

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

COMPETITIVE PRODUCT PRICES
BILATERAL AGREEMENT BETWEEN UNITED STATES POSTAL SERVICE
AND ROYAL MAIL GROUP, LTD. (CP2015-1)
NEGOTIATED SERVICE AGREEMENT

Docket No. CP2015-1

**NOTICE OF FILING MODIFICATION TWO TO OUTBOUND COMPETITIVE
INTERNATIONAL MERCHANDISE RETURN SERVICE AGREEMENT WITH
ROYAL MAIL GROUP, LTD.**
(November 2, 2015)

The Agreement that is the subject of this docket was originally scheduled to expire on September 30, 2015.¹ The Postal Regulatory Commission granted a motion for temporary relief extending the agreement until November 15, 2015,² and the signed modification was filed on October 23, 2015.³ A second motion for temporary relief was filed on October 30, 2015, seeking to extend the agreement until December 31, 2015.⁴ Attached to this notice is Modification Two to the agreement that is the subject of this docket, which Royal Mail Group Ltd. and the United States Postal Service have executed. The modification states that the agreement that is the subject of this docket will expire on December 31, 2015.

¹ PRC Order No. 2225, Order Adding Negotiated Service Agreement with Royal Mail Group, Ltd. to the Competitive Product List, Docket No. CP2015-1, October 24, 2014.

² PRC Order No. 2729, Order Granting Motion for Temporary Relief, Docket No. CP2015-1, September 24, 2015.

³ Notice of Filing Modification to Outbound Competitive International Merchandise Return Service Agreement with Royal Mail Group, Ltd., Docket No. CP2015-1, October 23, 2015.

⁴ United States Postal Service Motion for Temporary Relief Concerning a Competitive Multi-Service Agreement with a Foreign Postal Operator, Docket No. CP2015-1, October 30, 2015.

The Postal Service respectfully requests that the Commission continue to list the agreement that is the subject of this docket on the Mail Classification Schedule, according to the terms set forth in the modification filed today.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

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November 2, 2015

**MODIFICATION TWO TO THE
ROYAL MAIL GROUP LIMITED - UNITED STATES POSTAL SERVICE
BILATERAL AGREEMENT**

This Modification amends the Royal Mail Group Limited – United States Postal Service Bilateral Agreement (as amended hereby and as may be further amended, restated or otherwise modified from time to time, the "Agreement") between Royal Mail, the postal operator in the United Kingdom, organized and existing under the laws of England and having a place of business at 100 Victoria Embankment, London, EC4Y 0HQ ("Royal Mail") and the United States Postal Service ("USPS"), an independent establishment of the Executive Branch of the Government of the United States, with offices at 475 L'Enfant Plaza SW, Washington, DC 20260, signed by Royal Mail on September 19, 2014, and by the USPS on September 30, 2014, as amended by Modification One, which was signed by Royal Mail on October 19, 2015, and signed by USPS on October 23, 2015. Royal Mail and the USPS may be referred to individually as a "Party" and together as the "Parties."

WHEREAS, the Agreement is set to expire on November 15, 2015, and

WHEREAS, the Parties desire to extend the term of the Agreement by forty-six (46) calendar days.

NOW, THEREFORE, in consideration of the above premises and the agreements hereinafter set forth, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereto agree as follows:

1. The "Effective Date" under the Agreement is the 30th September 2014.
2. The first sentence in the second paragraph of Article 23 that reads "The Agreement will remain in effect until 12:00 a.m. on November 15, 2015 unless terminated earlier pursuant to Article 9." shall be deleted in its entirety and replaced with the following replacement text:

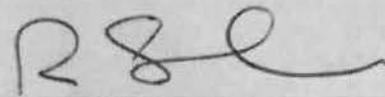
"The Agreement will remain in effect until 12:00 a.m. on December 31, 2015 unless terminated earlier pursuant to Article 9."
3. All other terms and conditions of the Agreement shall remain in full force and effect and are hereby reaffirmed by the Parties.
4. The Parties acknowledge and understand that the effectiveness of this Modification, including all rights and all obligations of the USPS under this Modification shall be contingent on the USPS receiving approvals from, and/or non-objection by (hereinafter "Conditions Precedent for this Modification") one or more internal and external bodies that have oversight responsibilities. Conditions Precedent for this Modification may include but are not limited to: approvals or, if applicable, non-objection, from USPS management, the USPS executive committee, the Governors of the USPS, and the U.S. Postal Regulatory Commission. The Parties acknowledge that this Modification might not be approved by such bodies. Until such time that all Conditions Precedent for this Modification are fulfilled that are necessary to provide the products or services contemplated under the Modification, no obligation shall exist for the USPS or Royal Mail and no benefit or rights granted through this Modification shall inure to either Party unless and until the Conditions Precedent for this Modification have been fulfilled.
5. In the event that the Conditions Precedent for this Modification are not fulfilled, the USPS and Royal Mail shall have no liability hereunder, which shall include no obligation to pay costs associated with any action taken by Royal Mail prior to the fulfillment of Conditions Precedent for this Modification. Further, in the event of the failure of any Condition Precedent for this Modification, neither Party shall be held liable for any damages attributable to such non-approval including, without limitation, the following: actual damages; special damages; indirect damages; incidental damages; punitive damages; consequential damages; 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 any cost incurred by either Party such as actual attorney's fees.

6. Royal Mail acknowledges that as part of securing approval of this Modification and in other subsequent regulatory filings, this Modification and supporting documentation will be filed with the U.S. Postal Regulatory Commission ("Commission") in a docketed proceeding (CP2015-1). Royal Mail also acknowledges that the USPS shall furnish a copy of this Modification to the U.S. Department of State. Royal Mail authorizes the USPS to determine the scope of information that must be made publicly available in any Commission docketed proceeding in which information related to this Modification must be filed. Royal Mail further understands that any unredacted portion of this Modification or supporting information may be posted on the Commission's public website, <http://www.prc.gov>. In addition, the USPS may be required to file information in connection with this Modification (including revenue, cost or volume data) in other Commission dockets, including Commission docket numbers ACR2015 and ACR2016. Royal Mail 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 Commission for non-public treatment of materials believed to be protected from disclosure is found at Title 39, Code of Federal Regulations, Section 3007.22, on the Commission's website, <http://www.prc.gov/Docs/63/63467/Order225.pdf>. At Royal Mail's request, USPS will notify Royal Mail of the docket number of the Commission proceeding, if any, used in connection with the filing of this Modification.
7. Each Party represents and warrants to the other Party that (i) this Modification has been duly executed and delivered by such Party and constitutes a legal, valid and binding obligation of such Party in accordance with its terms; and (ii) the person whose signature appears below has the authority necessary to execute this Modification on behalf of such Party.
8. The Parties may execute this Modification 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 document. All counterpart signed documents shall be deemed an original and one instrument.

IN WITNESS WHEREOF, the Parties agree to be bound as of the latest date of signature to the terms and conditions of this Modification.

ROYAL MAIL



Signature

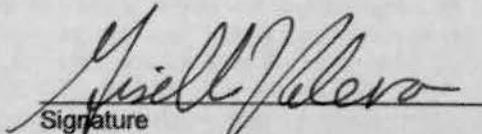
INTERNATIONAL DIRECTOR

Title

30/10/2015

(Date)

UNITED STATES POSTAL SERVICE



Signature

Giselle Valera
Managing Director, Global Business and
Vice President

11/2/2015

(Date)