject to the provisions of Article 7(1);
  - b. processing the Packages in VNPE's Offices of Exchange;
  - c. transporting the Packages to U.S. points of entry via VNPE's international network; and
  - d. presenting to USPS in Sacks containing multiple Packages. USPS will, upon receipt of the Sacks, present them to the U.S. Customs & Border Protection. Once custom clearance is obtained, USPS will induct individual Packages into the domestic mail stream based on the appropriate mail class, product or category and deliver them to the Recipients.

**ARTICLE 3: DEFINITIONS**

For the purposes of this Agreement, the following terms shall have the following meanings:

1. "Package" means any individual parcel, envelope, or other mailpiece deposited by Shippers with VNPE in Vietnam for onward delivery to Recipients in the United States using the domestic postal services of USPS;

2. "Recipient" means a legal or natural person who is the end recipient in the United States of one or more Packages or Sacks sent by a Shipper through VNPE and delivered by USPS in the United States;
3. "Sack" means a bag containing one or more Packages and weighing not more than 70 pounds (31.75 kg) that VNPE transmits to USPS for onward delivery to Recipients in the United States;
4. "Services" has the meaning given in Article 1;
5. "Shipment" means a dispatch of one or more Sacks which collectively contain at least five Packages from VNPE to USPS for delivery to Recipients;
6. "Shipper" means a legal or natural person who deposits one or more Packages with VNPE in Vietnam for onward delivery to Recipients in the United States using the domestic postal services of USPS;
7. "U.S." mean the United States; and
8. "US\$" or "\$" means United States dollars, the lawful currency of the United States.

#### **ARTICLE 4: PRICES**

1. The following pricing structure applies to all inbound Shipments:  
Total Price per Sack = Sack Handling Charge + (Sum of Applicable U.S. Domestic Postage for each Package) + Special Services Fee (per Package as applicable)
2. A Sack handling charge of [REDACTED] will be applied to each Sack that is dispatched by VNPE.
3. USPS domestic rates will be available in the following options:
  - a. First-Class Mail Parcel
  - b. Priority Mail, Commercial Base

Note: Delivery Confirmation or Signature Confirmation is required on all packages. As a result, VNPE must pay an additional fee for the use of Delivery Confirmation on First-Class Mail parcels.

The specific rates for each option can be found in **Annex 1**.
4. Prices/Fees for Special Services can be found in **Annex 1**.
5. Customs duties and taxes for Packages shipped under this Agreement are the responsibility of the Recipient unless otherwise designated. In no event shall the USPS be responsible for any such charges.
6. All prices, fees and charges payable to USPS are subject to adjustments based on periodic updates to USPS's cost attributions and published domestic rates. USPS will give VNPE thirty days written notice in advance of the effective date of any change in applicable prices, fees or charges. USPS and the VNPE agree to explore volume-based discounts in the future in the event that volume levels of packages increase. Such volume level increases necessary to commence said exploration shall be mutually agreed upon by the parties from time to time and are subject to internal and regulatory approval.

## **ARTICLE 5: PACKAGE SPECIFIC PREPARATION REQUIREMENTS**

VNPE will ensure that each of the following Package preparation requirements are complied with.

1. Package Dimensions and Weight. Each Package shipped under this Agreement must conform to the size and weight limitations for the relevant price option described in Annex 2 of this Agreement and in the United States Postal Service Domestic Mail Manual, available at [pe.usps.gov](http://pe.usps.gov). VNPE agrees to communicate these requirements to Shippers as a condition of Shipment. Parcels that do not meet the size and weight requirements as outlined by the USPS will be charged additional dimension and balloon rates.
2. Package Contents. All Packages mailed under this Agreement must conform to the mailability requirements of the USPS as detailed in the Domestic Mail Manual. Packages shall conform to the importation restrictions of the United States as set forth in the International Mail Manual section 710 entitled Treatment of Inbound Mail, which can be accessed online at [http://pe.usps.com/text/imm/immc7\\_001.htm](http://pe.usps.com/text/imm/immc7_001.htm); and in accordance with the United States country listing in the Universal Postal Union's List of Prohibited Items, which can be accessed at the Universal Postal Union website at: [http://www.upu.int/customs/en/country\\_list\\_en.pdf](http://www.upu.int/customs/en/country_list_en.pdf). Packages should also conform to USPS' regulations on Mailable Dangerous Goods as set forth in the International Mail Manual section 135 entitled Mailable Dangerous Goods, which can be accessed online at [http://pe.usps.com/text/imm/immc1\\_013.htm](http://pe.usps.com/text/imm/immc1_013.htm). USPS shall not be responsible for the contents or customs status of any packages imported under this Agreement. For packages seized or disposed of by U.S. Customs and Border Protection Agency and not released, the VNPE will not be charged domestic postage for those packages. For packages detained but eventually released, applicable domestic postage will apply. In any event, the sack handling fees shall apply. The VNPE agrees to communicate these requirements to shippers as a condition of shipment.
3. Package Labeling. Each Package will display the appropriate label consistent with U.S. domestic mail regulations, including displaying a U.S. return address. VNPE may open a P.O. Box address for this purpose at ZIP Codes corresponding to each International Service Center (Office of Exchange). A completed Customs Declaration form will be affixed to each Package. This form shall either bear no barcode or bear the same barcode as on the domestic mail label. These details are outlined in **Annex 4**. VNPE agrees to communicate these requirements to Shippers as a condition of Shipment.

## **ARTICLE 6: SACK PREPARATION REQUIREMENTS**

VNPE will ensure that each of the following Sack preparation requirements are complied with.

1. Packages with a declared value of over US\$2,000 may require formal customs clearance, as determined by U.S. Customs and Border Protection, and may be subject to administrative fees by USPS, in addition to any duties and taxes assessed by U.S. Customs and Border Protection.
2. VNPE shall not accept any shipment under this Agreement containing fewer than five Packages per Shipper per transaction.

3. Only the USPS domestic products listed in Article 4(3) above may be commingled in a Sack containing Packages under this Agreement. International products, including but not limited to Express Mail Service (EMS) and Air Parcels (Air CP), may not be commingled in sacks containing packages under this Agreement.
4. The total weight of each Sack may not exceed 70 pounds (approx. 31.75 kg).
5. Multiple Sacks can be assigned to a Shipment. They should be numbered sequentially with the final Sack labeled as the "F" Sack.
6. Hard copies of PS Form 3152, shipment manifest, dispatch receptacle package content report, and postage statement shall be placed with the dispatch inside the final Sack.
7. The VNPE, using Global Shipping Software (GSS) (see Article 7 below), will prepare a postage statement or postage statements. Hard copy of this postage statement(s) need to be included in each dispatch with a separate postage statement for each mail class. Pre-alert of the shipment will be sent by email to an address provided by USPS, Attention: Global Business Asia Pacific Group. The pre-alert should include information on:
  - a. Dispatch OE
  - b. Destination OE
  - c. Flight Number and airline
  - d. Departure & Arrival Time
  - e. Total number of sacks in the dispatch
  - f. Total number of packages in each sack
  - g. Total number of packages in the dispatch
8. Sack identification
  - a. Each sack will contain a 29-character UPU barcode with a "CD" as mail subclass code.
  - b. Each Sack shipped under this Agreement will be easily identifiable and distinguishable from other Sacks by use of uniquely colored visual identifiers affixed to each Sack.
9. To expedite the processing and delivery of the packages, VNPE may present Shipments to corresponding ISCs based on routing requirements, especially for zone-based Priority Mail shipments. The specific routing instructions can be found in **Annex 5**.

#### **ARTICLE 7: TECHNICAL REQUIREMENTS OF VNPE**

VNPE will ensure that each of the following technical requirements are complied with.

1. Global Shipping Software Requirements.

The Global Shipping Software ("GSS") application will allow VNPE to print USPS domestic mail labels within the scope of this Agreement only. VNPE

must adhere to all hardware, software, and security requirements associated with using the GSS application, as outlined in **Annex 6**. In addition, VNPE must comply with any and all applicable intellectual property rights and obligations, including those set forth in the terms and conditions of the GSS software or application.

2. Data requirements.

- a. Package Details. All package-level details requested by the GSS application must be either entered manually or uploaded through an electronic file into the GSS application.
- b. Customs Pre-advice. VNPE will provide customs pre-advice where technically feasible or if otherwise required by U.S. Customs & Border Protection. To the extent that VNPE develops appropriate electronic communications platforms, customs pre-advice will be required for all Shipments.
- c. Package-Sack Nesting. All individual pieces must be associated with a Sack through a receptacle-level scan. Barcode and package-level details must be nested within corresponding Sack barcodes.
- d. Tracking and Barcode Mapping. GSS will enable mapping of VNPE's unique package ID to USPS domestic barcodes. USPS will provide domestic tracking events which include notification for packages detained by U.S. Customs & Border Protection, and delivery and signature confirmation (optional) tracking events back to GSS for retrieval by VNPE.

**ARTICLE 8: FINANCIAL REQUIREMENTS OF VNPE**

VNPE will ensure that each of the following financial requirements are complied with.

1. USPS Permit Account. VNPE will open one or more permit accounts with USPS. USPS will facilitate the establishment of permit accounts for VNPE. However, VNPE shall still be responsible for the permit application fee of \$180.00 (\$185.00 if paid after May 11<sup>th</sup> 2009) which can be paid in a method determined by USPS. VNPE may use one of the following methods to pay for postage and fees (such as Sack handling fees, Special Services fees, and billing adjustments, but excluding the permit application fee):
  - a. **Centralized Debit Account** — VNPE may designate a debit-enabled bank account for postage charges. This account must be with a U.S. bank and must meet any and all requirements for such accounts under U.S. statutes, regulations, or other law. The bank account will be debited for each day's total postage and fees on the next bank business day.
  - b. **Centralized Trust Account** - VNPE deposits funds using electronic funds transfer to the USPS Centralized Account Processing System (CAPS) bank prior to shipping. The CAPS account is automatically reduced when local post offices process postage statements. Additional fees will be deducted accordingly.

2. Postage Statement. A hard copy of the applicable USPS Postage Statement will need to be included in each dispatch, and in the case of multiple sack dispatch, in the final ("F") sack. Postage statements for distinct mail classes are required to be submitted separately. To the extent that GSS does not have the capability to process sack handling or other charges, these charges will be invoiced to VNPE on a monthly basis. All packages are subject to electronic verification process for revenue protection purposes. Upon verification via USPS's Electronic Verification System (eVS), postage will be electronically deducted from VNPE's *PostalOne!* postage payment account. VNPE can review the results of postage samplings online.
3. Revenue Tracking. VNPE shall establish a mechanism to track revenue and periodically reconcile it with USPS.
4. Commercial Customs Clearance. VNPE is responsible for paying all service charges incurred as a result of using a commercial broker for commercial customs clearance services.

#### **ARTICLE 9: RETURN SERVICE, CUSTOMER INQUIRIES AND COMPENSATION**

1. Return Service. USPS domestic rates only cover return service to the U.S. return address on the mail label. To the extent that VNPE elects to make arrangements for the return of any packages via international mail, VNPE will be required to pay regular international postage to be applied to the destination location. In the event that USPS handles any such return services, additional administrative fees shall be applicable and will be charged to VNPE accordingly. Any such administrative fees may be subject to internal or regulatory approvals.
2. Customer Inquiries.
  - a. Inquiries from Recipients**. USPS shall be responsible for responding to inquiries by Recipients about Shipments governed by this Agreement, in accordance with USPS's domestic customer service standards. VNPE shall forward any and all such inquiries that it receives to the designated USPS Global Business contact. VNPE will provide the designated USPS Global Business contact with such package-level details as USPS may require to respond to those inquiries. Where possible, USPS will attempt speedy resolution to customer inquiries. In general, this should not exceed more than 3-4 days.
  - b. Inquiries from Shippers**. VNPE shall be responsible for responding to inquiries by Shippers about Shipments governed by this Agreement, in accordance with VNPE's domestic customer service standards. USPS shall forward any and all such inquiries that it receives to the designated VNPE contact. The designated VNPE contact must be available to accept any such forwarded inquiries by both telephone and e-mail. USPS will provide the designated VNPE contact with such package-level details as VNPE may require to respond to those inquiries.
  - c. Undeliverable Returns**. USPS shall not be responsible for any international returns for undeliverable Packages. Any undeliverable Packages shall be returned to the U.S. return address required under Article 5 Section 3 of this Agreement but shall be subject to the requirements related to

undeliverable mail found in the USPS Domestic Mail Manual, which can be accessed at [http://pe.usps.com/text/dmm300/dmm300\\_landing.htm](http://pe.usps.com/text/dmm300/dmm300_landing.htm).

3. **Compensation.** All compensation terms and conditions of USPS (the "Compensation Policy") applicable to its U.S. customers in respect of its domestic delivery services shall apply to the Shippers in the same manner in respect of any Packages to be delivered by USPS to the Recipients under this Agreement. In addition, VNPE acknowledges that at this time, USPS does not offer indemnity or insurance for Packages covered under this Agreement unless insurance is purchased separately. Accordingly, unless the Parties agree to expand the services to include insurance for Shippers under this Agreement, which would require a separate written agreement, USPS shall have no such liability.

#### **ARTICLE 10: SERVICE STANDARDS**

Products or services under this Agreement carry no day or time-specific guarantee. Applicable domestic service standards apply once the mail is entered into the U.S. domestic mailstream.

However, the service target for both First-Class Mail Parcel and Priority Mail are generally 1-3 business days.

#### **ARTICLE 11: CUSTOMS INSPECTION**

If held by U.S. Customs & Border Protection, shipments governed by this agreement shall be expected to follow the same processes as those then in effect for inbound EMS and Air CP products, or any such other processes as required by U.S. Customs & Border Protection. USPS bears no responsibility for the disposition of packages in the custody of U.S. Customs & Border Protection. Further, VNPE understands that all contents of any package, including packages that are treated as sealed mail under USPS regulations, are subject to inbound search and inspection by U.S. Customs & Border Protection, regardless of when the USPS elects to conduct verification and acceptance of any inbound packages.

#### **ARTICLE 12: FORCE MAJEURE**

1. Neither Party shall be liable to the other for its failure or delay to perform its obligations under the terms of this Agreement to the extent that such failure or delay is due to any contingency beyond its reasonable control, including without limitation, 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 (each a "Force Majeure Event").
2. In the event that either Party is delayed or prevented from performing its obligations under this Agreement by a Force Majeure Event, such Party shall:
  - a. give notice in writing in accordance with Article 27 of this Agreement, of such delay or prevention to the other Party as soon as reasonably possible, stating the commencement date and extent of such delay or prevention, the cause thereof and its estimated duration;

- b. use all reasonable endeavors to mitigate the effects of such delay or prevention on the performance of its obligations under this Agreement; and
  - c. resume performance of all its obligations as soon as reasonably possible after the removal of the cause of the delay or prevention.
3. As soon as practicable following the affected Party's notification, the Parties shall consult with each other in good faith and use all reasonable endeavors to agree appropriate terms to mitigate the effects of the Force Majeure Event and to facilitate the continued performance of this Agreement.
4. The affected Party shall notify the other Party as soon as practicable after the Force Majeure Event ceases or no longer causes the affected Party to be unable to comply with its obligations under this Agreement. Following such notification, this Agreement shall continue to be performed on the terms existing immediately prior to the occurrence of the Force Majeure Event unless agreed otherwise by the Parties.

### **ARTICLE 13: LEGAL STATUS OF THIS AGREEMENT**

This Agreement constitutes a legally binding agreement on the part of each signatory hereto. The Parties acknowledge that this Agreement sets out the terms and conditions of a negotiated contractual arrangement between the Parties and is not an agreement entered into or subject to international law. This Agreement does not involve the creation of a wholly-owned subsidiary of any Party or a joint venture company or partnership funded in any ratio by the Parties. The Parties do not intend that any agency or partnership relationship be created between any of them by this Agreement.

### **ARTICLE 14: ENTIRE AGREEMENT**

1. This Agreement, including its Annexes and any other documents or portions of documents that are expressly incorporated into this Agreement by reference, constitutes the entire agreement between the Parties in respect of the matters dealt with in them and supersedes any previous arrangement, understanding or agreement between them relating to such matters.
2. No representations, negotiations, or conditions, either oral or written, shall bind the Parties except as expressly set out in this Agreement. Each Party acknowledges that, in entering into this Agreement and any documents referred to in it, the Party does not rely on, and shall have no remedy in respect of, any statement, representation, assurance or warranty of any person other than as expressly set out in this Agreement or those documents.
3. Nothing in this Article 14 operates to limit or exclude any liability for fraud.

### **ARTICLE 15: AMENDMENT AND WAIVER**

1. This Agreement may be amended or extended only by mutual written agreement signed by authorized representatives of VNPE and USPS. Neither a Party's acquiescence in any performance at variance to this Agreement nor a Party's failure to exercise any right or enforce any obligation shall be deemed

an amendment to this instrument. Any amendment to this Agreement may be contingent upon any and all necessary approvals by Postal Service Management, the USPS Governors, the USPS Board of Governors, and/or the U.S. Postal Regulatory Commission. If such approvals are required, such amendment will not become effective until such time as all necessary approvals are obtained.

2. 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 16: ASSIGNMENT**

This Agreement may not be assigned in whole or in part by any Party without the prior written consent of the other Party (which consent shall not be unreasonably withheld or delayed). Each Party may, however, delegate certain of its responsibilities under this Agreement to a subsidiary or other affiliate entity within its organizational structure without the need for consent by the other Parties so long as such subsidiary or entity would be bound by this Agreement. Any purported assignment which does not comply with the terms of this Article shall, as between the Parties, be null and void.

#### **ARTICLE 17: TERMINATION**

1. Each Party has the right to terminate this Agreement at any time during the term of this Agreement upon giving the other Party at least 30 days prior written notice.
2. Termination of this Agreement shall be without prejudice to any rights, obligations and liabilities of any Party accrued up to and including the effective date of such termination. In the event of termination of the Agreement under this Article, the Parties shall be liable to make final settlement of all amounts owing as of the effective date of termination.
3. Immediately upon termination of this Agreement the Parties shall stop all use of each other's proprietary information or intellectual property. The Parties agree that failure to do so will cause harm to the owner of such proprietary information or intellectual property.
4. Except for any indemnification due and with respect to intellectual property usage, the Parties shall not have any other liability to one another in the event of termination under this Article, except that this Article and all provisions related to confidentiality, applicability of other laws, dispute resolution, construction, notices, indemnification, and liability shall survive this Agreement.

#### **ARTICLE 18: APPLICABILITY OF OTHER LAWS**

1. The Parties acknowledge that this Agreement does not involve the USPS's acquisition of property or services and is not subject to the Contract Disputes Act (41 U.S.C. § 601 et seq.).
2. The Parties recognize that performance under this Agreement may be subject to laws enacted or enforced by governmental entities and is contingent on each Party obtaining all consents, authorizations, orders, or approvals required under applicable law or policy to effectuate the Agreement.
3. The Parties understand that USPS is required to provide copies of this Agreement to the United States Department of State and the Postal Regulatory Commission, and a copy of this Agreement may be posted on the Commission's public website.

#### **ARTICLE 19: TERM**

USPS will notify VNPE of the commencement date of the Services (the "Effective Date") within thirty (30) days after the satisfaction of the Conditions Precedent (as defined below), which involves receiving the approval of the entities that have oversight responsibilities for the USPS. USPS shall have no obligation to notify VNPE of the status of the approval process or of potential fulfillment of the approval process. This Agreement will remain in effect for one year after the Effective Date unless terminated sooner pursuant to Article 17. Upon the expiration of this one-year period, the Agreement shall be automatically renewed for further periods unless the Parties agree otherwise or either Party chooses not to renew the Agreement by giving notice of termination in accordance with Article 17.

#### **ARTICLE 20: CONDITIONS PRECEDENT**

1. Conditions Precedent. The Parties acknowledge and understand that all obligations of the USPS under this Agreement shall be contingent on the USPS receiving approvals (hereinafter "Conditions Precedent") from one or more internal and external bodies that have oversight responsibilities. Conditions Precedent may include but are not limited to: approvals or, if applicable, non-objection, from USPS management's executive committee, the Board of Governors of the USPS, the Governors of the USPS, the Postal Regulatory Commission, the Antitrust Division of the Department of Justice, the Federal Trade Commission and/or any other governmental body with oversight responsibility for the USPS. The Parties acknowledge that this Agreement might not be approved by such bodies. Until such time that all Conditions Precedent are fulfilled that are necessary to provide the products or services contemplated under the Agreement, no obligation shall exist for the USPS and no benefit shall inure to either Party.
2. Limitation on Liability and Costs. In the event that the Conditions Precedent are not fulfilled, USPS shall notify the same to VNPE in writing within seven (7) days after becoming aware that the Conditions Precedent will not be fulfilled and this Agreement shall lapse upon acknowledgement by VNPE of its receipt of such notification. In such event, USPS shall have no liability, which shall include no obligation to pay costs associated with any action taken by VNPE prior to the Effective Date. Further, in the event of lapse of this Agreement due to non-fulfillment of any Condition Precedent, the USPS shall not be held liable for any damages including, without limitation, the following:

actual damages; special damages; indirect damages; incidental damages; punitive damages; consequential damages; any other damages, including but not be limited to damages for loss of business profits, business interruption, or any other loss; and/or any cost incurred by either Party attributable to such non-approval such as attorney's fees.

#### **ARTICLE 21: DISPUTE RESOLUTION**

1. The Parties intend to resolve all controversies under this Agreement informally through correspondence, oral communications, and informal meetings.
2. If the methods described in the above paragraph prove insufficient to resolve a controversy, the Parties agree to refer that controversy to mediation, which shall consist of an informal, nonbinding conference or conferences between the Parties and the mediator. The mediator will be selected as mutually agreed by the Parties.
3. With the exception of controversies concerning cost or revenue liability, mediation will provide the sole means for addressing controversies related to this Agreement. If mediation does not resolve such a controversy, the Parties may exercise their right to terminate this Agreement.
4. For controversies related to cost or revenue liability, VNPE and USPS will first refer the matter to mediation as discussed in the above paragraph. If mediation does not resolve such a controversy, an action relating to cost or revenue liability may be instituted and maintained only in United States federal court located in the District of Columbia. The Parties waive any objection to the laying of venue in that court, to the convenience of that forum, and to that court's personal jurisdiction over the Parties.

#### **ARTICLE 22: CONSTRUCTION**

This Agreement shall be governed by and construed in accordance with the Federal law of the United States.

#### **ARTICLE 23: INDEMNIFICATION AND LIABILITY**

1. In the event that an entity not being a party to this Agreement asserts claims against VNPE or USPS ("Claims") that are attributable to the actions of the other Party to this Agreement, the latter Party shall indemnify the defending Party for, and hold the defending Party harmless from, any losses, damages or liabilities suffered by the defending Party as a result of such Claims. In that instance, the indemnifying Party shall also reimburse the defending Party for all reasonable expenses incurred in connection with investigating, preparing for, or defending any such Claim, whether in an administrative, regulatory or judicial proceeding, and whether or not the indemnified Party is named in the proceeding.
2. To the fullest extent allowed by applicable law and except for indemnification as described in the above paragraph and final settlement of any Claims, no Party to this Agreement shall be liable to the other Party for any special, indirect, incidental, punitive or consequential losses or damages or any

damages for loss of business profits, business interruption or opportunity or other losses or damages of a similar nature for any reason, including, but not limited to, breach of any term of this Agreement or negligence, but excluding fraud as provided for in Article 14(3).

3. Nothing in this Agreement shall be construed as an acknowledgment or concession regarding the validity of any claim or the entitlement of any Party to any amount of damages.

#### **ARTICLE 24: LANGUAGE**

The official version of this Agreement, including all supporting documentation and correspondence, shall be in English. The English language shall be the controlling language for the purpose of interpreting this Agreement, and all correspondence between the Parties pertaining to this Agreement shall be in the English language. In the event of inconsistency between any terms of this Agreement, including its supporting documentation and correspondence, and any translation into another language, the English language meaning shall prevail.

#### **ARTICLE 25: CONFIDENTIALITY**

The Parties agree to be bound by the confidentiality requirements set forth in Annex 7 of this Agreement.

#### **ARTICLE 26: SEVERABILITY**

1. If any of the provisions of this Agreement shall be held void or unenforceable, the other provisions shall survive and remain in full force and effect, subject only to either Party's unilateral right to terminate this Agreement in accordance with Article 17.
2. If any void or unenforceable provision would be valid, enforceable or legal if some part of it were deleted or modified, the provision shall apply with whatever modification is necessary to give effect to the commercial intention of the Parties.

#### **ARTICLE 27: NOTICES**

1. Unless otherwise provided herein, any notice or other document required to be given under this Agreement:
  - a. shall be in writing in the English language;
  - b. shall be sent for the attention of the person, and to the address, fax number or email addresses mutually agreed upon by the Parties;
  - c. shall be (i) sent by fax, (ii) sent by pre-paid first-class post or recorded delivery or (iii) sent by e-mail.
2. Any such notice is deemed to have been received:
  - a. if sent by fax, at the time of transmission, provided that an error-free transmission report has been received by the sender;

- b. if sent by pre-paid first-class post or recorded delivery, thirty (30) days from the date of posting;
  - c. if sent by e-mail, at the time when receipt of such e-mail is acknowledged by the address; or
  - d. if deemed receipt under the previous paragraphs of this Article 27(2) is not within business hours (meaning 9:00 am to 5:30 pm Monday to Friday on a day that is not a public holiday in the place of receipt), when business next starts in the place of deemed receipt.
3. The Parties hereby designate the following representatives for notice purposes:

USPS: Mr. Matthew Williams

475 L'Enfant Plaza SW Room 1140 Washington, D.C. USA 20260-1140

Ph: +1202 268 4617

Fax: +1202 268 3609

Email: matthew.d.williams@usps.gov

VNPE: Ms. Tran Thi Kieu Anh

1 Tan Xuan, Xuan Dinh, Tu Liem, Ha Noi, VN

Ph: +844 3757 7313

Fax: +844 3757 6131

Email: trankieuanh@ems.com.vn

4. In each case of providing notice, VNPE shall also provide an additional informational copy to:

General Counsel  
United States Postal Service  
475 L'Enfant Plaza, S.W.  
Washington, D.C. 20260-1100 USA  
Telephone: 202-268-2951  
Telecopier: 202-268-6981

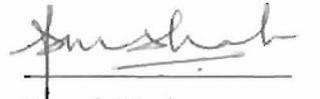
**EXECUTION**

The Parties have caused this Agreement to be executed on Its behalf by Its duly authorized officer with the Effective Date being the date of the last signature entered below.

The Chairwoman and  
Chief Executive Officer  
P&T Express Service Joint  
Stock Company

Managing Director  
Global Business  
& Vice President  
United States Postal Service

  
Dang Thi Bich Hoa  
Date: 19 JUNE 2009

  
Pranab Shah  
Date: JUNE 25, 2009



**ANNEX 1 – Specific Rate Information**

**ANNEX 2 – Detailed Package Dimensions and Weight Restrictions**

**ANNEX 3 – Detailed Package Content Restrictions**

**ANNEX 4 – Detailed Package Labeling Requirements**

**ANNEX 5 – ISC Routing Details**

**ANNEX 6 – Detailed GSS Requirements**

**ANNEX 7 – Confidentiality Requirements**

**ANNEX 8 – CAPS Account Establishment and Replenishment Details**

**ANNEX 1 – Specific Price Information**

The prices listed in this Annex for Options 1 and 2 are contingent upon any and all necessary approvals for corresponding USPS rates by the USPS Governors, the USPS Board of Governors, and/or the U.S. Postal Regulatory Commission. If the corresponding prices are approved at different amounts from those appearing below, the approved prices shall apply and the prices listed below shall be modified accordingly.

The prices listed in this Annex for Option 2 include Delivery Confirmation service.

All prices listed in this Annex apply to products prepared in accordance with the corresponding requirements and/or description in Annex 2, including any required use of specially-designed USPS packaging.

Other products may become available as requested.

**Option 1: First-Class Mail Parcel**

The following rates are applicable regardless of U.S. destination or point of entry and exclusive of any applicable special services.

Weight Not Over			Rate <sup>2</sup>	Rate <sup>2</sup> (effective May 11 <sup>th</sup> , 2009)
Ounces <sup>1</sup>	Grams	KG	USD	USD
1	28.3	0.03	\$1.17	\$1.22
2	56.7	0.06	\$1.34	\$1.39
3	85	0.09	\$1.51	\$1.56
4	113.4	0.11	\$1.68	\$1.73
5	141.7	0.14	\$1.85	\$1.90
6	170.1	0.17	\$2.02	\$2.07
7	198.4	0.2	\$2.19	\$2.24
8	226.8	0.23	\$2.36	\$2.41
9	255.1	0.26	\$2.53	\$2.58
10	283.5	0.28	\$2.70	\$2.75
11	311.8	0.31	\$2.87	\$2.92
12	340.2	0.34	\$3.04	\$3.09
13	368.5	0.37	\$3.21	\$3.26

- 1. For keys and ID devices, add \$0.70. If more than 13 ounces, see Priority Rates.
- 2. Rates based on and must be paid in USD.
- 3. Each package requires *at least* Delivery Confirmation service.

**Option 2: Priority Mail, Commercial Base Prices**

The minimum postage amount per addressed piece is the 1-pound price. The Priority Mail price up to 1 pound (0.45 kg) is based on weight only; prices for pieces weighing more than 1 pound (0.45 kg) are based on weight and zone. Commercial Base prices, which are discounted from retail prices, are offered to the VN Post Express which will generate shipping labels by using GSS online solutions.

Zone-based pricing is based on weight, distance, and shape.

Individual packages, including Flat-Rate supplies and zone-based prices, cannot exceed 31.75 kg (70 pounds) in mass.

Note that dimensional or balloon rates may apply for packages exceeding length and girth restrictions.

\* Prices shown in the table below are discounted prices for VNPE:

Weight Not Over (pounds)	KG	Zone						
		Local, 1 & 2	3	4	5	6	7	8
<b>Flat-Rate Envelope</b>	-	4.80	4.80	4.80	4.80	4.80	4.80	4.80
<b>Small Flat-Rate Box</b>	-	4.80	4.80	4.80	4.80	4.80	4.80	4.80
<b>Regular Flat-Rate Box</b>	-	9.85	9.85	9.85	9.85	9.85	9.85	9.85
<b>Large Flat-Rate Box Domestic</b>	-	13.50	13.50	13.50	13.50	13.50	13.50	13.50
<b>1</b>	<b>0.45</b>	4.80	4.80	4.80	4.80	4.80	4.80	4.80
<b>2</b>	<b>0.91</b>	4.80	4.99	5.37	6.67	7.18	7.69	8.30
<b>3</b>	<b>1.36</b>	5.08	5.81	6.64	8.15	9.35	10.07	11.41
<b>4</b>	<b>1.81</b>	5.64	6.60	7.62	9.78	11.29	12.29	14.03
<b>5</b>	<b>2.27</b>	6.33	7.58	8.55	11.56	12.98	14.43	16.37
<b>6</b>	<b>2.72</b>	6.98	8.60	9.84	13.34	14.64	16.62	18.71
<b>7</b>	<b>3.18</b>	7.68	9.58	11.14	15.23	16.34	18.76	21.04
<b>8</b>	<b>3.63</b>	8.14	9.95	12.24	16.70	17.76	20.61	23.63
<b>9</b>	<b>4.08</b>	8.37	10.64	13.04	18.00	19.18	22.41	26.30
<b>10</b>	<b>4.54</b>	9.05	11.49	14.16	19.50	21.26	24.59	28.59
<b>11</b>	<b>4.99</b>	9.76	12.37	15.33	21.05	23.38	26.78	30.93
<b>12</b>	<b>5.44</b>	10.36	13.20	16.45	22.56	25.45	28.96	33.22
<b>13</b>	<b>5.9</b>	10.64	13.53	16.92	23.78	27.30	30.11	34.36
<b>14</b>	<b>6.35</b>	11.01	14.14	17.67	24.86	28.82	31.81	36.08
<b>15</b>	<b>6.8</b>	11.47	14.74	18.55	25.61	29.43	32.14	36.85
<b>16</b>	<b>7.26</b>	11.84	15.26	19.12	26.17	30.08	32.86	37.76
<b>17</b>	<b>7.71</b>	12.25	15.77	19.49	26.78	30.89	33.72	38.75
<b>18</b>	<b>8.16</b>	12.49	16.27	19.91	27.35	31.51	34.33	39.66
<b>19</b>	<b>8.62</b>	12.90	16.65	20.20	28.01	32.26	35.23	40.66
<b>20</b>	<b>9.07</b>	13.23	16.87	20.57	28.47	32.88	35.90	41.58
<b>21</b>	<b>9.53</b>	13.60	17.11	20.89	28.94	33.40	36.51	42.38
<b>22</b>	<b>9.98</b>	13.92	17.43	21.22	29.60	34.14	37.37	43.44
<b>23</b>	<b>10.43</b>	14.24	17.67	21.82	30.12	34.76	37.99	44.20
<b>24</b>	<b>10.89</b>	14.57	17.86	22.48	30.73	35.47	38.89	45.30

Attachment 1 to Postal Service Notice  
PRC Docket No. CP2009-41

<b>25</b>	<b>11.34</b>	14.89	18.13	23.23	31.25	35.99	39.45	46.06
<b>26</b>	<b>11.79</b>	15.21	18.32	23.97	31.91	36.84	40.31	47.53
<b>27</b>	<b>12.25</b>	15.63	18.60	24.68	32.33	37.36	40.88	49.31
<b>28</b>	<b>12.7</b>	16.10	18.82	25.33	32.76	37.88	41.50	51.12
<b>29</b>	<b>13.15</b>	16.61	19.01	26.09	33.18	38.35	42.07	52.74
<b>30</b>	<b>13.61</b>	17.11	19.30	26.78	33.64	38.87	42.64	54.50
<b>31</b>	<b>14.06</b>	17.58	19.48	27.53	34.07	39.39	43.21	56.31
<b>32</b>	<b>14.51</b>	18.04	19.94	28.24	34.49	39.92	44.25	58.09
<b>33</b>	<b>14.97</b>	18.27	20.46	28.88	34.92	40.44	45.48	59.75
<b>34</b>	<b>15.42</b>	18.45	21.01	29.39	35.66	41.62	46.72	61.52
<b>35</b>	<b>15.88</b>	18.68	21.52	29.81	36.42	42.75	48.00	63.29
<b>36</b>	<b>16.33</b>	18.87	22.08	30.19	37.22	43.83	49.28	65.06
<b>37</b>	<b>16.78</b>	19.05	22.54	30.62	37.92	44.97	50.57	66.82
<b>38</b>	<b>17.24</b>	19.24	23.10	30.99	38.67	46.25	51.75	68.53
<b>39</b>	<b>17.69</b>	19.47	23.58	31.36	39.47	47.38	53.09	70.36
<b>40</b>	<b>18.14</b>	19.84	24.08	31.69	40.27	48.46	54.27	72.02
<b>41</b>	<b>18.6</b>	20.25	24.54	32.06	40.64	49.60	55.60	73.41
<b>42</b>	<b>19.05</b>	20.63	25.02	32.39	41.49	50.68	56.89	74.41
<b>43</b>	<b>19.5</b>	21.04	25.43	32.72	42.43	51.91	58.16	75.37
<b>44</b>	<b>19.96</b>	21.41	25.95	33.05	43.37	52.99	59.44	76.27
<b>45</b>	<b>20.41</b>	21.78	26.41	33.38	44.31	54.18	60.73	77.17
<b>46</b>	<b>20.87</b>	22.19	26.73	33.70	45.15	55.31	61.96	78.04
<b>47</b>	<b>21.32</b>	22.57	26.91	33.98	46.15	56.54	63.29	78.94
<b>48</b>	<b>21.77</b>	22.98	27.15	34.31	47.08	57.67	64.57	79.76
<b>49</b>	<b>22.23</b>	23.36	27.34	34.59	47.92	58.71	65.91	80.56
<b>50</b>	<b>22.68</b>	23.67	27.57	34.91	48.87	59.85	66.95	81.57
<b>51</b>	<b>23.13</b>	24.14	27.76	35.52	49.81	60.98	67.56	82.43
<b>52</b>	<b>23.59</b>	24.46	27.94	36.22	50.74	61.69	68.14	83.24
<b>53</b>	<b>24.04</b>	24.92	28.13	36.83	51.64	62.16	68.71	84.06
<b>54</b>	<b>24.49</b>	25.25	28.26	37.44	52.63	62.63	69.23	84.86
<b>55</b>	<b>24.95</b>	25.67	28.46	38.19	53.56	63.10	69.80	85.58
<b>56</b>	<b>25.4</b>	26.04	28.60	38.80	54.41	63.57	70.27	86.34
<b>57</b>	<b>25.85</b>	26.45	28.78	39.40	55.25	64.01	70.80	87.11
<b>58</b>	<b>26.31</b>	26.83	28.92	40.10	55.96	64.43	71.27	87.82
<b>59</b>	<b>26.76</b>	27.24	29.06	40.76	56.34	64.86	71.69	88.44
<b>60</b>	<b>27.22</b>	27.56	29.20	41.36	56.67	65.23	72.84	89.11
<b>61</b>	<b>27.67</b>	28.02	29.29	42.11	56.95	65.99	73.97	90.31
<b>62</b>	<b>28.12</b>	28.35	29.43	42.72	57.28	66.41	75.12	91.74
<b>63</b>	<b>28.58</b>	28.81	29.57	43.38	57.56	66.79	75.88	93.17
<b>64</b>	<b>29.03</b>	29.13	29.66	44.03	57.84	67.21	76.35	94.64
<b>65</b>	<b>29.48</b>	29.55	29.75	44.59	58.12	67.55	76.78	96.12
<b>66</b>	<b>29.94</b>	29.92	30.08	45.29	58.36	67.97	77.15	97.51
<b>67</b>	<b>30.39</b>	30.34	30.50	46.04	58.97	68.30	77.59	99.04
<b>68</b>	<b>30.84</b>	30.71	30.87	46.65	59.81	68.59	77.96	100.42
<b>69</b>	<b>31.3</b>	31.13	31.29	47.25	60.71	68.96	78.35	101.90
<b>70</b>	<b>31.75</b>	31.49	31.66	48.00	60.99	69.25	78.67	103.33

<b>Balloon</b>	<b>Balloon</b>	13.23	16.87	20.57				
----------------	----------------	-------	-------	-------	--	--	--	--

1. Parcels addressed for delivery to zones 1-4 (including local) that weigh less than 20 pounds (9.07 kg) but measure more than 84 inches (213.36 cm) in combined length and girth (but not more than 108 inches or 274.32 cm) are charged the applicable price for a 20-pound (9.07 kg) parcel (balloon price).
2. Parcels addressed for delivery to zones 5-8 that exceed 1 cubic foot or 1,728 cubic inches (0.028 cubic meters or 28317 cubic centimeters) are charged based on the actual weight or the dimensional weight, whichever is greater.

**Special Services**

<b>Product</b>	<b>Special Services</b>	
	<b>Electronic Delivery Confirmation</b>	<b>Electronic Signature Confirmation</b>
First-Class Mail Parcel	\$0.19	\$1.95
Priority Mail Flat-Rate Envelope	\$0.00	\$1.95
Priority Mail Flat-Rate Box	\$0.00	\$1.95
Priority Mail Flat-Rate Large Box	\$0.00	\$1.95
Priority Zone Based	\$0.00	\$ 1.95

**Note: Each package requires at least Delivery Confirmation service.**

## **ANNEX 2 – Detailed Package Dimensions and Weight Restrictions**

### **Acceptable Containers**

#### **First-Class Mail Parcel**

Only parcels are acceptable containers for this rate option. No parcel may weigh more than 13 oz (0.3685 kg). No parcel may measure more than 108 inches (274.32 cm) in length and girth combined. For parcels, length is the distance of the longest dimension and girth is the perimeter at the thickest part perpendicular to length.

#### **Priority Zone-Based**

No special boxes or envelopes is needed. No mailpiece may weigh more than 70 pounds (31.75 kg). Pieces may not measure more than 108 inches (274.32 cm) in length and girth combined. For parcels, length is the distance of the longest dimension and girth is the distance around the thickest part.

#### **Priority Mail Flat-Rate Envelope**

The container for this option is a specially-designed envelope made by USPS. These envelopes can be ordered from USPS at <http://shop.usps.com> and cannot be recreated or used for any other purpose. Below are further specifications:

- The dimensions of the envelope are 12.5" X 9.5" (31.75 cm x 24.13 cm).
- The contents of the flat rate envelope must be confined within the envelope, using the flap adhesive as the primary means of closure.
- The flap must close easily, adhere to the envelope and may be secured with
- The design and shape of the envelope may not be altered or enlarged in any way to fit contents.



#### **Priority Small Flat-Rate Box**

The available container for this option is a specifically-designed box made by USPS. These boxes can be ordered from USPS at <http://shop.usps.com> and cannot be recreated or used for any other purposes. Below are the specifications:

- The box has dimensions of 8.625" x 5.375" x 1.625" (21.908 cm x 13.653 cm x 4.128 cm)
- The contents of the flat rate box must be neatly contained inside the box with adhesive packaging tape.
- The box must close securely and retain its shape when taped with adhesive.
- The shape of the box may not be changed or enlarged to fit its contents.



#### **Priority Mail Regular Flat-Rate Box**

This option applies to either of two specially-designed boxes made by USPS. These boxes can be ordered from USPS at <http://shop.usps.com> and cannot be recreated or used for any other purpose. Below are further specifications:

- The inside dimensions for the two available boxes are 11" x 8.5" x 5.5" (27.94 cm x 21.59 cm x 13.97 cm) and 13.625" x 11.875" x 3.375" (34.6075 cm x 30.1625 cm x



8.5725 cm). The two boxes are different shapes to accommodate a variety of contents.

- The contents of the flat rate box must be neatly contained inside the box with adhesive packaging tape.
- The box must close securely and retain its shape when taped with adhesive.
- The shape of the box may not be changed or enlarged to fit its contents.

### **Priority Mail Large Flat-Rate Box**

The available container for this option is a specially-designed box made by USPS. These boxes can be ordered from USPS at <http://shop.usps.com> and cannot be recreated or used for any other purpose. Below are further specifications:

- The box has dimensions of 12" X 12" X 5.5" (30.48 x 30.48 x 13.97 cm).
- The contents of the flat rate box must be neatly contained inside the box with adhesive packaging tape.
- The box must close securely and retain its shape when taped with adhesive.
- The shape of the box may not be changed or enlarged to fit its contents.



### **ANNEX 3 – Detailed Package Content Restrictions**

All packages mailed under this Agreement must conform to the mailability requirements of the United States Postal Service, as detailed in the International Mail Manual section 710; the United States country listing in the Universal Postal Union's List of Prohibited Items; and Domestic Mail Manual section 601. Please visit [http://pe.usps.com/text/imm/immc7\\_001.htm](http://pe.usps.com/text/imm/immc7_001.htm); [http://www.upu.int/customs/en/country\\_list\\_en.pdf](http://www.upu.int/customs/en/country_list_en.pdf); and <http://pe.usps.gov/text/dmm300/601.htm> for all specific guidelines.

#### **ANNEX 4 – Detailed Package Labeling Requirements**

Each package governed by this Agreement must be labeled to include the following:

1. Valid Mailing Address: The address of the recipient must be complete and be prepared using GSS. A sample US address is as follows:
  - Joe Recipient
  - 123 Main Street
  - Arlington, VA 22209
  - U.S.A.
2. Customs declaration: A completed and accurate customs declaration will be affixed to each individual package by the VN Post Express. Any affixed customs declaration shall either bear no barcode or the same barcode as the mail label.
3. USPS First-Class Mail or Priority Mail indicia
  - a. With VNPE's established Permit No.
  - b. Identical barcode as the CP customs declaration barcode
4. U.S. Return Address: Each package shall bear a U.S. return address that is in the same ZIP Code as the relevant International Service Center (Office of Exchange), as listed in Annex 5.
5. Optional Features (Note: Each package requires at least Delivery Confirmation service):
  - a. USPS Signature Confirmation
  - b. USPS Delivery Confirmation

**ANNEX 5 – ISC Routing Details**

The following table dictates the appropriate U.S. point of entry based on the destination address. This table shall also be used to determine the U.S. return address required for each package.

Until further notice by the USPS, VNPE may only enter shipments at the SFO ISC. Other entry points may be made available at the sole discretion of the USPS.

<b>First Digit of Postal Code</b>	<b>Desired U.S. Point of Entry</b>
0	JFK - New York
1	JFK - New York
2	JFK - New York
3	JFK - New York
4	ORD - Chicago
5	ORD - Chicago
6	ORD - Chicago
7	SFO - San Francisco
8	SFO - San Francisco <b>or</b> LAX - Los Angeles
9	SFO - San Francisco <b>or</b> LAX - Los Angeles

**ANNEX 6 – Detailed GSS Requirements**

The following hardware requirements are solely intended for creating a functional GSS workstation in Vietnam. They do not take into account any system throughput requirements, which should be considered before building a full production environment.

[REDACTED]

[REDACTED]

- [REDACTED]

## **ANNEX 7 – Confidentiality Requirements**

The Parties shall be bound by the following confidentiality obligations regarding this Agreement:

The Parties desire that certain identified information as a result of the exchange of information taking place pursuant to this Agreement (including discussions and correspondence), including but not limited to reports, analyses, studies, financial information, strategies, formulas, technical data and the like, which may be revealed by one Party to the other during the course of the exchange of information remain confidential (hereinafter the "Confidential Information").

In order to protect the Confidential Information, the Parties agree as follows:

1. The Party providing Confidential Information (the "Disclosing Party") shall identify the information to which confidentiality applies and no confidentiality obligations shall arise with respect to Confidential Information unless it is in writing and appropriately marked as "Confidential Information". Verbal disclosure of Confidential Information shall be reduced to writing and appropriately identified as confidential by the Disclosing Party within ten (10) days after disclosure. All such Confidential Information revealed by the Disclosing Party to the other Party (the "Receiving Party") during any exchange of information shall be treated as confidential and may not be released to third parties or used outside of the intended purposes, except to the extent paragraphs 7 and 8 are applicable, unless authorized in writing by an authorized representative of the Disclosing Party.
2. Neither this Annex, nor the disclosure of Confidential Information under this Agreement, nor the ongoing discussions and correspondence by the Parties, shall constitute or imply any promise or intention to make any purchase or use of products, facilities, or services by either Party or any commitment by either Party with respect to any other present or future transaction except as contemplated under this Agreement.
3. The confidentiality obligations under this Agreement shall be in force from the date hereof until the expiry of one (1) year following the termination of this Agreement (the "Confidentiality Period"). During the Confidentiality Period, no Confidential Information may be disclosed or used outside of the intended purposes unless written consent is obtained from the Disclosing Party, or the Receiving Party is no longer obligated to hold in confidence the Confidential Information for the reasons specified in paragraphs 6 and 7 of this Annex. All employees or agents of the Receiving Party who are required to have access to the Confidential Information shall be notified of its confidential nature and shall use the same degree of care as they employ with their own proprietary information, but in all events shall use at least a reasonable degree of care.
4. Each Party shall provide the same care to avoid disclosure or unauthorized use of the Confidential Information as it would provide to maintain the confidentiality of its own confidential information, but in no event less than reasonable and prudent care, and the Confidential Information shall not be reproduced in any form except as required in conjunction with the contemplated contractual agreement, or otherwise distributed or sold by the Parties in any manner whatsoever. Each Party shall retain all such Confidential Information in a secure place with access limited only to such of

its co-workers, agents, consultants or advisers who need to know such information for purposes of this Agreement.

5. The Confidential Information shall be deemed the property of the Disclosing Party and, upon demand by the Disclosing Party, the Receiving Party shall promptly return or provide evidence of destruction of all Confidential Information of the Disclosing Party and copies thereof. One copy may be retained by the Receiving Party for record purposes.

6. The Receiving Party shall be under no obligation to hold in confidence any Confidential Information which:

- a. is or becomes public through no fault of the Receiving Party;
- b. was known to the Receiving Party prior to the time of the disclosure by the Disclosing Party;
- c. is properly received by the Receiving Party on a non-confidential basis from any third party who is lawfully entitled to make such disclosure;
- d. is required by law or a final court order to be disclosed because of an express determination that the information is not a trade secret, or privileged or confidential commercial or financial information; or
- e. is independently developed by the Receiving Party without breach of this Agreement; or
- f. the Parties agree is not confidential or may be disclosed.

7. The USPS may release Confidential Information requested by any federal, state, or local governmental body in the proper exercise of its oversight or investigatory jurisdiction. In addition, the USPS may release Confidential Information if such release is required by the Freedom of Information Act, 5 U.S.C. § 552 ("FOIA"), subject to USPS regulations regarding disclosures of business information set forth in 39 C.F.R. § 265.8 ("Business Information; procedures for predisclosure notification to submitters"), or a successor provision dealing with similar matters or if such release is required in the reasonable judgment of the Postal Service pursuant to the Postal Accountability and Enhancement Act.

8. The Receiving Party shall include the terms of this Agreement in each subcontract whereunder there is any possibility of disclosure of the Confidential Information.

9. The Parties shall protect, indemnify, save harmless, and defend each other from and against all liabilities, obligations, claims, penalties, costs, and expenses (including, without limitation, reasonable attorneys' fees and expenses) due to the

indemnifying Party's use of Confidential Information for purposes other than those specified in this Annex.

10. The Receiving Party shall not be obligated to compensate the Disclosing Party for Confidential Information except for any compensation contemplated or set forth within this Agreement. The Receiving Party acknowledges and understands that no representations or warranties of any kind, including, without limitation, fitness for a particular purpose, merchantability, and non-infringement, are given by the Disclosing Party with respect to any Confidential Information.

11. Nothing in this Annex shall be deemed to create, either express or implied, the power in any Party to bind the other. No Party shall be bound by the actions of the other, shall be liable for the debts of the other, or shall have a right to share in the profits of the other. The provisions of this Annex are not intended to create a joint venture, partnership, or other formal business organization, and neither Party is under any obligation to enter into any further agreement with or make any additional compensation to the other Party except as required under this Annex.

12. If any provision of this Annex is determined to be violative of the laws of the place where it is to be performed, then such provision shall be void and the other provisions of this Annex shall remain in full force and effect.

13. The Parties acknowledge that United States securities laws prohibit any person who has received from an issuer of publicly traded securities material, non-public information concerning the matters which are the subject of this Annex from purchasing or selling securities of such issuer or from communicating such information to any other person under circumstances in which it is reasonably foreseeable that such person is likely to purchase or sell such securities.

**ANNEX 8 – CAPS Account Establishment and Replenishment Details**

In the event that VNPE chooses to utilize a centralized trust account (Article 8, Item 1.b), the following procedures should be observed in order to properly establish and maintain the account:

- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]

VNPE will utilize the following account information to perform the aforementioned transfers:

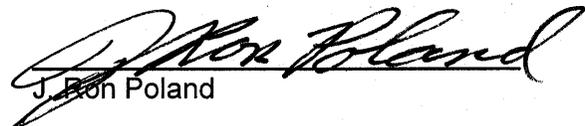
Account No:  
Bank:  
ABA (Receiver FI):  
SWIFT code:  
PostalOne!/CAPS Account:



**Certification of Prices for the Inbound Direct Entry Contract with  
P&T Express Mail Service Joint Stock Company (VNPE)**

I, J. Ron Poland, Manager, Statistical Programs, Finance Department, United States Postal Service, am familiar with the prices for the Inbound Direct Entry Contract with P&T Express Mail Service Joint Stock Company (VNPE). The prices contained in this contract were established by the Decision of the Governors of the United States Postal Service on the Establishment of Prices and Classifications for Inbound Direct Entry Contracts with Foreign Postal Administrations, issued on May 6, 2008 (Governors' Decision No. 08-6), which established prices by means of price floor and ceiling formulas.

I hereby certify that the numerical cost values underlying the prices in the VNPE contract are the appropriate costs to use in the formulas and represent the best available information. The prices, resulting in a cost coverage of approximately [REDACTED] percent for the applicable prices for the mail items under the contract, are in compliance with 39 U.S.C. § 3633 (a)(1), (2), and (3). The prices demonstrate that the contract and the included ancillary services should cover their attributable costs and preclude the subsidization of competitive products by market dominant products. In Fiscal Year 2008, all international competitive mail accounted for approximately [REDACTED] percent of the total contribution by all competitive products. Contribution from Inbound Direct Entry Contracts should be much smaller. The contract with VNPE should not impair the ability of competitive products on the whole to cover an appropriate share of institutional costs.

  
J. Ron Poland