

General Terms and Conditions

Royal Mail (which for the purpose of this Agreement means Royal Mail or its Agent) hereby agrees to provide the Customer with facilities for the conveyance of letters, packets and printed paper mail in accordance with the following terms and conditions, and in accordance with the relevant Scheme (as defined in Clause 1 below), so far as not inconsistent with the terms of this Agreement.

1 Definitions and Interpretations

1.1 In these Terms and Conditions the following words and expressions shall have the meanings set out below:

1.1.1 'Agent' means the agent specified in the Preface.

1.1.2 'this Agreement' means the agreement between Royal Mail and the Customer relating to the Services.

1.1.3 'the Customer' means the customer specified in the Preface.

1.1.4 'Inland Mail' means mail handed to Royal Mail in the UK for delivery in the UK.

1.1.5 'Postage' means the amount payable by the Customer to Royal Mail in respect of each Posting.

1.1.6 'Postings' means delivery by the Customer to an agreed Royal Mail distribution centre of items posted under one of the Services covered by this Agreement in accordance with the relevant Schedule.

1.1.7 'the Preface' means the preface to this Agreement.

1.1.8 'the Schedule(s)' means the schedule(s) for the Services, which describe the Services.

1.1.9 'the relevant Scheme' means any scheme or schemes (and any amendments thereto) relating to inland and overseas postal services made by Royal Mail Group plc from time to time either under Section 28 of the Post Office Act 1969 or under Section 89 of the Postal Services Act 2000 (or under any statutory modification or re-enactment thereof).

1.1.10 'the Services' means any service or services provided by Royal Mail to the Customer under this Agreement, as set out in the Preface and more particularly described in the relevant Schedule.

1.1.11 'User Guide' means the relevant *User Guide* or *How to Use* guide for the Service used, as amended by Royal Mail from time to time and provided to the Customer.

2 Services

2.1 Royal Mail agrees to provide the Customer with the Services and the Customer agrees to observe and perform its obligations set out in this Agreement.

2.2 The Customer may make Postings under this Agreement using one or more of the Services indicated in the Preface. No Posting may consist of items for more than one Service.

2.3 Royal Mail may vary the terms and specifications (including charges) relating to any of the Services contained in the Schedule upon giving the Customer one month's notice in writing, unless a shorter period of notice is specified for any purpose in the Schedule(s), in which case Royal Mail shall be obliged to give only the notice specified in the Schedule(s).

3 Postage

3.1 Royal Mail shall calculate the Postage in accordance with the relevant Schedule on the occasion of each Posting on the basis of the details submitted by the Customer on the appropriate posting docket to an authorised Royal Mail representative at the time of posting. Such details must be full and accurate. For Postings spread over more than one day, the Customer shall provide a separate posting docket with full and accurate details for each day.

3.2 All payments shall be made in the currency specified in the Preface and shall be net of all taxes and other charges and shall otherwise be made without any deduction, set-off or withholding whatsoever.

3.3 For Customers not paying in sterling, Royal Mail shall for the purpose of calculating all sums due under this Agreement apply the exchange rate to the sterling tariffs (as both are set out in the Preface). If at any time, the agreed market indicators show a fluctuation in such exchange rate, the application of which would mean that the charges to the Customer would be: (a) less than the sterling tariffs or (b) 10% more than the sterling tariffs,

Royal Mail shall renegotiate the exchange rate set out in the Preface PROVIDED THAT should the parties fail to agree the exchange rate, Royal Mail shall have the right to re-specify the exchange rate by giving the Customer written notice in accordance with Clause 2.3 above.

3.4 The Customer shall at all reasonable times permit Royal Mail to inspect the posting docket books in order to verify the details of each Posting and the Postage and Discount if any payable thereon.

3.5 Royal Mail may carry out random sampling of any Postings made by the Customer to verify the details submitted on a posting docket and the Postage due. In the event that Royal Mail establishes to its satisfaction that the details and/or the Postage notified to it by the Customer in respect of that Posting were incorrect, or if there has been any failure to comply fully with any of the terms and conditions of this Agreement then, without prejudice to any right, Royal Mail may have to terminate this Agreement. Royal Mail may:

3.5.1 accept the Posting and reduce any Discount for that Posting by a minimum of 50% (the level of reduction to be at Royal Mail's sole discretion) or permanently withhold that Discount;

3.5.2 return the Posting to the Customer for the Customer to rectify the defects in the Posting; or

3.5.3 accept the Posting to ensure quality standards are met and rectify the posting docket to give correct details of the Posting.

Royal Mail will consult the Customer (or at Royal Mail's absolute discretion, the Customer's mailing agent if any) where practicable to determine which of these courses of action is preferred and will endeavour to meet it. If a course of action cannot be agreed and the Customer (or the Customer's mailing agent if any) refuses to accept the Posting back in accordance with Clause 3.5.2 above, Royal Mail will hold the mail for up to 14 days during which the Customer may request it be returned with a cost charged for such return. After the expiry of this period the mail will be destroyed and the Customer will be charged for this. Any such costs must be paid by the Customer within seven days of receipt of an invoice from Royal Mail.

3.6 The Customer shall not include in any Posting any mailbag weighing in excess of 11kg and shall indemnify Royal Mail against any liability, loss or claim suffered or incurred by Royal Mail as a result of any mailbag exceeding that weight.

3.7 Save as expressly provided in Clause 3.5.3 above, the Customer shall work with Royal Mail to resolve any queries or discrepancies on posting dockets or other documentation relevant to a Posting, irrespective of whether the Posting was made by the Customer or by an agent on behalf of the Customer. This obligation may not be subcontracted.

4 Invoicing and Accounting Arrangements

4.1 The Customer shall pay for the Services in accordance with the

provisions set out in the relevant Appendix to this Agreement. Different Appendices may apply to different Services. The relevant Appendix or Appendices will be specified, together with the Customer's account number(s), in the Preface to this Agreement.

4.2 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.

5 Liability

5.1 It is hereby acknowledged and agreed by the parties that:

5.1.1 the treatment of all items posted under this Agreement in the course of transmission by post will be the same as in the case of Inland Mail and, in particular, Royal Mail does not in either case keep detailed records of posting, conveyance or delivery;

5.1.2 the Customer shall indemnify Royal Mail against all costs, claims, expenses and liabilities incurred by Royal Mail by reason of the Customer, its employees, agents or subcontractors failing to comply with or breaching in any way of any regulation, restriction, law or statute or requirement of the authority of any country relating to the contents of or transportation of items of mail;

5.1.3 in the event of loss of or damage to any item dealt with by

Royal Mail under this Agreement, Royal Mail shall, subject to satisfactory proof of posting being provided by the Customer, pay such compensation for such loss or damage up to the maximum amount of compensation which Royal Mail may pay in respect of Inland Mail posted in the United Kingdom of the type in question;

5.1.4 except as provided in Clause 5.1.3 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 item dealt with by Royal Mail under this Agreement, or for any loss or damage arising from any delay in the conveyance or delivery of any such item, howsoever any such loss or damage was caused, and whether caused by the negligence of Royal Mail, its officers, servants and agents or otherwise.

6 Force Majeur

If Royal Mail is unable to carry out any obligation under this Agreement due to any cause beyond its reasonable control (which shall include industrial disputes) Royal Mail shall give prompt notice thereof with full details of such cause whereupon such obligation shall be suspended so far as it is affected by such cause during the continuance of such cause provided that Royal Mail shall promptly take all reasonable steps to eliminate the cause and resume performance (save in the case of industrial dispute).

7 Termination

7.1 Royal Mail may terminate this

Agreement by giving the Customer not less than seven days' notice in writing if:

7.1.1 with the exception of payments by direct debit or cheque the Customer fails to pay any Postage due under this Agreement within twenty one days of receipt of the relevant invoice;

7.1.2 the Customer's cheque or direct debit payment is dishonoured or refused by the Customer's bank;

7.1.3 the Customer commits any material breach of the terms and conditions of this Agreement;

7.1.4 any receiver is appointed in respect of the Customer or any of its assets; or

7.1.5 the Customer is insolvent or unable to pay its debts within the meaning of any applicable legislation.

7.2 The Customer may terminate this Agreement by giving Royal Mail not less than seven days' notice in writing in the event that Royal Mail commits any material breach of the terms and conditions of this Agreement. For the avoidance of doubt this does not include loss of or damage to or delay of any items posted under this Agreement.

7.3 Either party may terminate this Agreement at any time by giving the other party one month's notice in writing.

7.4 Termination by either party of this Agreement shall be without preju-

dice to any other rights of either party accrued up until the date of termination.

8 Confidentiality

The terms and conditions of this Agreement shall be treated as confidential by Royal Mail and the Customer and none of the contents of this Agreement shall at any time be disclosed to any third party without the written consent of the other party.

9 Notices

All notices and other communications to be served on or given to either party under this Agreement shall be sent by the recorded delivery service (or the equivalent in the relevant jurisdiction) to the Customer at its trading address set out in the Preface and to Royal Mail at the address set out in the Preface or such other address as has been notified in writing from time to time by one party to the other and shall be deemed to have been served at the time when it ought in due course of post to have been delivered to the address to which it was sent.

10 Royal Mail Supplied Property

10.1 All property supplied by Royal Mail to the Customer including, but not limited to, mailbags, labels 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 pro-

perty in safe custody and good condition.

10.2 The Customer shall not use the property referred to in Clause 10.1 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.

11 General

11.1 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.

11.2 The headings in this Agreement are included for convenience only and shall not affect its interpretation.

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

11.4 Any additions or variations to this Agreement must be in writing and must be signed on behalf of both parties. This requirement does not apply to changes in the Customer's credit limit or to variations notified by Royal

Mail under Clause 2.3 of these General Terms and Conditions.

11.5 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.

11.6 This Agreement shall be deemed to have been made in England and shall be subject to English Law. The parties agree to submit to the exclusive jurisdiction of the English Courts.

11.7 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.

11.8 Royal Mail reserves the right to open items in Postings to verify compliance with the requirements of this Agreement.

Payment Terms Appendix 1 Credit Account

12 The Customer shall operate a Credit Account with Royal Mail in respect of Postage for the duration of this Agreement and Royal Mail shall issue an account number in respect of the Account. The Customer shall not make any Postings under this Agreement prior to receipt of the account number.

13 The Customer shall comply with any credit limit placed on the

Account from time to time by Royal Mail, and all other conditions relating to the Account notified to the Customer.

14 Royal Mail shall send to the Customer weekly invoices showing the total charges due from the Customer in respect of the Services provided under this Agreement during the previous seven days and the Customer shall pay all such invoices in full within twenty one days of the receipt of the invoice. For the avoidance of doubt an invoice is deemed to be received on the day following posting by Royal Mail.

Appendix 2 Pre-paid Account

15 The Customer shall pay the Postage in advance of each and every Posting made under this Agreement by either bankers draft, company cheque or bank transfer on or before the date specified by Royal Mail for payment in advance.

16 Payment by company cheques must be received by Royal Mail at least seven days prior to any Posting and Royal Mail shall require such cheques to be cleared by the Customer's bank prior to any Posting being accepted by Royal Mail. In the event that payment is due by the Customer to Royal Mail as a result of an adjustment as referred to in Clause 3.5 above the Customer shall pay the amount due within seven days of receipt by the Customer of Royal Mail's invoice.