

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

COMPETITIVE PRODUCT PRICES
GLOBAL PLUS 2B CONTRACTS (MC2011-8)
NEGOTIATED SERVICE AGREEMENTS

Docket Nos.
MC2011-8
CP2011-41

**NOTICE OF THE UNITED STATES POSTAL SERVICE OF FILING A
SIGNED GLOBAL PLUS 2B NEGOTIATED SERVICE AGREEMENT**
(December 14, 2010)

On December 9, 2010, the Postal Service filed a Request to Add Global Plus 2B to the Competitive Products List and Notice of Filing Two Functionally Equivalent Global Plus 2B Contracts Negotiated Service Agreements. Although certain aspects of the agreement that is the subject of these dockets awaited finalization between the parties, the impending expiration of the current agreement with the same customer and the regulatory time-frame demanded that the Postal Service submit the materials in the form in which they were filed. The notice stated that the parties expected to finalize the agreement that is the subject of these dockets soon.¹

The Postal Service and the customer have since executed a final version of the agreement that forms the basis of this filing. A redacted signed Global Plus 2B contract that is the subject of the dockets referenced above is attached to this notice and substitutes the draft version originally filed on December 9, 2010. A nonpublic version of this agreement is also being filed separately under seal with the Postal Regulatory

¹ Request of the United States Postal Service to Add Global Plus 2B to the Competitive Products List and Notice of Filing Two Functionally Equivalent Global Plus 2B Contracts Negotiated Service Agreements and Application for Non-Public Treatment of Materials Filed Under Seal, Docket Nos. MC2011-8, CP2011-41, and CP2011-42, December 9, 2010, at 1.

Commission (Commission) and substitutes the version originally filed. With respect to the agreement filed under seal with this notice, the Postal Service hereby incorporates its Application for Non-Public Treatment, which was filed in the dockets referenced above, as an attachment to its December 9, 2010 notice.²

Respectfully submitted,

UNITED STATES POSTAL SERVICE
By its attorneys:

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December 14, 2010

² *Id.* at Attachment 5.

**GLOBAL PLUS 2 SERVICE AGREEMENT BETWEEN
THE UNITED STATES POSTAL SERVICE AND**

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 acknowledge and understand that the commencement of performance under this Agreement is subject to the approval of various entities with oversight responsibilities, which may include but not be limited to the USPS management's executive committee, the USPS Governors, and/or the Postal Regulatory Commission. Accordingly, the Mailer acknowledges and understands that the ability of the USPS to perform under this Agreement may not occur;

WHEREAS, in light of the aforementioned acknowledgements, 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 Global Bulk Economy (GBE) service and Global Direct (GD) service.

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. "CPC" means Canada Post Corporation, a Canadian crown corporation and the designated postal operator for Canada.
4. "GD" means Global Direct service. Global Direct service is mail that conforms to the size, shape, and mailpiece specifications as determined by a postal administration other than the USPS and is mailed in the United States for intended delivery in a country other than the United States by the postal administration of that country.

5. "GBE" means Global Bulk Economy service. Global Bulk Economy service provides for letter-post items dispatched in bulk via surface transportation.
6. "Lettermail" means mailable items as defined by Canadian law for lettermail, including, but not limited to the Letter Mail Regulations, SOR/88-430, and Letter Definition Regulations, SOR/83-481, as applicable. When in USPS custody, Lettermail is sealed against inspection under U.S. law.
7. "Global Direct – Canada Lettermail" means Global Direct service in connection with Lettermail to Canada. Global Direct – Canada Lettermail is subject to Canada Post Corporation specifications for domestic Canadian lettermail. When in USPS custody, Global Direct – Canada Lettermail is sealed against inspection under U.S. law.
8. "Incentive Lettermail" means one or more tenders of large volumes of identical lettermail items meeting mail preparation requirements set by CPC and eligible for CPC's domestic incentive lettermail prices. When in USPS custody, Incentive Lettermail is sealed against inspection under U.S. law.
9. "Global Direct – Canada Incentive Lettermail" means Global Direct service in connection with Incentive Lettermail to Canada. Global Direct – Canada Incentive Lettermail is subject to CPC's specifications for domestic Canadian incentive lettermail. When in USPS custody, Global Direct – Canada Incentive Lettermail is sealed against inspection under U.S. law.
10. "Admail" means mailable items bearing a uniform message that promote the sale or use of products or services; or solicit donations or contributions; or report on financial performance, primarily for promotional purposes.
11. "Global Direct – Canada Admail" means Global Direct service used in connection with Admail to Canada. Global Direct – Canada Admail is subject to Canada Post Corporation specifications for domestic Canadian Addressed Admail service. Global Direct – Canada Admail is not sealed against inspection under U.S. law.
12. "Publications Mail" means almost any kind of periodical.
13. "Global Direct – Canada Publications Mail" means Global Direct service used in connection with Publications Mail to Canada. Global Direct – Canada Publications Mail is subject to Canada Post Corporation specifications for domestic Canadian Publications Mail. Global Direct – Canada Publications Mail is not sealed against inspection under U.S. law.
14. "M-bags" means special sacks for printed matter directed to a single addressee at a single address in another country.
15. "United States" or "U.S." means the United States of America, its territories and possessions.
16. "Qualifying Mail" means Mail that meets the requirements set forth in Article 3 of this Agreement.
17. "Non-Qualifying Mail" means Mail that does not meet the requirements set forth in Article 3 of this Agreement.

18. "Effective Date" means the first date on which the USPS is willing to accept Qualifying Mail.
19. "IPA" means International Priority Airmail service.
20. "ISAL" means International Surface Air Lift service.
21. "EMI" means Express Mail International service with the exception of the Express Mail International Flat Rate Envelopes.
22. "PMI" means Priority Mail International service with the exception of the Priority Mail International Flat Rate Envelopes, Priority Mail International Padded Flat Rate Envelopes, Priority Mail International Small Flat Rate Boxes, Priority Mail International Medium Flat Rate Boxes, and the Priority Mail International Large Flat Rate Boxes.

ARTICLE 3. QUALIFYING MAIL

Only mail that meets the following requirements shall qualify as Qualifying Mail except as those requirements conflict with the applicable specific preparation requirements set forth in Article 4.

1. GBE. Every item must comply with the preparation and payment requirements the USPS shall provide the Mailer. The average weight of GBE items must be at least four (4) ounces.
2. Global Direct. Every item must comply with the preparation requirements of the destination country.
3. GBE M-bags. Every item must comply with the preparation requirements set forth in IMM 260 for direct sacks of printed matter to a single addressee at a single address.

ARTICLE 4. SPECIFIC PREPARATION REQUIREMENTS

1. Mailings of Qualifying Mail must be kept separate from any other type of mail the Mailer tenders.
2. International mailings must be separated from domestic mailings.
3. Mailings of GBE may be tendered to the USPS without a country name in the delivery address provided the items are contained in properly labeled direct country receptacles.
4. Mailings of Global Direct – Canada must comply with the preparation and pre-notification requirements the USPS provides the Mailer. Such requirements are subject to any changes CPC may make and are binding upon the Mailer on the effective date determined by CPC whether or not they are reflected in any documentation the USPS provides to the Mailer. The Mailer is responsible for ensuring that the items meet CPC preparation requirements found on the CPC website (www.canadapost.ca).
5. The Mailer may apply to the USPS in writing in the event the Mailer wishes an exception(s) to the requirements set forth in supplied documentation intended to provide preparation and/or pre-notification requirements for GBE or Global Direct

– Canada mailings. Responses to such applications may be subject to review and approval by CPC in addition to the USPS review.

ARTICLE 5. NON-QUALIFYING MAIL

The USPS, at its option and without forfeiting any of its rights under this Agreement, may either refuse to accept Non-Qualifying Mail or accept Non-Qualifying Mail under the terms, conditions, and handling charges the USPS and/or CPC specify.

ARTICLE 6. OBLIGATIONS OF THE USPS

The USPS hereby agrees:

1. Supplies. To furnish the Mailer or its agent(s) with the postal equipment and postal supplies required for the use of Qualifying Mail.
2. Training. To provide the Mailer or its agent(s) with the preparation requirements for Qualifying Mail and any training necessary to prepare mail in conformity with the requirements for Qualifying Mail.
3. Transportation. To arrange with carriers to transport Qualifying Mail to international destinations for delivery by the appropriate authority.
4. Reporting. To provide the Mailer with a report regarding postage paid by the Mailer to the USPS, by month, for Qualifying GBE, and Global Direct mailings. The USPS will provide this report on a quarterly basis and shall include the:
 - a. Customer name and permit number;
 - b. Date of the mailing statement;
 - c. Service / product; and
 - d. Postage paid.
5. CPC Penalties. To inform the Mailer, via e-mail as provided in Article 30, if CPC informs the USPS that mail presented under this Agreement has not been prepared in accordance with CPC regulations. Such notification shall provide the Mailer, in advance, with the opportunity to either take back possession of the mailing in Canada, correct the problem identified by CPC, and re-tender the mail directly to CPC at the Mailers expense, or inform the USPS that the Mailer will pay any penalty CPC may assess as a result of the identified non-conformance with CPC regulations. In the event that the Mailer elects to inform the USPS that it will pay any penalty CPC may assess as a result of the identified non-conformance with CPC regulations, the USPS shall provide the Mailer with an invoice for the penalty CPC assesses. The procedure of repossession by the Mailer and retender to CPC in this Paragraph is subject to the discretion of CPC.
6. 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 7. OBLIGATIONS OF THE MAILER

The Mailer hereby agrees:

1. Tender Amount. To tender to the USPS mail intended for delivery outside the United States that generates at least:
 - a. [REDACTED] in combined actual postage calculated after all discounts have been applied for IPA, ISAL, GBE, GD, EMI and PMI Qualifying Mail during the term that begins on the Effective Date of this Agreement and ends on December 31, 2011 (any postage paid to the USPS during the term of this Agreement that falls within the month of January 2012, shall be applied to any agreement(s) the Parties shall enter into with an Effective Date that falls within the month of January 2012); and
 - b. Of the [REDACTED] commitment in Paragraph (a) above, [REDACTED] must be in combined actual postage calculated after all discounts have been applied for EMI and PMI, during the term of this Agreement; or
 - c. A combined actual volume of [REDACTED] of EMI and PMI may substitute for the requirement of [REDACTED] in actual postage calculated after all discounts have been applied for EMI and PMI in Paragraph (b) above during the term of this Agreement.
2. Tender Locations. To tender:
 - a. One hundred percent (100%) of Global Bulk Economy in drop shipments to the USPS facility at the New Jersey Network Distribution Center, 80 County Road, Jersey City, NJ 07097-9998.
 - b. One hundred percent (100%) of Global Direct – Canada Lettermail in drop shipments to any USPS international Service Center location and one hundred percent (100%) of Global Direct – Canada Admail and Global Direct– Canada Publications Mail in drop shipments at the appropriate deposit location as specified in Annex 2.
3. Advance Notification. To provide:
 - a. The Manager, Customized Mail, via e-mail to icmusps@usps.gov, with notification of intent to drop ship mail at a specific location two weeks before the initial shipment to that location.
 - b. The Manager, Customized Mail, via e-mail to icmusps@usps.gov, with notification of new permit numbers used for Qualifying Mail, one week in advance of using the new numbers. The message should include the permit number, the city, state, and ZIP Code where the permit is held, and the name of the permit owner. The message should also include a requested effective date.

- c. The appropriate USPS acceptance sites with notification if the intended volume of mail to be presented varies more than twenty-five percent (25%) higher or lower than normal daily volumes. The Mailer shall make every effort to inform the appropriate USPS acceptance sites at least forty-eight (48) hours in advance of presenting the mail.
4. Payment of Postage. To pay postage to the USPS, either directly or through a mailing agent:
 - a. For Global Direct Qualifying Mail by use of a dedicated unique permit imprint to be used only for Global Direct mailings subject to the conditions stated in DMM 604.5, with the exception that DMM 604.5.1.1 shall not apply.
 - b. For Global Direct Qualifying Mail, the indicia must conform to the requirements in any preparation requirement document the USPS may provide the Mailer, subject to any disclaimer(s) that document may contain, and such other CPC requirements as may apply.
 - c. For GBE by use of dedicated unique permit imprints to be used only for GBE mailings.
 - d. Non-identical-weight items are acceptable as authorized under the specific procedures in one of the special payment programs in DMM 705.
5. Penalty. To pay any penalty CPC may assess for mail not prepared in accordance with CPC regulations provided that the USPS has provided the Mailer with notice of the non-conformance with CPC regulations and has provided the Mailer with an opportunity to retrieve the non-conforming mail under the circumstances described in Article 6, Paragraph 5.
 - a. CPC will inform the USPS of any penalty assessed on Qualifying Mail presented under this Agreement that is not prepared in accordance with CPC regulations.
 - b. The USPS will invoice the Mailer for these assessed penalties.
 - c. The Mailer shall pay to the USPS the amount of the assessed penalties within thirty (30) days of the date of the invoice. All invoices that are not paid within thirty (30) days will incur an annual late payment penalty (finance charge) of [REDACTED].

Any invoicing discrepancies will be resolved subsequent to payment of the invoice. In addition to late payment penalties (finance charges), the USPS reserves the right to pursue other available remedies.
6. Monthly Reporting. To provide the USPS with a report on a monthly basis, in a format to be specified by the USPS, that states for Global Bulk Economy and Global Direct mailings:
 - a. The total revenue, pieces, and weight for each product mailed in the preceding month separated by point of tender to the USPS, destination country, and country price group for each permit owned by the Mailer under this Agreement. The Mailer will undertake all reasonable efforts to provide the same information for each permit holder mailing under this Agreement;

- b. This requirement shall include the final month of the Agreement.
7. Information Link. To establish a secure data connection with the USPS in order to ensure that the USPS can receive the necessary information for Customs clearance as well as the data needed to monitor the proper prices and country destination of mailings under this Agreement. The Mailer will be responsible for all aspects of service quality of the information link, interconnectivity, and interoperability of network services of such data connection, which shall be available under commercially reasonable standards but shall be capable of ensuring that the data for all Qualifying Mail under this Agreement are available to the USPS.
 8. Customs and Export Documentation. To provide any necessary documentation, including data provided in electronic format, in connection with each mailing, in the form and at the time specified by the USPS, Customs & Border Protection, Transportation Security Administration, the U.S. Census Bureau, a destination country foreign government, or other authority. The Mailer further understands that the failure to provide any such required documentation may result in refusal at acceptance, delay in processing, involuntary seizure by Customs authorities, and/or return of mail to sender.
 9. Customs and Export Requirements. To comply with any regulation or order promulgated by the USPS, Customs & Border Protection, Transportation Security Administration, the U.S. Census Bureau, a destination country foreign government, or other governmental unit with jurisdiction over mail, to facilitate the Customs processing of its mail, according to any requirements specified by those authorities.
 10. Responsibility. To ensure that all entities mailing under the aegis of this Agreement, having provided the USPS with a permit number and notification of intent to mail under the terms of Paragraph 3 above, follow the terms and conditions set forth in this Agreement as they pertain to the preparation and tender of mailings.
 11. 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.

ARTICLE 8. POSTAGE PRICES

In consideration of Article 7 Paragraph 1, and in accordance with Article 9 but subject to Article 13, the Mailer:

1. Will receive a discount of [REDACTED] off the base rates for Global Bulk Economy service found in Annex 1 to this Agreement.
2. Will pay postage according to the price charts in Annex 3 to this Agreement for Global Direct – Canada Lettermail, Global Direct – Canada Incentive Lettermail, Global Direct – Canada Admail, and Global Direct – Canada Publications Mail.

ARTICLE 9. APPROVAL OF PRICES

The discount in Paragraph 1 of Article 8 and the prices for Global Direct Service listed in Annex 3 are contingent upon any and all necessary approvals for corresponding USPS prices by the USPS Governors, the USPS Board of Governors, the USPS Pricing Steering Committee, and/or the United States Postal Regulatory Commission.

ARTICLE 10. SUSPENSIONS OF MAIL SERVICE

In the event that a suspension of mail service from the United States to a given country would prevent delivery of Qualifying Mail to addressees in that country, the Mailer shall not tender Qualifying Mail to the USPS until service is restored. The minimum commitment for Qualifying Mail as set forth in Article 7 of this Agreement shall be recalculated *pro rata* to reflect the reduction in available service time.

ARTICLE 11. GOVERNING LAW

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

ARTICLE 12. TERM OF THE AGREEMENT

1. The Effective Date of this Agreement shall be 12:01 a.m. on January 17, 2011. The Agreement will remain in effect until 11:59 p.m. on the date prior to the date in January, 2012, when Canada Post Corporation institutes price changes for its domestic Lettermail, Incentive Lettermail, Admail, and/or Publications Mail products. Should Canada Post Corporation not change prices for its domestic Lettermail, Incentive Lettermail, Admail, and/or Publications Mail during the month of January, 2012, this Agreement shall terminate at 11:59 p.m. on January 31, 2012. This Agreement may be terminated sooner than previewed in this Paragraph pursuant to Article 14.
2. The Mailer acknowledges that this Agreement is subject to regulatory oversight and that such oversight might affect the Effective Date.
3. The USPS will notify the Mailer of the status of the approval process or of potential fulfillment of the approval process, or when major steps in the process are completed. The USPS also will respond to Mailer inquiries concerning the status of the process.

ARTICLE 13. PENALTY AND REIMBURSEMENT

1. In the event that the Mailer does not meet its minimum commitment as set forth in Article 7 Paragraph 1, the Mailer agrees to pay the USPS [REDACTED]. The actual amount to be determined by the USPS.
2. The USPS will invoice the Mailer for the amount of these assessed penalties.
3. [REDACTED]



4. For purposes of calculating the payments detailed in this Article, postage paid for IPA, ISAL, GBE, GD, EMI, and PMI shall be counted from January 1, 2011, and shall include December 31, 2011, as the final inclusive date.

ARTICLE 14. TERMINATION OF THE AGREEMENT

Either Party to this Agreement, in its sole discretion, may terminate this Agreement for any reason, by giving the other Party 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. In the event that this Agreement is terminated before the anticipated termination date in Article 12, the Mailer remains bound by the terms of Article 7 Paragraphs 5 and 6, and Article 13, except that the Mailer's obligation, if any, under Articles 7 and 13 shall be calculated on a *pro rata* basis to reflect the actual duration of the agreement.

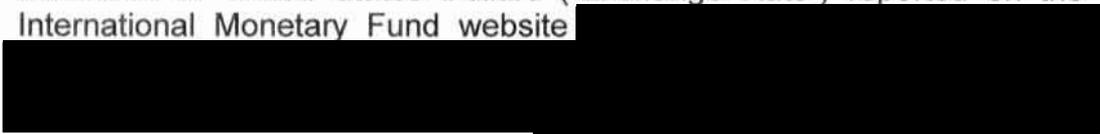
ARTICLE 15. POSTAGE UPDATES

1. The prices in Annex 3 are based in part on the exchange rate between the United States Dollar and the Canadian Dollar reported on November 1, 2010, on the following URL on the International Monetary Fund website.

http://www.imf.org/external/np/fin/data/rms_mth.aspx?reportType=REP

The USPS will continue to use this website or any successor website the International Monetary Fund may establish.

- a. The USPS Postal Fiscal Year quarters begin on October 1, January 1, April 1, and July 1.
- b. The USPS will review the foreign exchange rate of the Canadian Dollar as measured in United States Dollars ("Exchange Rate") reported on the International Monetary Fund website



- c. Should the Exchange Rate change



the USPS will
adjust the prices in the then-current Annex 3



- d. [REDACTED]
2. In the event that the costs the USPS incurs to provide Global Bulk Economy service, Global Direct – Canada Lettermail, Global Direct – Canada Incentive Lettermail, Global Direct – Canada Admail, or Global Direct – Canada Publications Mail increase [REDACTED] during the term of this Agreement, the USPS reserves the right to adjust the prices for that service during the term of this Agreement.
 3. The prices for Global Direct – Canada Lettermail, Global Direct – Canada Incentive Lettermail, Global Direct – Canada Admail, and Global Direct – Canada Publications Mail listed in Annex 3 are based on CPC prices. The USPS will adjust the prices in Annex 3 if CPC changes its prices for domestic Canadian Lettermail, Incentive Lettermail, Admail, or Publications Mail during the term of this Agreement.
 4. Notwithstanding the provisions of Paragraph 1 above, if the Exchange Rate [REDACTED] results in the then-current prices, denominated in United States Dollars, in Annex 3 of this Agreement falling below the CPC prices for domestic Canadian Lettermail, Incentive Lettermail, Admail, or Publications Mail as expressed in United States Dollars, the USPS will adjust the then-current prices in Annex 3 as necessary to avoid such a result.
 5. Any revision of prices in Annex 3 shall go into effect [REDACTED] except for the following:
 - a. Any price revision pursuant to Paragraphs 1 and 4 [REDACTED] In such cases, the price revision will take effect simultaneous with the price revision pursuant to Paragraph 3 above, except that for purposes of Paragraph 1, if CPC does not change its rates in January, any price revision will take place [REDACTED]
 - b. Any price revision pursuant to Paragraph 2. In such cases, the price revision will take effect as specified by the USPS.
 6. The USPS shall use its best efforts to provide the Mailer with notification of any revision to the prices in Annex 3 at least fifteen (15) days prior to the date on which the revised prices will take effect.
 7. The USPS shall use its best efforts to provide the Mailer with notification of any revision to the prices for Global Bulk Economy service at least thirty-five (35) days prior to the date on which the revised prices will take effect.
 8. The Mailer acknowledges that revisions in prices may be subject to regulatory oversight and such oversight might affect the effective date of any price revision.
 9. No revision to the prices in Annex 3 shall be retroactive.

10. In the event that this Agreement is extended for any period of time under the terms of Article 27, the price adjustment provisions of this Article shall continue to apply during the extension term.

ARTICLE 16. 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 addressees within any particular time.

ARTICLE 17. CUSTOMS DUTIES AND TAXES

Customs duties and taxes for packages mailed under this Agreement are the responsibility of the addressee.

ARTICLE 18. INDEMNITY

The Mailer shall indemnify and save 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 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. LIMITATION OF LIABILITY: INSURANCE

1. The liability of the USPS under this Agreement shall be limited to the refund of postage for Qualifying Mail that is lost or destroyed in bulk after being tendered to the USPS and prior to being received by the delivery authority outside of the United States. The USPS shall not be liable for any actual or consequential damages suffered by the Mailer as the result of late delivery or non-delivery of Qualifying Mail. Qualifying Mail mailed under this Agreement is not insured against delay in delivery. Neither indemnity payments nor postage refunds will be made in the event of delay.
2. The USPS bears no responsibility for the refund of postage in connection with actions taken by Customs authorities.

ARTICLE 20. 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, and 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 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. NUMBER AND GENDER

The use of any particular gender, or the plural or singular, in this Agreement is intended to include the other gender, or the plural or singular, as the text may require.

ARTICLE 23. 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 24. 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. Granting such consent shall not be unreasonably withheld and shall be allowed for assignment to a subsidiary or affiliate of the Mailer.

ARTICLE 25. 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 sections(s) at the time this Agreement was drafted. 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 26. ENTIRE AGREEMENT AND SURVIVAL

1. This Agreement, Global Plus 2 Service Agreement, including all Annexes thereto for Qualifying Global Bulk Economy service, Global Direct – Canada Lettermail, Global Direct – Canada Incentive Lettermail, Global Direct – Canada Admail, and Global Direct – Canada Publications Mail, along with the companion Global Plus 1 Service Agreement, including all Annexes thereto for Qualifying International Priority Airmail service (IPA), International Surface Air Lift service (ISAL), Express Mail International (EMI) and Priority Mail International (PMI), shall constitute the entire agreement between the Parties as it pertains to Qualifying Global Bulk Economy, Global Direct – Canada Lettermail, Global Direct – Canada Incentive Lettermail, Global Direct – Canada Admail, Global Direct – Canada Publications Mail, International Priority Airmail service (IPA), International Surface Air Lift service (ISAL), Express Mail International (EMI), and Priority Mail International (PMI) intended for delivery outside the United States.
2. Neither the Mailer nor the USPS is released from any obligations arising under the Global Plus Service Agreement between the Mailer and the USPS executed by the Mailer on April 29, 2008, and by the USPS on April 30, 2008; and the Global Plus Service Agreement between the Mailer and the USPS executed by the Mailer on June 19, 2008, and by the USPS on June 19, 2008.

3. Neither the Mailer nor the USPS is released from any obligations arising under the Global Plus 1 Service Agreements between the Mailer and the USPS executed:
 - a. By the Mailer on June 16, 2009, and by the USPS on June 19, 2009, as modified by a Modification One, signed by the Mailer on July 15, 2010, and by the USPS on July 19, 2010; and
 - b. By the Mailer on July 15, 2010, and by the USPS on July 15, 2010.
4. Neither the Mailer nor the USPS is released from any obligations arising under the Global Plus 2 Service Agreements between the Mailer and the USPS executed:
 - a. By the Mailer on June 16, 2009, and by the USPS on June 19, 2009, as modified by a Modification One, signed by the Mailer on February 1, 2010, and by the USPS on February 1, 2010, and a Modification Two, signed by the Mailer on May 7, 2010, and by the USPS on May 11, 2010, and a Modification Three, signed by the Mailer on July 15, 2010, and by the USPS on July 19, 2010; and
 - b. By the Mailer on July 15, 2010, and by the USPS on July 15, 2010.
5. With the exception of the Agreements mentioned in Article 26, Paragraphs 2, 3, and 4, any prior understanding or representation of any kind regarding the use of said Qualifying Mail originating in the United States and intended for delivery outside the United States, which precedes the date of this Global Plus 1 Agreement and the companion Global Plus 2 Agreement, shall not be binding upon either Party except to the extent incorporated in this Agreement.
6. The provision of Article 6, Paragraph 6; Article 7, Paragraph 11; and Article 32 shall expire ten (10) years from the date of termination or expiration of this Agreement.

ARTICLE 27. MODIFICATION

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 15, 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, the Antitrust Division of the Department of Justice, the Federal Trade 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 will notify the Mailer of the status of the approval process or of potential fulfillment of the approval process, when major steps in the process are completed. The USPS also will respond to Mailer inquiries concerning the status of the process.

ARTICLE 28. MAILABILITY AND IMPORTABILITY

All items mailed under this Agreement must conform to the export requirements of the United States, the mailability requirements of the USPS as detailed in IMM 130 and any importation restrictions of any destination country. The Mailer is solely responsible for the importation status of Qualifying Mail mailed under this Agreement as detailed in IMM 112.

ARTICLE 29. PRESERVATION AFTER TERMINATION

Termination of this Agreement shall be without prejudice to any rights, obligations, and liabilities of the Mailer accrued up to and including the effective date of such termination. In the event of termination of the Agreement, the Mailer shall be liable to make final settlement of all amounts owing as of the effective date of termination within three (3) months of written notice by the USPS of any deficiency or liability under this Agreement.

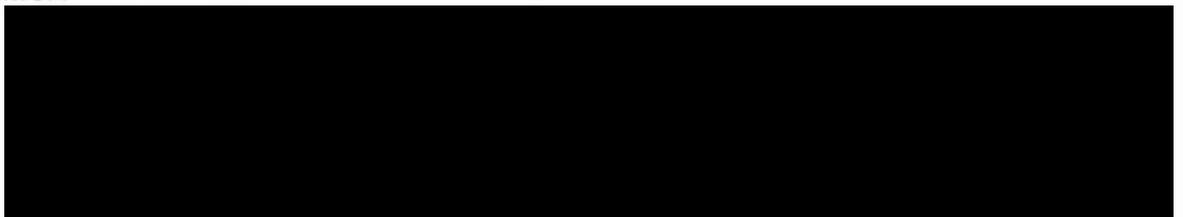
ARTICLE 30. NOTICES

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

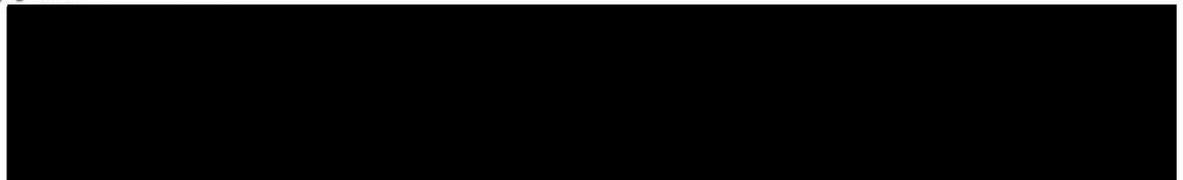
To the United States Postal Service:

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

To the Mailer:



With a copy to:



or via e-mail:

To the United States Postal Service at: icmusps@usps.gov

To the Mailer at:



ARTICLE 31. CONDITIONS PRECEDENT

1. The Parties acknowledge and understand that all obligations of the USPS under this Agreement, including the prices listed in Annex 3, 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 responsible USPS management officials, the USPS Board of Governors, the USPS Governors, 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 the Agreement may not be approved by such individuals or bodies. Until such time that all Conditions Precedent are fulfilled that are necessary to allow the Postal Service 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. In the event that the Conditions Precedent are not fulfilled, the USPS shall have no liability, which shall include no obligation to pay costs associated with any action taken by the Mailer prior to the Effective Date of the Agreement. Further, in the event of termination of the Agreement or the failure of any Condition Precedent, the USPS shall not be held liable for any damages including, without limitation, actual; special; indirect; incidental; punitive; consequential; or any other damages, which shall include but not be limited to damages for loss of business profits; business interruption; any other loss; and/or for costs incurred by either Party attributable to such non-approval such as attorney's fees.

ARTICLE 32. 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 file information in connection with this instrument (including revenue, cost, or volume data) in other Commission dockets. 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 33. 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.

In witness whereof, this Agreement is deemed executed on the latter of the two dates accompanying the Parties' signatures.

ON BEHALF OF THE UNITED STATES POSTAL SERVICE:

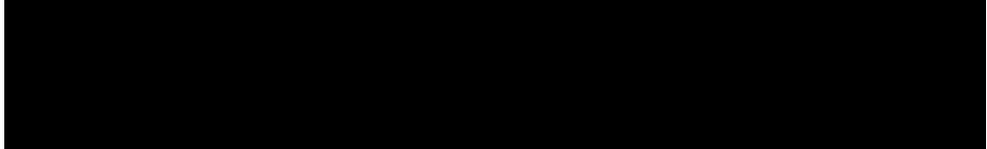
Signature: Frank A. Cebello

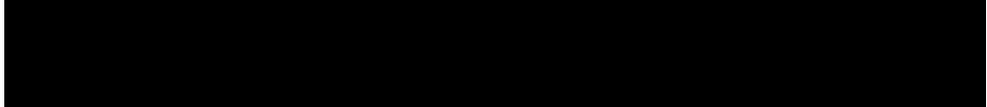
Name: Frank A. Cebello

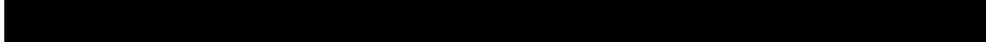
Title: Executive Director, Global Business Management

Date: 12/13/10

ON BEHALF OF 

Signature: 

Name: 

Title: 

Date: 12-10-10

- ANNEX 1 GLOBAL BULK ECONOMY (GBE) BASE PRICES
- ANNEX 2 MAILING LOCATIONS FOR GLOBAL DIRECT – CANADA
- ANNEX 3 GLOBAL DIRECT – CANADA PRICE CHARTS

ANNEX 1

GLOBAL BULK ECONOMY (GBE) BASE PRICES

Postage

The following are base prices from which percentage volume discounts are applied. The GBE [REDACTED] discount is [REDACTED] off these base prices.

The per-piece price applies to each piece regardless of its weight. The piece price is applied to each item mailed in a GBE sack. The per-pound price applies to the net weight (gross weight minus tare weight of mailing equipment) of the sack for the specific price group. Fractions of a pound are rounded to the next whole pound for postage calculation.

Global Bulk Economy Base Prices

Base prices for mail tendered at the New Jersey International Network Distribution Center:

<u>Price Group</u>	<u>Per-Piece</u>	+	<u>Per-Pound</u>
1	[REDACTED]		
2	[REDACTED]		
3	[REDACTED]		
4	[REDACTED]		
5	[REDACTED]		
6	[REDACTED]		
7	[REDACTED]		
8	[REDACTED]		
M-bag (all price groups)	[REDACTED]		

ANNEX 2

MAILING LOCATIONS FOR GLOBAL DIRECT – CANADA

**GLOBAL DIRECT – CANADA LETTERMAIL
GLOBAL DIRECT – CANADA INCENTIVE LETTERMAIL
GLOBAL DIRECT – CANADA ADMAIL
GLOBAL DIRECT – CANADA PUBLICATIONS MAIL**

JOHN F. KENNEDY AIRPORT MAIL CTR
US POSTAL SERVICE
JOHN F. KENNEDY INTERNATIONAL AIRPORT BLDG 250
JAMAICA NY 11430-9998

NEW JERSEY NETWORK DISTRIBUTION CTR
US POSTAL SERVICE
80 COUNTY RD
JERSEY CITY NJ 07097-9998

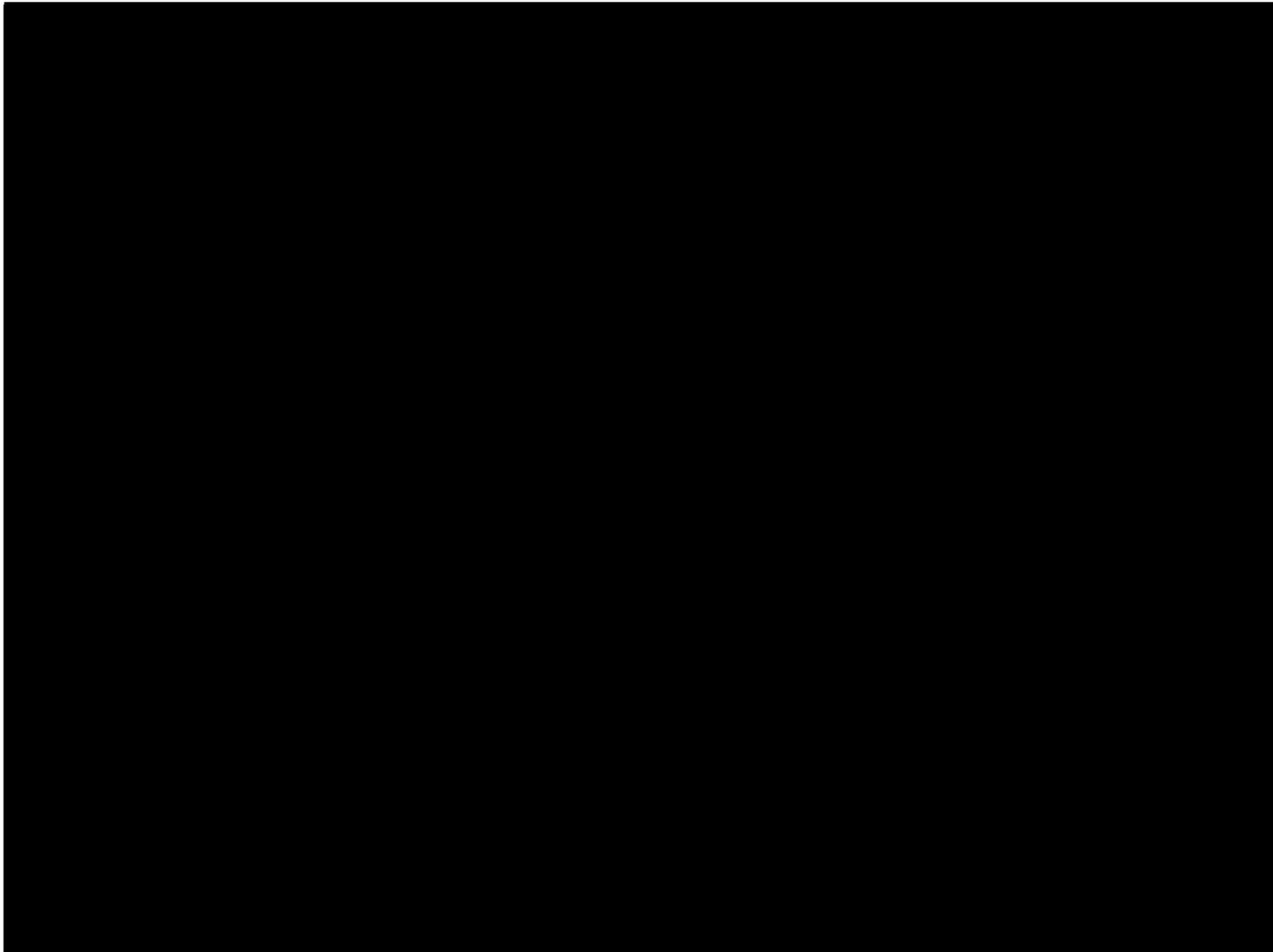
JT WEEKER INTERNATIONAL SERVICE CTR
US POSTAL SERVICE
OHARE INTERNATIONAL AIRPORT
11600 W IRVING PARK RD
CHICAGO IL 60666-9998

ANNEX 3

GLOBAL DIRECT – CANADA PRICE CHARTS

PRICES FOR GLOBAL DIRECT – CANADA LETTERMAIL

ALL PRICES ARE EXPRESSED IN U.S. DOLLARS

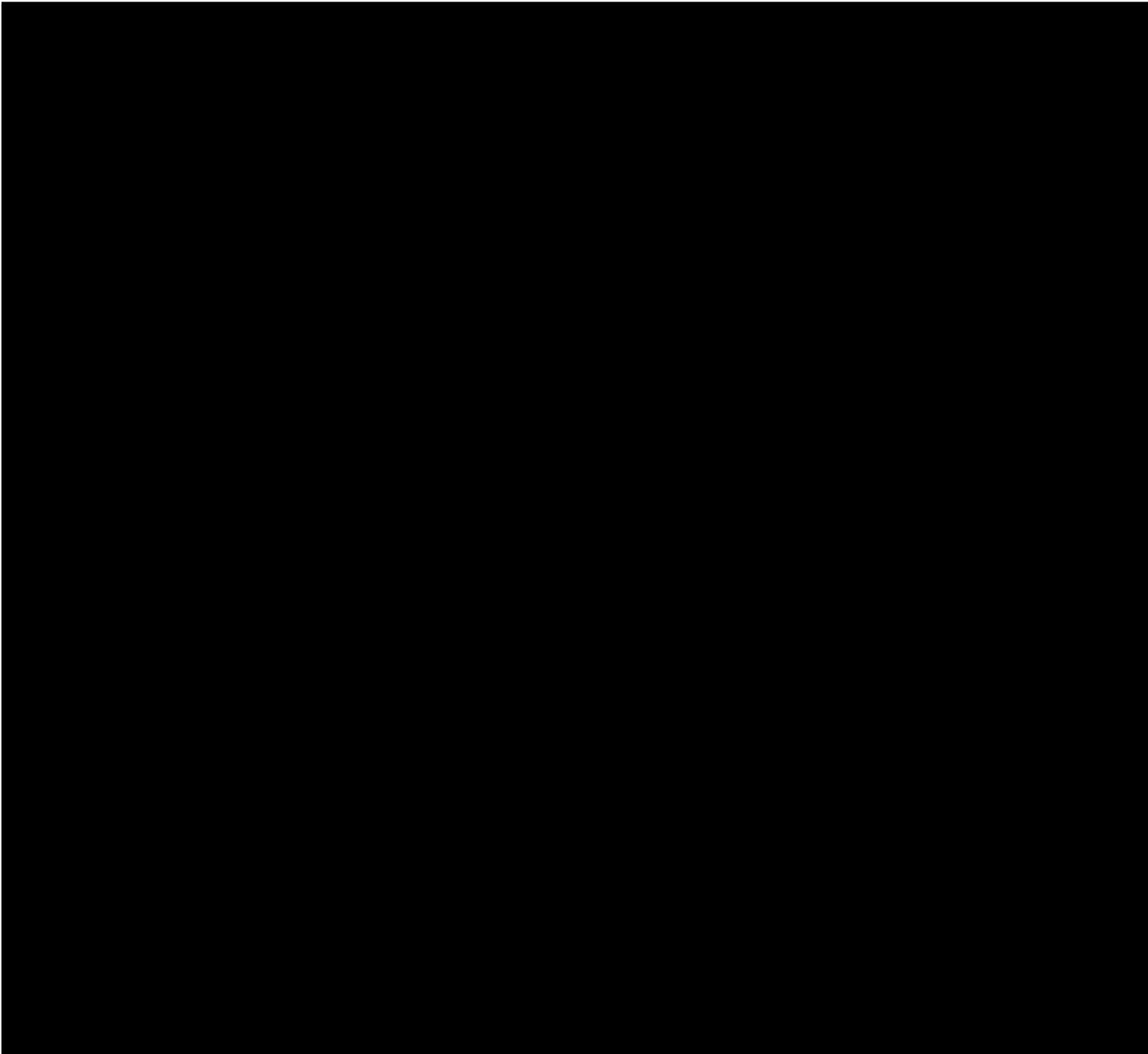


ANNEX 3

GLOBAL DIRECT – CANADA PRICE CHARTS

PRICES FOR GLOBAL DIRECT – CANADA INCENTIVE LETTERMAIL

ALL PRICES ARE EXPRESSED IN U.S. DOLLARS



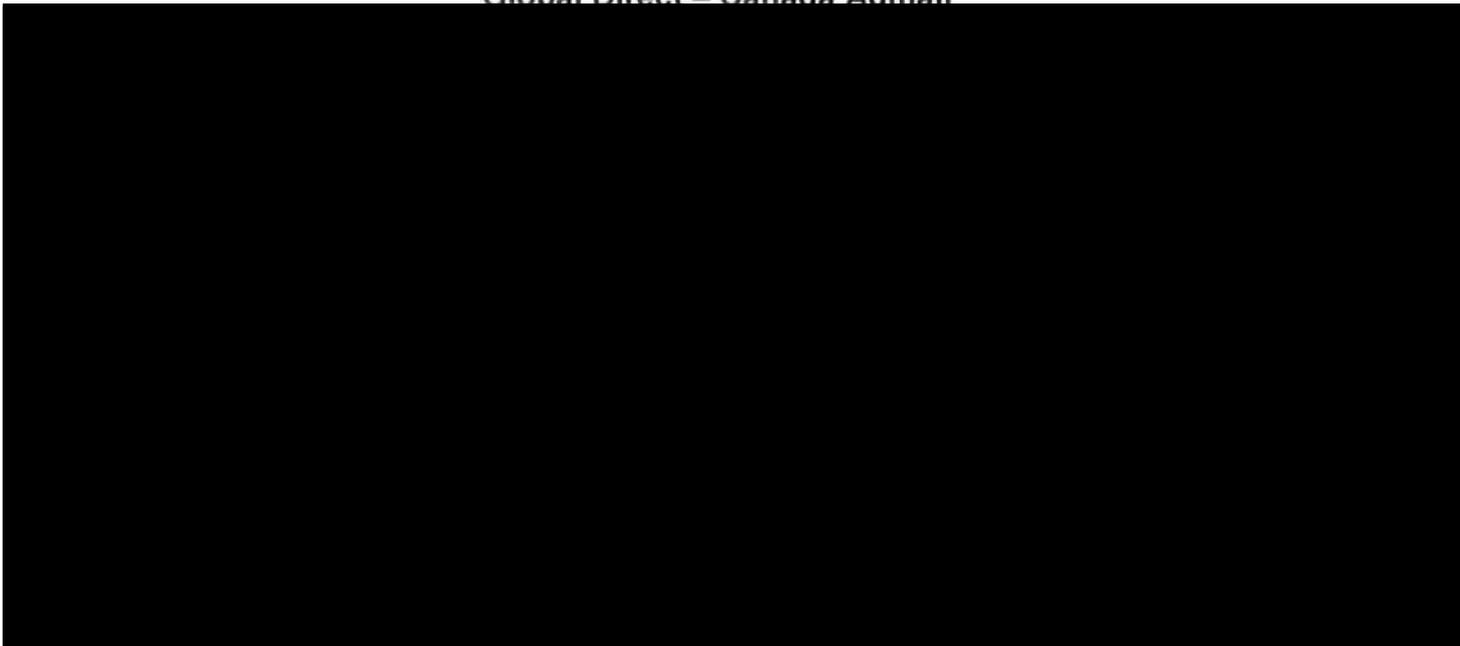
ANNEX 3

GLOBAL DIRECT – CANADA PRICE CHARTS

PRICES FOR GLOBAL DIRECT – CANADA ADMAIL

ALL PRICES ARE EXPRESSED IN U.S. DOLLARS

Global Direct – Canada Admail



PRICES FOR GLOBAL DIRECT – CANADA PUBLICATIONS MAIL

ALL PRICES ARE EXPRESSED IN U.S. DOLLARS

Global Direct – Canada Publications Mail

