



[Commencement Date]

ROYAL MAIL GROUP LTD

and

[Customer Name]

**AGREEMENT FOR THE PROVISION OF
RETURNS HIGH VOLUME SERVICES**

**ROYAL MAIL GROUP LTD
100 Victoria Embankment,
London,
EC4Y 0HQ**

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AGREEMENT PREFACE

This Agreement is made between –

ROYAL MAIL GROUP Ltd, a company incorporated under the laws of England whose registered office is situated at 100 Victoria Embankment, London, EC4Y 0HQ, registered number 4138203 (“**Royal Mail**”);

And the “**Customer**” (as detailed below).

Customer:

Registered Offices:

Registration Number: registered in England & Wales no.

Telephone:

Customer Contact Name:

Returns Site Addresses:

Customer Account Number:

Services provided

under this Agreement: Returns High Volume Service

- (a) The Customer supplies goods to its customers and wishes to provide them with a facility to return goods, without pre-payment of postage.
- (b) The Customer wishes to receive, and Royal Mail agrees to provide, parcel return services subject to the terms and conditions contained in this Agreement.

Commencement Date:

All notices or enquiries addressed to Royal Mail under this Agreement should be sent to:

Name:

Address:

All notices or enquiries addressed to [Customer Name] under this Agreement should be sent to:

Name:

Address:

SIGNATURES TO THE AGREEMENT

On behalf of Royal Mail Group Ltd

Signed by..... Date.....

Position.....

On behalf of the Customer

Signed by..... Date.....

Position.....

TERMS AND CONDITIONS

Royal Mail hereby agrees to provide the Customer with the Services (as defined below) in accordance with the following terms and conditions.

1. DEFINITIONS

1.1 In this Agreement, where the context so admits, the following words and expressions shall have the following meanings:

“Agreement”	Means this agreement for the provision of the Services, which comprises these terms and conditions, the Preface and all Schedules attached hereto.
“Authorised Representative(s)”	Means, in the case of Royal Mail, the Key Account Manager in respect of the Customer; in the case of the Customer, [x] ;
“Charges”	Means the Postage Charges and the Storage Charges together;
“Commencement Date”	Means the commencement date set out in the attached Preface;
“Confidential Information”	Means any information of a confidential or proprietary nature (irrespective of the form of presentation or communication including, but not limited to, computer software and data, physical objects and samples) relating to the business, operations, customers, processes, budgets, pricing policies, product information, know-how or strategy of either Party.
Demurrage	Means any container or trailer left by Royal Mail requested by the Customer to be left on the Customers premises ;
“Party”	Means either Royal Mail or the Customer, and “Parties” means Royal Mail and the Customer together;
“Parcel”	Means a parcel weighing not more than 5 kg and measuring not more than 1.5 metres in length and 3 metres length and girth combined for delivery within the United Kingdom;
“Parcel Return”	has the meaning given to it in paragraph 1 of Schedule 1;
“Postage Charges”	Means the charges payable by the Customer to Royal Mail for Parcel Returns under this Agreement, as set out in Schedule 2;

“Post Office Branch”	means a Post Office branch operated by or on behalf of Post Office Ltd;
“Preface”	means the preface to this Agreement;
“Prohibited Materials”	means materials listed on www.royalmail.com/prohibitedgoods (or any replacement URL) as such list is updated by Royal Mail from time to time in accordance with this Agreement and those materials defined as dangerous or hazardous by the regulatory bodies governing transport by road, rail, sea or air in any legislation, regulations or guidelines which are unlawful to be carried;
“Restricted Materials”	means materials listed on www.royalmail.com/restrictedgoods (or any replacement URL) as such list is updated by Royal Mail from time to time in accordance with this Agreement; ;
“Returns Site(s)”	means any of the Customer’s sites, to which Parcel Returns will be delivered by Royal Mail pursuant to this Agreement, as specified in the Preface;
“Royal Mail Intellectual Property”	means the Royal Mail cruciform logo, the mark Royal Mail, images of postage stamps and any other postal indicia and any other trade mark, copyright or other intellectual property right owned by Royal Mail or any subsidiary company of Royal Mail;
“the relevant Scheme”	means either the Successor Postal Services Company Inland Parcel Post Scheme 2001 (and any amendments thereto) or the Successor Postal Services Company Inland Letter Post Scheme 2001 (and amendments thereto) or any Schemes made in substitution under section 89 of the Postal Services Act 2000, or under any statutory modification or re-enactment thereof;
“Services”	means the Parcel Return services provided by Royal Mail to the Customer pursuant to this Agreement, as described in the service specification set out in Schedule 1;
“Special Delivery Next Day Service”	means any of Royal Mail’s guaranteed next-day postal delivery services, where the item is tracked from despatch to final delivery;
“Storage Charges”	means the charges payable (where applicable) by the Customer to Royal Mail for storage and demurrage, as set out in Schedule 2;
“Valuables”	has the meaning given to it in paragraph 19 of Schedule 1;

“Working Day”

means a day other than a Saturday, Sunday or a Bank or Public Holiday in the United Kingdom;

1.2 In this Agreement unless the context otherwise requires:

1.2.1 clause headings are for convenience only and shall not affect the construction of this Agreement;

1.2.2 any reference to an enactment or statutory provision is a reference to it as it may have been or may from time be amended, modified, consolidated or re-enacted; and

1.2.3 references to “persons” shall include references to individuals, bodies corporate (wherever incorporated), unincorporated associations and partnerships.

2. DURATION

This Agreement shall commence on the Commencement Date and continue, unless terminated by either Party pursuant to this Agreement.

3. THE SERVICES

3.1 In consideration of the Postage Charges, Royal Mail shall provide the Customer with the Services in accordance with the service specification in Schedule 1 of this Agreement.

3.2 Royal Mail may vary the service specification for the Services as set out in Schedule 1 on giving the Customer thirty (30) calendar days’ written notice.

3.3 Unless inconsistent with the provisions of this Agreement, the provisions of the relevant Scheme(s) shall apply to this Agreement. The conditions set out in this Agreement and the service specification in Schedule 1 may be varied or added to by Royal Mail from time to time by notice in writing to the Customer if Royal Mail considers it necessary to do so to bring them into conformity with the provisions of the relevant Scheme(s).

4. LICENCE

4.1 Subject to the Customer’s compliance with its obligations set out in the service specification in Schedule 1, Royal Mail licenses:

4.1.1 the posting, in accordance with the relevant Scheme, of Parcel Returns to the Returns Site(s) without pre-payment of postage by the sender; and

4.1.2 the provision by the Customer to its customers, and the use by those customers, of Royal Mail-approved return labels for the purpose of sending Parcel Returns to the Returns Site(s).

4.2 The licences granted in clause 4.1 are not transferable.

5. MINIMUM VOLUMES

- 5.1 It is a condition of this Agreement that not less than 300,000 Parcels shall be posted under this Agreement in each year of the Agreement, calculated from the Commencement Date given in the Preface.
- 5.2 The Customer agrees that if it is unable to satisfy the condition in clause 5.1 above in any year of the Agreement, it shall migrate to the Packetpost Returns contract (a copy of which is attached to this Agreement at Schedule 3) for the remainder of the term of this Agreement and shall pay postage for Parcel Returns on the basis set out in the Packetpost Returns contract. Royal Mail will calculate the Charges according to the traffic profile of items received in each year.

6. CHARGES

- 6.1 In consideration of the provision of the Services, the Customer shall pay the Postage Charges specified in Schedule 2 of this Agreement.
- 6.2 In consideration of the provision of storage and demurrage (where applicable), the Customer shall pay the Storage Charges specified in Schedule 2 of this Agreement.
- 6.3 All prices, rates and Charges in the Agreement exclude VAT unless otherwise stated. The Customer shall pay any VAT chargeable on such sums.
- 6.4 Royal Mail reserves the right to charge the Customer at the standard public tariff rate applicable to an item of the same size, weight and class for any Parcel Return not posted in accordance with paragraphs 4 and 6 of Schedule 1.

7. INVOICE AND ACCOUNTING ARRANGEMENTS

- 7.1 Royal Mail shall invoice the Customer weekly in arrears with the Postage Charges for the Services supplied, together with any Storage Charges due for the preceding month.
- 7.2 The Customer shall operate a credit account with Royal Mail in respect of the Charges. The Customer shall not issue any return labels prior to receipt of the account number from Royal Mail, and Royal Mail shall not be obliged to accept any Parcel Returns under this Agreement until the account number has been issued.
- 7.3 The Customer shall comply with the Royal Mail credit terms and conditions, as notified to the Customer.
- 7.4 The Customer shall pay the Charges within thirty (30) calendar days of the date of receipt of the invoice. An invoice is deemed to have been received on the day following posting by Royal Mail.

- 7.5 In the event of any dispute as to the amount of an invoice the Customer shall settle the amount in full in accordance with the payment terms pending the resolution of any dispute and Royal Mail shall make any adjustment due immediately upon such resolution.
- 7.6 If the Customer fails to make any payment to Royal Mail under this Agreement on the due date, without prejudice to any other right or remedy available to Royal Mail, Royal Mail shall be entitled to charge daily interest on all amounts outstanding under the Agreement, until payment is received in full, at the rate equal to 4% above HSBC Bank PLC Base Lending Rate as current from time to time.

8. LIMITATION OF LIABILITY

- 8.1 It is acknowledged and agreed by the Parties that:
- 8.1.1 The object of this Agreement is to charge the Customer postage that would not apply to similar items posted under the relevant Scheme, provided the Customer fulfils the relevant conditions specified in this Agreement.
- 8.1.2 the treatment of all Parcels posted under this Agreement in the course of transmission by post will be the same as in the case of ordinary second class mail and, in particular, Royal Mail does not in either case keep detailed records of posting, conveyance or delivery;
- 8.1.3 the Customer does not wish to claim compensation in accordance with the relevant Scheme in the event of loss of or damage to any Parcel dealt with by Royal Mail under this Agreement and, therefore, neither Royal Mail nor its officers, servants, or agents shall be liable to the Customer or to any other person for any loss of or damage to any Parcel dealt with by Royal Mail under this Agreement, or for any loss or damage arising from any delay in the collection, conveyance or delivery of any such Parcel, howsoever any such loss or damage of any of the foregoing kinds was caused and whether caused by negligence of Royal Mail, its officers, servants or agents or otherwise.
- 8.2 Neither Party shall be liable to the other for damage to the other Party's property (including both real and personal property), howsoever caused.
- 8.3 Without prejudice to any of the provisions of this Agreement neither Party shall be liable to the other Party or any third Party in contract, tort or otherwise, in respect of a) any loss of profit, business, contracts, revenues, anticipated savings, reputation or goodwill howsoever caused, or b) in respect of any loss, damage, costs or expenses of an indirect or consequential nature suffered or incurred in connection with this Agreement and whether arising out of any negligence or breach of this Agreement or otherwise.
- 8.4 This clause 8 shall not operate to exclude the liability of either Party for personal injury or death caused by reason of the negligence of that Party, its servants, employees, or agents.

9. FORCE MAJEURE

- 9.1 Royal Mail shall not be liable (whether for payment of compensation or refunds or otherwise) for any failure to perform, or delay in the performance of its obligations under this Agreement where such failure or delay results from any circumstances outside its control, including but not limited to, any fire, flood, explosion, accident, adverse weather conditions, traffic congestion, mechanical breakdown, obstruction of any public or private highway, riot, Government Act, acts of war, any act of God or from any industrial dispute, or strike whatsoever (including by Royal Mail employees). Royal Mail shall use reasonable endeavours to promptly notify the Customer of the nature and extent of the circumstances in question and shall use reasonable measures to continue the service.

10. TERMINATION

- 10.1 Either Party may terminate this Agreement at any time on not less than 90 calendar days written notice to the other Party.
- 10.2 Either Party may terminate this Agreement immediately by giving written notice to the other if the other Party is in material breach of any of its obligations under this Agreement and fails to remedy the breach (if capable of remedy) within seven days of receiving written notice so to do. Loss or delay of or damage to any Parcel dealt with by Royal Mail under this Agreement shall not constitute a material breach of this Agreement.
- 10.3 Royal Mail may terminate this Agreement immediately on giving written notice to the Customer if:
- 10.3.1 (with the exception of payments by direct debit) the Customer fails to pay any Charges due under this Agreement within 30 days of receipt of the relevant invoice;
 - 10.3.2 the Customer's cheque or direct debit is dishonoured or refused by the Customer's bank;
 - 10.3.3 the Customer becomes bankrupt or insolvent or is unable to pay its debts as they fall due or passes a resolution for winding up or if a Court makes an order that the Customer shall be wound up (in either case other than for the purposes of reconstruction) or if a receiver, manager or an administrator is appointed over any or all of the assets of the Customer or if the Customer makes any composition or arrangement with or for the benefit of its creditors or if any analogous event occurs in any other jurisdiction in which the Customer carries out its business; or
 - 10.3.4 Royal Mail determines, acting reasonably, that the Customer is in breach of Clause 13. .
- 10.4 Termination of this Agreement by either Party will not prejudice or affect the rights, remedies and liabilities of either Party accrued as at the date of termination under this agreement or otherwise.

- 10.5 Royal Mail will treat any Parcel Return received by it after termination of this Agreement as a Parcel on which postage is unpaid and will charge the Customer for unpaid postage at the public tariff rate plus a handling surcharge.
- 10.6 On termination of this Agreement by either Party, Royal Mail will notify Post Office Ltd to refuse to accept any Parcel Returns to be posted to the Customer unless postage is paid at the Post Office Branch at the time of posting.

11. CONFIDENTIALITY

- 11.1 Each Party agrees that it shall, in relation to any Confidential Information disclosed to it or obtained by it from the other Party:
- 11.1.1 keep it confidential and not disclose it to any other person other than to its professional advisers, employees, agents and sub contractors on a need to know basis;
- 11.1.2 not copy or reproduce any part of the Confidential Information without the prior written approval of the other Party;
- 11.1.3 apply to the Confidential Information no lesser security measures and degree of care than those which it takes in protecting its own confidential information and in any event no less than that which a reasonable person or business would take in protecting its own confidential information; and
- 11.1.4 use the Confidential Information only for the purposes of this Agreement.
- 11.2 The parties shall take all reasonable measures to ensure that their respective professional advisers, employees, agents and sub-contractors comply with the terms of this Clause 11.
- 11.3 Upon termination of this Agreement for any reason, each Party shall immediately destroy or (at the other Party's option) return all copies and records of Confidential Information disclosed to it by the other Party.

12. ROYAL MAIL-SUPPLIED PROPERTY

- 12.1 All property supplied by Royal Mail to the Customer including but not limited to, mailbags, labels, trays, cages, containers and posting docket books shall remain the property of Royal Mail at all times. The Customer shall return such property to Royal Mail upon termination of the Agreement or earlier request by Royal Mail. The Customer shall keep the property in safe custody and good condition, except that fair wear and tear will be permitted.

- 12.2 The Customer shall not use the property referred to in Clause 12.1 for any purpose other than the carrying out of its obligations under this Agreement or allow any other Party to use, take possession of or have any rights over such property. Royal Mail may inspect such property at any time and, in the case of misuse of the property by the Customer, or any third Party, may repossess such property forthwith.
- 12.3 The Customer shall not use any Royal Mail Intellectual Property save as otherwise specifically authorised in writing by Royal Mail.

13. VALUABLES, RESTRICTED AND PROHIBITED MATERIALS

- 13.1 The Customer shall use its best endeavours to ensure that Parcels posted by its customers pursuant to this Agreement do not contain any Valuables.
- 13.2 The Customer shall use its best endeavours to ensure that its customers do not post Parcels containing Prohibited Materials.
- 13.3 The Customer shall use its best endeavours to ensure that its customers do not post Parcels containing the following Restricted Materials:
- Aerosols for personal grooming;
 - Alcoholic beverages with an alcohol content less than 70% ABV but greater than 24% ABV;
 - Perfumes and aftershaves;
 - Nail varnish and nail polish;
 - Lithium Ion and lithium polymer or Lithium metal and lithium alloy batteries when sent in and with equipment;
 - Electronic items including lithium batteries of any kind when the batteries are sent with or installed in the electronic item; and
 - Prescriptions medicines and drugs that are not classified as dangerous goods,

as further described on www.royalmail.com/restrictedgoods (or any replacement URL). In all other circumstances, the Customer shall use its best endeavours to ensure that its customers do not post Parcels containing Restricted Materials unless the restrictions and specific requirements set out on www.royalmail.com/restrictedgoods (or any replacement URL) with respect to such Restricted Materials have been complied with and the Restricted Materials have been properly packaged and labelled in accordance with the relevant Scheme.

- 13.4 The Customer shall notify its customers of the list of Prohibited Materials and Restricted Materials (and the relevant restrictions and requirements applying to the Restricted Materials) and shall include up to date information of the same on its website. Where a customer of the Customer posts Prohibited Materials and/or Restricted Materials and does not comply with the relevant restrictions and/or requirements, the Customer shall contact the relevant customer to inform it of the non-compliance and take such other steps as is necessary so as to satisfy itself that the customer will comply in the future. If the Customer cannot be so satisfied or the non-compliance continues, the Customer shall cease to make the Services available to that customer.
- 13.5 The Customer indemnifies and will keep indemnified Royal Mail, its employees, its sub-contractors and its agents against any loss or damage suffered or liability incurred as a result of the Customer or any of its customers posting Parcels containing Prohibited Materials or not complying with the restrictions and/or requirements applying to Restricted Materials or the

Restricted Materials not being properly packaged and labelled in accordance with the relevant Scheme.

- 13.6 If Prohibited Materials are posted in contravention of Clause 13.2, Royal Mail may deal with such Prohibited Materials as it sees fit (without incurring any liability whatsoever to the Customer or its customers) including, without limitation, destroying or otherwise disposing of the relevant Parcel or returning the relevant Parcel to the customer of the Customer. Royal Mail shall be entitled to charge the Customer for:
- 13.6.1 the cost of disposal and/or destruction;
 - 13.6.2 the standard postage price; and/or
 - 13.6.3 all other costs reasonably incurred by Royal Mail in dealing with the Prohibited Materials.
- 13.7 Royal Mail may, acting reasonably, add or remove items from the list of Prohibited Materials and/or Restricted Materials on its website (and may vary any applicable restrictions on its website) without notice. It is the responsibility of the Customer to check the list of Prohibited Materials and Restricted Materials (and any restrictions applying thereto).

14. REVIEWS

- 14.1 The Authorised Representatives of each Party shall meet on at least an annual basis for the duration of this Agreement, unless otherwise agreed, to discuss and assess all aspects of the Agreement including but not limited to volume usage and weight; pricing; Charges; performance and Customer satisfaction.
- 14.2 Royal Mail may annually review the Charges, on the basis of costs, including but not limited to volume usage, weight and pricing, during the term of the Agreement including any extension of the Agreement. Following such review, Royal Mail may, in its discretion, amend the Charges on giving the Customer 30 calendar days' written notice of the new Charges. Exceptionally, Royal Mail may review and adjust the Postage Charges on a quarterly basis where the circumstances specified in paragraph 2 of Schedule 2 exist. The Customer shall pay the new Charges for the remainder of the term of the Agreement (subject to any further reviews) or may terminate the Agreement in accordance with clause 10.1.

15. DISPUTES

- 15.1 If any dispute arises out of this Agreement, either Party shall, by giving notice in writing to the other Party, escalate the dispute to the Authorised Representatives of each Party to attempt to settle such dispute. Failing resolution of the dispute, the Parties shall revert to clause 15.2 below.
- 15.2 Any dispute, controversy or claim arising out of or relating to this Agreement, or the breach, termination or invalidity thereof, which cannot be resolved in accordance with the escalation procedures set out in clause 15.1 above, shall be referred to and determined by a sole arbitrator pursuant to the Arbitration Act 1996 (or any statutory re-enactment or modification thereof) such arbitration to be held in England, which shall be the seat of arbitration. The Arbitrator shall be appointed by agreement between the Parties, or in the absence of agreement, within twenty-eight

(28) calendar days of one Party inviting the other to do so, by the Chartered Institute of Arbitrators.

16. NOTICES

16.1 All notices and other communications to be served on or given to either Party under this Agreement shall (save where otherwise indicated) be communicated as follows:

16.1.1 Notices addressed to Royal Mail shall be posted by the Special Delivery Next Day Service to Royal Mail at the address specified in the Agreement Preface or such other names or addresses as Royal Mail may from time to time notify in writing to the Customer: and

16.1.2 Notices addressed to the Customer shall be posted by the Special Delivery Next Day Service to the Contact Name identified in the Preface at the address set out in the Preface or such other names or addresses as the Customer may from time to time notify in writing to Royal Mail.

17. GENERAL

17.1 The failure of either Party to enforce or to exercise, at any time or for any period, any term of, or right arising pursuant to this Agreement does not constitute, and shall not be construed as a waiver of such a term or right and shall not affect the Party's right to enforce or exercise it at a later date within the period of the Agreement.

17.2 In this Agreement where appropriate words denoting the singular only shall include the plural and vice versa.

17.3 Royal Mail may vary any of the provisions of this Agreement at any time upon giving the Customer thirty days' notice in writing. If the Customer is not satisfied with that variation and the variation impacts materially on the Services, the Customer may terminate this Agreement on thirty written days notice to Royal Mail.

17.4 This Agreement and the documents referred to in this Agreement embody the entire understanding between the Parties and there are no additional terms or obligations other than those contained herein.

17.5 The Customer shall not assign or transfer the whole or any part of this Agreement without the prior written consent of Royal Mail.

17.6 This Agreement shall be subject to English Law. The Parties agree to submit to the exclusive jurisdiction of the English Courts.

17.7 Nothing in this Agreement is intended to confer on any person any benefit or any right to enforce any term of it which that person would not have had but for the Contracts (Rights of Third Parties) Act 1999.

17.8 If any clause or part of a clause of this Agreement is or is found by any authority or court of competent jurisdiction to be invalid, illegal or unenforceable, such invalidity, illegality or

unenforceability shall not affect the other clauses or parts of such clauses of this Agreement, all of which shall remain in full force and effect.

SCHEDULE 1 – SERVICE AND OPERATIONAL SPECIFICATION

Overview of Mail Order Return Services

1. A Parcel Return is a Parcel returned to the Customer in the post by or on behalf of the person to whom the Customer originally sent it (the “Recipient”). The Recipient does not have to pay postage for the Parcel Return, as the Customer will pay the Postage Charges for all Parcel Returns under the terms of this Agreement.
2. Royal Mail aims to deliver Parcel Returns by Day D, Days A to D being Working Days. The Recipient may be able to post a Parcel on a non Working Day if a local Post Office Branch is open. Day A will be the first Working Day after the day of posting.
3. The outward collection, conveyance and delivery of any Parcel by the Customer to Recipients are not part of this Agreement.

Service Specification of Parcel Return Services

4. Each Parcel Return must:
 - (a) be posted at the counter of a Post Office Branch or as part of a collection from a business premises . Parcel Returns may not be posted in any other way (see note in SCHEDULE 2 regarding agreed usage of Post Office Branch);
 - (b) bear an approved return label in a prominent position on the Parcel;
 - (c) comply with Royal Mail’s minimum packaging standards for parcels of the relevant kind and weight as specified in the relevant Scheme;
5. The Customer will be solely responsible for communicating the requirements in paragraph 4 to its customers, and to ensure they comply with these requirements.
6. The Customer must ensure that the return labels it provides to its customers:
 - (a) show the Customer’s contract number for this Agreement
 - (b) conform to Royal Mail’s addressing and design requirements and standards for Parcel Return labels, as notified to the Customer by Royal Mail; and
 - (c) display the letters “rV” (which stand for ‘Returns High Volume’), and note that postage will be paid by the Customer under the terms of this Agreement.

7. The Customer must obtain Royal Mail's prior approval to each design and layout which the Customer intends to use for return labels, to ensure that the labels meet Royal Mail's operational requirements for Parcel Returns. The Customer is advised to obtain such approval prior to incurring printing or other costs. Royal Mail will not be responsible for any such costs if a design or layout needs to be changed, nor will Royal Mail be responsible for any costs resulting from the use of incorrect labels or addresses (for example, the cost of diverting mail to the correct address). The Customer will be responsible for all such costs.
8. Royal Mail reserves the right to open Parcel Returns to verify compliance with the requirements of clause 13 of this Agreement. This will be undertaken in the presence of a responsible person and the package resealed with Royal Mail branded tape.
9. The Customer may not change the address of a Returns Site without Royal Mail's prior express approval. If Royal Mail consents to an address change, the Customer must ensure that the return label correctly shows the address of the new Returns Site.

DELIVERY ARRANGEMENTS

10. Royal Mail will receive all Parcel Returns at the following premises (or such other premises as Royal Mail may choose from time to time) for delivery to the Returns Site:

Royal Mail Consolidation Point
Warrington Rail Terminal, Hawleys Lane, WARRINGTON, WA2 8AA

DELIVERY SCHEDULE

11. Royal Mail aims to deliver Parcel Returns by vehicle to each Returns Site at the following times:

Service	Destination	Arrival Time	Frequency (m,t,w,th,f)	Contents
			Monday to Friday	Items loaded to York containers

* The number of services is based on current projected average volumes. In instances of volume fluctuations Royal Mail reserves the right to alter this schedule. Additional deliveries may be made by prior agreement with the Customer.

12. If it is deemed necessary to alter the delivery schedule, Royal Mail will inform the Customer by giving 14 days' written notice of the change.
13. Deliveries will only be made on Working Days. Each vehicle load will be accompanied by a delivery manifest detailing the quantity per trailer according to the type of items scanned, the trailer number and the seal number.
14. The Customer will unload Parcel Returns from Royal Mail's vehicle using its own equipment and staff.

SEGREGATION OF GOODS

15. Royal Mail will endeavour to segregate Parcel Returns at the consolidation point, as follows:

Segregation	Description	Means of Identification
N/A	N/A	N/A

Note: The above segregation is provided as part of the operational requirement for internal Royal Mail purposes. Any segregation/sortation over and above this, as requested by the Customer will need to be subject to further charges as laid out in schedule 2 of this contract.

STORAGE OF GOODS (OFF CLIENT PREMISES)

16. Royal Mail does not have the facility to store Parcel Returns. If the Customer fails or declines to accept the delivery of Parcel Returns in accordance with the Delivery Schedule set out above, Royal Mail reserves the right to seek third Party storage facilities at Customer's risk and cost. Royal Mail will invoice the Customer for all costs incurred by Royal Mail in procuring storage and the Customer shall pay such invoices in accordance with clause 7 of the Agreement.

DEMURRAGE

17. If the Customer is unable to unload a Royal Mail vehicle as requested by Royal Mail under this contract, at or about the scheduled delivery time, the Customer and Royal Mail may agree that the trailer may be left at the Site for the Customer to unload at a later time. In these instances Royal Mail will make a charge for the use of the trailer. Royal Mail will invoice the Customer for demurrage and the Customer shall pay such invoices in accordance with clause 7 of the Agreement. Any trailer left on the Customer's Site in this way will be the responsibility of the Customer who will indemnify Royal Mail fully in respect of any loss, theft or damage of or to the trailer or its contents. Trailers must be made available for collection within 72 hours of delivery.

COMPENSATION

18. The Customer will make no claims for compensation for loss of or damage to Parcels dealt with by Royal Mail under this Agreement.

VALUABLES

19. "Valuables" means money or jewellery and includes:

- (a) any precious metal that has been manufactured in such a way as to add value to the raw material, including coins used for ornament;
- (b) diamonds and precious stones;
- (c) watches the cases of which are made wholly or mainly of precious metals;
- (d) similar articles with an intrinsic value other than the value of the workmanship.

SCHEDULE 2 - CHARGES

The Charges payable by the Customer to Royal Mail in accordance with clause 7 of the Agreement comprise the following:

Description	Weight/Size	Expected Volume (per annum)	Expected Dimension
Standard Returns Usually jiffy bags, catalogues and polybags	If the item is less than 3 kg or ; if it is less than 2 metres (length and girth combined)..		Less than 2 metres (length and girth combined)
Heavy & Large Returns	If the item is between 3kg & 5kg or ; if the dimensions are larger than 2 metres (length and girth combined) to a maximum of 1.5 metres length (3 metres length and width combined)		Less than 1.5 metres length (3 metres length and width combined)

No more than 100% of the total volume to be posted in a Post Office Branch.

1. POSTAGE CHARGES

Standard Returns £ per Parcel
Heavy and Large Returns £ per Parcel

2. SAMPLING

Royal Mail will carry out regular sampling of Parcel Returns to verify the actual average weight and size profile of the Parcels sent under this Agreement. The Postage Charges are based on (i) the expected average dimension (including weight and size, length and girth), and (ii) expected volume per year; of Parcel Returns sent under this Agreement. If either:

- (a) the actual volume of Parcel Returns in the sample period is more than **20%** below the forecasted Volume over a quarter; or more than **20%** below the agreed annual volume; or
- (b) the actual average dimension of Parcel Returns in the sample period differs by more than **3%** from the Expected Dimension over a quarter;

then Royal Mail shall have the right to adjust the Postage Charges at the beginning of the next quarter, calculated from the Commencement Date specified in the Preface.

3. STORAGE CHARGES

3.1 Storage of Goods (off client premises) - £211 per 24hrs or part thereof per vehicle up to a maximum of 72 hours. This increases to £422 per 24 hours after 72hours.

3.2 Demurrage - £20 per 24hrs or part thereof per trailer up to a maximum of 72 hours. This increases to £40 per 24 hours after 72 hours.

SCHEDULE 3 – PACKETPOST RETURNS CONTRACT

(TO BE ATTACHED)