

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

COMPETITIVE PRODUCT PRICES
GLOBAL DIRECT CONTRACTS 1 (MC2010-17)
NEGOTIATED SERVICE AGREEMENT

Docket No.
CP2011-52

**NOTICE OF THE UNITED STATES POSTAL SERVICE OF FILING A
SIGNED GLOBAL DIRECT CONTRACTS 1 NEGOTIATED SERVICE AGREEMENT**
(January 20, 2011)

On December 23, 2010, the Postal Service filed a Notice of Filing of Functionally Equivalent Global Direct Contracts 1 Negotiated Service Agreement. Although certain aspects of the agreement that is the subject of this docket 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 this docket 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 Direct Contracts 1 Negotiated Service Agreement that is the subject of the docket referenced above is attached to this notice and substitutes the draft version originally filed on December 23, 2010. A nonpublic version of the signed agreement is also being filed separately under seal with the Postal Regulatory Commission (Commission) and substitutes the version originally filed. With respect to the agreement filed under seal with this notice, the

¹ Notice of United States Postal Service Filing of Functionally Equivalent Global Direct Contracts 1 Negotiated Service Agreement, Docket No. CP2011-52, December 23, 2010, at 1.

Postal Service hereby incorporates its Application for Non-Public Treatment, which was filed in the docket referenced above, as an attachment to its December 23, 2010 notice.²

In accordance with Order No. 632,³ the Postal Service provides the following list of minor differences between the draft agreement filed with the Commission on December 23, 2010,⁴ and the signed agreement filed with this Notice.

- Article 6(4) has been changed so that it is almost identical to Article 6(4) of the predecessor agreement with the customer (see Docket No. CP2010-19).
- As a result of Order No. 632, in lieu of using a fixed commencement date, Article 12(1) has been revised so that the Postal Service will notify the customer of the Effective Date of the Agreement within thirty (30) days after receiving the approval of the entities that have oversight responsibilities for the Postal Service. In addition, Article 12(1) has been changed so that the Agreement will remain in effect for one year or until the date prior to the date in January, 2012, when Canada Post Corporation institutes price changes for its domestic Admail product, should Canada Post Corporation change prices for its domestic Admail product during the month of January, 2012.

² *Id.* at Attachment 4.

³ PRC Order No. 632, Order Extending Time for Comments, Docket No. CP2011-52, December 30, 2010, at 2.

⁴ Notice of United States Postal Service Filing of Functionally Equivalent Global Direct Contracts 1 Negotiated Service Agreement, Docket No. CP2011-52, December 23, 2010, at Attachment 1.

- In Article 28, the representative of the customer to whom notice shall be provided, and the e-mail address to which notice to the customer is to be sent, have been changed.

Respectfully submitted,

UNITED STATES POSTAL SERVICE
By its attorneys:

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January 20, 2011

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

This Agreement ("Agreement") is between [REDACTED] ("Mailer"), with an address 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 Direct – Canada Admail.

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.
4. "Global Direct" means Global Direct service which is mail that conforms to the size, shape, and mail piece 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. "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.
6. "Global Direct – Canada Admail" means Global Direct service used in connection with Admail to Canada. Global Direct – Canada Admail is subject to CPC's specifications for domestic Canadian Addressed Admail service. Global Direct – Canada Admail is not sealed against inspection under U. S. law.
7. "Qualifying Mail" means mail that meets the requirements set forth in Article 3 of this Agreement.
8. "Non-qualifying Mail" means mail that does not meet the requirements set forth in Article 3 of this Agreement.
9. "Effective Date" means the first date on which the USPS is willing to accept Qualifying Mail.

ARTICLE 3. QUALIFYING MAIL

Only mail that meets the following requirements shall qualify as Qualifying Mail under this Agreement:

1. Design and General Preparation Requirements. Every item must conform to the size, shape, and mail piece specifications as determined by CPC for Admail and must comply with the preparation requirements set forth in Annex 3.
2. Presentation. All items must be presented to the USPS in USPS trays or other USPS approved equipment.

ARTICLE 4. NONQUALIFYING MAIL

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

ARTICLE 5. OBLIGATIONS OF THE USPS

The USPS hereby agrees:

1. Mailing requirements. To provide the Mailer with pre-mailing consultation on postal regulations as they relate to CPC Admail.
2. Supplies. To furnish the Mailer with letter trays and other postal equipment and/or supplies required for the use of Qualifying Mail.
3. Documentation. To prepare appropriate export documentation for dispatch of Qualifying Mail to Canada.
4. International transportation. To arrange for commercial surface transportation for Qualifying Mail from the United States to Canada.
5. Delivery. To coordinate with CPC for delivery of Qualifying Mail to addressees.
6. Payment Method. To facilitate postage payments through the use of permit accounts.

7. CPC Penalties. To inform the Mailer via e-mail as provided in Article 28, 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 Mailer's 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.
8. Pickup Service. To provide pickup service for Qualifying Mail according to the applicable local agreement, if any, as amended from time to time.
9. Confidentiality. To seek non-public treatment of information it determines to be eligible for protection from public disclosure under applicable law and practice when it files the Agreement with the Postal Regulatory Commission, or when it files information (including data) in connection with the Agreement in accordance with other regulatory requirements.

ARTICLE 6. OBLIGATIONS OF THE MAILER

The Mailer hereby agrees:

1. Mail Preparation. To tender Qualifying Mail to the USPS in accordance with USPS and CPC requirements for Admail.
2. Tender. To tender Mailings of Global Direct – Canada Admail at one of the mailing locations listed in Annex 2.
3. Notification.
 - a. To notify the Manager, Global Customized Agreements, via e-mail to icmusps@usps.gov of any new permit numbers to be used for Qualifying Mail at least one (1) week in advance of using the new permit 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.
 - b. To provide the USPS acceptance site(s) with notice of intent to mail and to adhere to the acceptance times and scheduling procedures in place at the appropriate acceptance site(s).
4. Postage. To pay postage for Qualifying Mail according to the price charts in Annex 1. The prices listed in Annex 1 are contingent upon any and all necessary approvals for corresponding USPS prices by the USPS Governors, the USPS Board of Governors, and/or the United States Postal Regulatory Commission as provided in Article 24.

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 5, Paragraph 7.
 - a. Canada Post Corporation will inform the USPS of any penalty assessed on Qualifying Mail the Mailer presents 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].

[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. Payment of Postage. To pay postage, either directly or through a mailing agent, for all Qualifying Mail with a dedicated unique permit imprint to be used only for Qualifying Mail, subject to the general conditions stated in DMM 604 with the exception that the indicia must conform to the requirements in Annex 3. For non-identical weight items, mailings are acceptable as authorized under the specific procedures in one of the special payment programs in DMM 705.
7. 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, the government of Canada, 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 the sender.
8. Customs and Export Requirements. To comply with any regulation or order promulgated by the USPS, Customs & Border Protection, the Transportation Security Administration, the U.S. Census Bureau, the government of Canada, or other governmental unit with jurisdiction over mail, to facilitate the Customs processing of its mail, according to any requirements specified by those authorities.
9. 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 7. NO SERVICE GUARANTEE

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

ARTICLE 8. MINIMUM COMMITMENT

1. The Mailer is required to meet an annualized minimum commitment of [REDACTED] in postage for Qualifying Mail.
2. The Mailer acknowledges that preparing and gaining approval for the terms set forth in this Agreement requires substantial resources on the part of the USPS and that these resources will not be recouped in the event the Mailer does not meet its minimum commitment as set forth above in Paragraph 1 of this Article. Accordingly, the Mailer agrees to pay to the USPS the maximum sum of [REDACTED] as liquidated damages if such minimum commitment is not met. Such liquidated damages shall be payable within thirty (30) days of receipt of a written demand by the USPS.

ARTICLE 9. POSTAGE UPDATES

1. The prices in Annex 1 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 [REDACTED]

- c. Should the Exchange Rate change [REDACTED]

[REDACTED] the USPS will adjust the prices in the then-current

Annex 1 [REDACTED]

- d. [REDACTED]

- [REDACTED]
2. In the event that the costs the USPS incurs to provide the service in this Agreement increase [REDACTED] during the term of this Agreement, the USPS reserves the right to adjust the prices in Annex 1 during the term of this Agreement. This paragraph does not apply to costs of service that are based on CPC prices which are governed by paragraph 3.
 3. The prices for Global Direct – Canada Admail listed in Annex 1 are based on Canada Post Corporation prices. The USPS will adjust the prices in Annex 1 if Canada Post Corporation changes its prices for domestic Canadian Admail 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 1 of this Agreement falling below the Canada Post Corporation prices for domestic Canadian Admail as expressed in United States Dollars, the USPS will adjust the prices in the then-current Annex 1 as necessary to avoid such a result.
 5. Any revision of the prices in Annex 1 shall go into effect [REDACTED] except for the following:
 - a. Any price revision pursuant to Paragraphs 1 and 4 above [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 Canada Post Corporation does not change its rates in January, any price revision will take place on [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 1 at least fifteen (15) days prior to the date on which the revised prices will take effect.
 7. 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.
 8. No revision to the prices in Annex 1 shall be retroactive.
 9. In the event that this Agreement is extended for any period of time under the terms of Article 15, the price adjustment provisions of this Article shall continue to apply during the extension term.

ARTICLE 10. SUSPENSIONS OF MAIL SERVICE

In the event that a suspension of mail service from the United States to Canada would prevent delivery of Qualifying Mail to addressees in Canada, the Mailer shall not tender Qualifying Mail to the USPS until service is restored. Under these circumstances, the Mailer shall have the option to make alternative arrangements for the delivery of Qualifying Mail without penalty. The annualized minimum postage commitment for Qualifying Mail set forth in Article 8 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 USPS will notify the Mailer of the Effective Date of the Agreement within thirty (30) days after receiving the approval of the entities that have oversight responsibilities for the USPS. The Agreement will remain in effect for one year or 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 Admail product. Should Canada Post Corporation not change prices for its domestic Admail product during the month of January, 2012, this Agreement shall terminate at 11:59 p.m. on January 31, 2012. The Agreement may be terminated sooner pursuant to Article 13.
- 4-2. The Mailer acknowledges that this Agreement is subject to regulatory oversight and that such oversight might affect the Effective Date.
3. The USPS shall have no obligation to notify the Mailer of the status of the approval process or of potential fulfillment of the approval process.

ARTICLE 13. TERMINATION OF THE AGREEMENT

Either Party to this Agreement, in its sole discretion, may terminate the Agreement for any reason, without cost, fault, or penalty, regardless of whether either Party is in default, upon a thirty (30) day written notification, unless a time frame longer than thirty (30) days that falls within the term of the Agreement is indicated by the terminating Party.

ARTICLE 14. ENTIRE AGREEMENT AND SURVIVAL

1. This Agreement, and all Annexes thereto, shall constitute the entire agreement between the Parties and any prior understanding or representation of any kind preceding the date of this Agreement shall not be binding upon either Party except to the extent incorporated in this Agreement.
2. The obligations of the Parties with respect to confidentiality, as provided for in Article 5, Paragraph 9; Article 6, Paragraph 9; and Article 16, will expire ten (10) years from the date of the termination of this Agreement.

ARTICLE 15. MODIFICATION OF THE AGREEMENT

1. Any modification of this Agreement or additional obligation assumed by either Party in connection with this Agreement, with the exception of changes to prices under the terms of Article 9, 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 shall have no obligation to notify the Mailer of the status of the approval process or of potential fulfillment of the approval process.
6. Any changes to or modification of the local agreement referred to in Article 5, Paragraph 8, are not subject to the provisions of this Article.

ARTICLE 16. 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, including PRC Docket Numbers ACR2011 and ACR2012. 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 17. CUSTOMS DUTIES AND TAXES

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

ARTICLE 18. LIMITATION OF LIABILITY

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 CPC. 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.

ARTICLE 19. 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 20. ASSIGNMENT

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

ARTICLE 21. 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 22. FORCE MAJEURE

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

ARTICLE 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. CONDITIONS PRECEDENT

1. The Parties acknowledge and understand that all obligations of the USPS under this Agreement, including the prices listed in Annex 1 and Annex 2, 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 USPS 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 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 the IMM within this Agreement are intended to refer to the substantive information found within the cited section(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. MAILABILITY AND IMPORTABILITY

All items mailed under this Agreement must conform to the mailability requirements of the USPS as detailed in IMM 130 and conform to the importation restrictions of the destination countries, as well as the export requirements of the United States. The Mailer is solely responsible for the importation status of its products.

ARTICLE 27. 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 thirty (30) days of written notice by the Postal Service of any deficiency or liability under this Agreement.

ARTICLE 28. NOTICES

All notices or demands required by this Agreement shall be sufficient if delivered:

1. Personally or mailed, by Express Mail, to the following:

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 [REDACTED]

or

2. Via e-mail:

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

To the Mailer at: [REDACTED]

ARTICLE 29. 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, each Party to this Agreement has caused it to be executed as indicated below.

ON BEHALF OF THE UNITED STATES POSTAL SERVICE:

Signature: Frank A. Cebello
Name: Frank A. Cebello
Title: Executive Director, Global Business Management
Date: 1/20/11

ON BEHALF OF

Signature: [REDACTED]
Name: [REDACTED]
Title: [REDACTED]
Date: 1/17/11

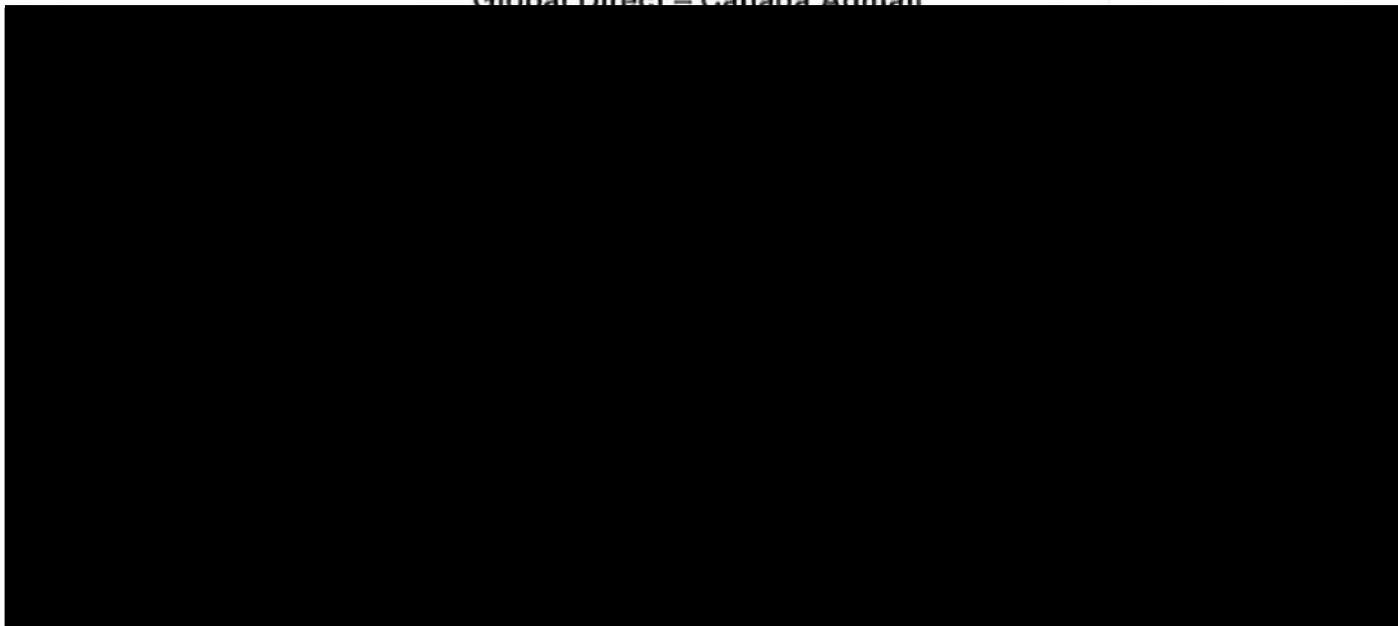
- ANNEX 1 PRICES FOR GLOBAL DIRECT – CANADA ADMAIL
- ANNEX 2 MAILING LOCATIONS FOR GLOBAL DIRECT – CANADA ADMAIL
- ANNEX 3 PREPARATION REQUIREMENTS FOR GLOBAL DIRECT – CANADA ADMAIL

ANNEX 1

PRICES FOR GLOBAL DIRECT – CANADA ADMAIL

ALL PRICES ARE EXPRESSED IN U.S. DOLLARS

Global Direct – Canada Admail



ANNEX 2

MAILING LOCATIONS FOR GLOBAL DIRECT – CANADA ADMAIL

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
11600 W IRVING PARK RD
CHICAGO IL 60666-9998

ANNEX 3

SUMMARY OF PREPARATION AND PRESENTATION REQUIREMENTS GLOBAL DIRECT – CANADA ADDRESSED ADMAIL (Updated 11-13-2010)

GENERAL

This summary of requirements is for information only and is subject to any changes Canada Post Corporation (CPC) may make to its domestic Admail service. Such changes become binding upon the Mailer on the effective date determined by CPC whether or not they are reflected in this document. The Mailer is responsible for ensuring that the items meet CPC requirements for these services. Detailed information can be found on the CPC website (www.canadapost.com).

ADDRESSING

Mailing Address:

The address of the addressee must be complete and include:

- The addressee's name;
- Where applicable, the street number, street name, and apartment or room number;
- City, province, and a valid postal code.

Note: Global Direct – Canada Addressed Admail mailings must meet CPC minimum address accuracy requirements.

Return Address:

The return address must be in Canada and it must appear on the same side as the delivery address in the upper left corner.

POSTAL INDICIA AND OTHER MARKINGS

Items must bear the appropriate CPC indicia. The number [REDACTED] must appear in the indicia. Camera-ready indicia artwork can be downloaded from the *CPC Postal Guide* at www.canadapost.ca/postalguide.

PRENOTIFICATION OF GLOBAL DIRECT – CANADA ADDRESSED ADMAIL

The USPS requires prenotification for each mailing of Global Direct – Canada Addressed Admail. At least 24 hours before each mailing of Global Direct – Canada Addressed Admail, the Mailer, or a representative acting on behalf of the Mailer, must submit to the USPS via e-mail the completed Mailing Summary produced using CPC recognized software and the completed and signed PC Form 3700, *Postage Statement – International Mail*, Part I, Global Direct – Canada Admail – Permit Imprint.

The subject line of the e-mail must read as follows:

**Global Direct Canada Addressed Admail Prenotification – Mailing Date:
MM/DD/YY**

The prenotification must be sent to the following e-mail address:
globalbusiness@usps.gov

Upon receipt of the prenotification, the USPS will prepare a CPC electronic Statement of Mailing and send that statement via e-mail to the customer by the next business day. The customer must print this document, affix it to the completed and signed PS Form 3700, *Postage Statement – International Mail*, Part I, Global Direct – Canada Admail – Permit Imprint, and present it with the mailing along with two samples from the mailing.

PREPARATION OF GLOBAL DIRECT – CANADA ADDRESSED ADMAIL

Each mailing of Global Direct – Canada Addressed Admail must be prepared in accordance with CPC eligibility and mail preparation requirements for CPC domestic Addressed Admail and contain a minimum of 1000 pieces. CPC recognized software must be used and minimum address accuracy requirements must be met.

Trays/Sacks:

- Items must be placed in USPS trays or sacks as appropriate to the mailing.

Pallets:

- Trays/sacks must be placed directly on USPS pallets.
- Each pallet and its load must be capped, shrink-wrapped and banded to ensure its integrity during transit.
- Pallet specifications:
 - Maximum height: 57 inches (1,448 mm)
 - Maximum weight: 2,205 pounds (1,000 kilograms)
- Each pallet must bear a placard (see below) on the top and all four sides. Each placard must be fully completed and bear a USPS approved International Mailer Label (IML) containing the specified barcode, or a standalone barcode. Barcode specifications are detailed in the International Mailer Label Specifications Document (see below).

PRESENTATION OF GLOBAL DIRECT – CANADA ADDRESSED ADMAIL

Each mailing of Global Direct – Canada Addressed Admail must be accompanied by a printed copy of the CPC electronic Statement of Mailing provided to the customer by the USPS (see Prenotification of Mailings), two samples from the mailing, and the completed and signed PS Form 3700, *Postage Statement – International Mail*, Part I, Global Direct – Canada Admail – Permit Imprint. Following verification and acceptance, the USPS Business Mail Entry Unit will affix the samples and the printed copy of the CPC electronic Statement of Mailing to the mailing.

INTERNATIONAL MAILER LABEL SPECIFICATIONS DOCUMENT

(Updated 6-25-10)

Controlled document – verify latest version

Global Direct – Canada receptacles must bear an International Mailer Label (IML) including a dispatch barcode which is used by the USPS for processing purposes. For Global Direct – Canada, the customer may create either an IML similar to PS Tag 155/178/181 (including the barcode) or simply the standalone barcode. The IML or barcode must be placed in the designated block on the placard (see below). Although specific font type, font size, spacing, and placement of the various information blocks are not critical, the IML must have the general "look and feel" of the samples below. Each IML must contain a barcode which meets the following specifications:

Symbology: Code 128

X-dimension: minimum 0.010 inch (0.015 inch preferred)

Bar height: minimum ½ inch (5/8 inch preferred)

The field descriptions follow:

<u>Position</u>	<u>Description</u>	<u>Format</u>	<u>Example, or valid values</u>
1-10	Mailer Permit Number	10 N	example: 1143000924
11	Product Code	1 A/N	(C=ISAL; P=IPA, D=Global Direct, E=Global Bulk Economy
12	Service Code	1 A/N	(M=M-bag; Z=n/a)
13	Receptacle Type	1 A/N	(B=Bag; L=Letter tray; F=Flat tray; P=Pallet; G=Gaylord)
14-16	Destination OE	3 A	examples: DEL, SYD
17-24	Serial Number	8 A/N	example: 483ad = 000483ad

Note: The Serial Number field (positions 17 – 24) is used to uniquely identify each receptacle. Duplicate receptacle numbers must not be used.

Sample labels/barcodes must be submitted in advance of use for approval to Tom Foley, Global Business Management: thomas.foley@usps.gov. For questions, please call 202-701-8590.

The following are a sample label, printed on 1.94" x 3.31" stock and sample Global Direct – Canada placards.

GLOBAL DIRECT – CANADA SAMPLE LABEL

	
1 2 3 4 5 0 0 0 0 1 D Z P Y T O 1 2 3 4 0 1 1 0	
<small>Global Direct Canada</small>	TO – (Country Name)
GD	TORONTO
	CANADA
YTO	<small>Permit Number (full ten digits)</small> 12345-00001



GLOBAL DIRECT CANADA

Check On e: **Admail** ___ / **Pub. Mail** ___ / **Lettermail** ___

TO: TORONTO EXCHANGE OFFICE (CA YTOA)
4567 DIXIE ROAD, MISSISSAUGA, ON L4W 1S2

DO NOT OPEN IN TRANSIT

**CUSTOMER: APPLY
INTERNATIONAL MAILER
LABEL HERE**

USPS: OVER LABEL
WITH GBS LABEL (CN35)



TRANSFER TO R.V.U. RECEIPT VERIFICATION UNIT

RECEPTACLE(S): _____ OF _____

STATEMENT OF MAILING/MANIFEST #: _____

PREPARED BY: _____

ORIGIN: J.T. WEEKER ISC (OR D), 514 EXPRESS CENTER DRIVE CHICAGO IL 60688 998

PLACARD EFFECTIVE DATE: 7/1/10



GLOBAL DIRECT CANADA

Check One: **Admail** ___ / **Pub. Mail** ___ / **Lettermail** ___

TO: TO RONTO EXC HANGE OFFICE (CAYTO A)
4 567 DIXIE ROAD, MISSISSAUGA, ON L4W 1S2

DO NOT OPEN IN TRANSIT

**CUSTOMER: APPLY
INTERNATIONAL MAILER
LABEL HERE**

USPS: OVERLABEL
WITH GBS LABEL (CN35)



TRANSFER TO R.V.U.

RECEIPT VERIFICATION UNIT

RECEPTACLE (S): _____ OF _____

STATEMENT OF MAILING/MANIFEST #: _____

PREPARED BY: _____

ORIGIN: JFK ISC (JFK), JFK INTERNATIONAL AIRPORT, BLD G.250 JAMAICA NY 11430-9998

PLACARD EFFECTIVE DATE: 7/1/10