

Royal Mail Group Catalogue Mail Incentive Incentive Terms

Background

- (A) The Royal Mail Group Catalogue Mail Incentive (**the Incentive**) will award Postage Credits to a posting customer who posts Incremental Volumes of Eligible Mail during the Incentive Period.
- (B) We will award Postage Credits for Eligible Mail posted under the terms of the Incentive in accordance with the applicable Incentive Rates set out on our Website.

1. **Definitions.** Capitalised terms/expressions used in these Incentive Terms will have the meaning given to them in the Framework Terms, if they are not defined elsewhere in these Incentive Terms. The following terms/expressions will have the following meanings:

1.1. **Agreed Expected Base Volume** means:

- (a) if the Agreed Expected Planned Volume is equal to or greater than 80% of the Agreed Historic Volume, then the Agreed Expected Base Volume shall be an amount equal to the Agreed Expected Planned Volume; and
- (b) if the Agreed Expected Planned Volume is less than 80% of the Agreed Historic Volume, then the Agreed Expected Base Volume shall be an amount equal to 80% of the Agreed Historic Volume,
and in each case, the Agreed Expected Base Volume will be as determined by us and we will notify you of your Agreed Expected Base Volume, if we approve your application.

1.2. **Agreed Expected Incremental Volume** means the anticipated incremental number of Eligible Items that we expect you will send during the Incentive Period, as we may determine (taking into account your Estimated Incremental Volume and your Agreed Expected Planned Catalogue Volume). We will notify you of your Agreed Expected Incremental Volume if we approve your application;

1.3. **Agreed Expected Planned Catalogue Volume** means the anticipated number of non-incremental Eligible Items that we expect you will send during the Incentive Period, as we may determine (taking into account your Estimated Planned Volume), together with any Eligible Items that you actually send between 2 September 2024 and the day before your Start Date (inclusive). We will notify you of your Agreed Expected Planned Catalogue Volume if we approve your application;

1.4. **Agreed Expected Planned Volume** means the anticipated number of non-incremental advertising mail Letters and Large Letters that we expect you will send during the Incentive Period, as we may determine (taking into account your Estimated Planned Volume and Historic Base Volume), together with any advertising mail Letters and Large Letters that you actually send between 2 September 2024 and the day before your Start Date (inclusive). We will notify you of your Agreed Expected Planned Volume if we approve your application;

1.5. **Agreed Historic Volume** means the total number of mailing items which qualified as advertising mail that you posted between 4 September 2023 and 3 February 2024 (inclusive) as determined by us (taking into account your Historic Base Volume);

1.6. **Eligible Item** has the meaning given in paragraph 3.2 below;

1.7. **Eligible Services** means (i) Royal Mail's Access Advertising Catalogue Mail Mailmark Economy; and (ii) Royal Mail's Access Advertising Catalogue Mail;

1.8. **Estimated Incremental Volume** means the forecasted number of incremental Eligible Items that you expect you will send in excess of your Estimated Planned Volume of Catalogue Mail during the Incentive Period, as proposed by you in the Incentive's application form;

1.9. **Estimated Planned Volume** means the forecasted number of non-incremental advertising mail Letters and Large Letters that you expect you will send between 2 September 2024 and 1 February 2025 (inclusive), broken down by the following categories: (i) Catalogue Mail; (ii) Advertising Mail; and (iii) Partially Addressed Mail, as proposed by you in the Incentive's application form;

1.10. **Historic Base Volume** means the historic number of mailing items which qualified as advertising mail that you posted as proposed by you in the Incentive's application form; and

1.11. **Incremental Volume** means the number of Eligible Items posted by you during the Incentive Period that exceed the Agreed Expected Planned Catalogue Volume.

2. **Application Limitations:**

- 2.1. This Incentive is limited to an aggregate of £1,000,000 in Postage Credits (**Incentive Pot**). Applications for this Incentive will be accepted on a "first come, first served basis", such that once the Incentive Pot has been allocated for

the Agreed Expected Incremental Volumes and Agreed Expected Planned Catalogue Volume agreed with applicants, no new applications will be accepted.

- 2.2. We will not usually accept applications for Agreed Expected Incremental Volumes which exceed two million (2,000,000) Eligible Items. We may decide to accept applications for Agreed Expected Incremental Volumes which exceed two million (2,000,000) Eligible Items where we consider it fair and reasonable to do so (but, for the avoidance of doubt, will have no obligation to do so).

3. Incentive Postings:

- 3.1. Subject to the Framework Terms and the other terms below, we will award you Postage Credits for all Eligible Items that you post during the Incentive Period.
- 3.2. An **Eligible Item** means an item of Eligible Mail that:
- (a) is a Catalogue and meets the specification requirements for Catalogues as set out in the Eligible Services Terms and Conditions;
 - (b) contains the same generic message as the other Letters or Large Letters in the relevant mailing and has the purpose of promoting the sale or use of products or services or of encouraging contribution to or support of a cause ("**Advertising Content**");
 - (c) is not a postcard or One Piece Mailer;
 - (d) is posted by you in Trays in accordance with the requirements of your agreement relating to your use of Trays;
 - (e) is posted by you using an Eligible Service (and which are made in accordance with the relevant terms and conditions for such services); and
 - (f) is not subject to any of our other incentive schemes (as determined by us).

4. **Eligibility Criteria:** In order to qualify for Postage Credits, during the Incentive Period you must post at least: (i) the Agreed Expected Base Volume; and (ii) either one hundred thousand (100,000) Eligible Items more than your Agreed Expected Planned Catalogue Volume or 2.5 per cent more than your Agreed Expected Planned Catalogue Volume, whichever is the greater.
5. **Postage Credit Cap:** You will not be entitled to Postage Credits on any Eligible Items in excess of the sum of your Agreed Expected Planned Catalogue Volume and your Agreed Expected Incremental Volume (**Postage Credit Cap**).
6. **Application Period:** Only completed application forms we receive between 19 August 2024 and 6 January 2025 (inclusive) will be considered for participation in the Incentive.
7. **Incentive Period:** The period from and including your Start Date up to and including 1 February 2025. We will notify you of your Start Date if we approve your application form.
8. **Changes to volumes:** If, after we have approved your application form, you wish to change your Estimated Incremental Volume, such change must be agreed with us, otherwise it will not apply.
9. **Incentive Rates:** The applicable postage rates for this Incentive can be found on our Website and are expressed as a percentage discount (**the Incentive Rates**). We will give you 30 Working Days' notice if we change the Incentive Rates. For the avoidance of doubt, you will continue to pay the standard postage rate for all items posted during the Incentive Period and will be awarded postage credits that are calculated by reference to the Incentive Rates in accordance with paragraph 10 below.
10. **Planned and Incremental Volume Validation and Postage Credit Calculation:**
- 10.1. We reserve the right to review the volume of Eligible Items posted using the Eligible Services from and including the date that is four weeks prior to the commencement of the Incentive Period up to and including the date that is four weeks after the end of the Incentive Period, and to compare that volume with the volume of Letters and Large Letters posted as Advertising Mail in the corresponding period in 2023 and 2024. If in our opinion, any volume of Eligible Items you have posted during the Incentive Period, have been moved from a period outside the corresponding period in 2023 and 2024 (with the effect that such volume is planned or is not new incremental mail volume), or we otherwise take the opinion that the volume may be planned or may not be new incremental mail volume, then we may (in our absolute discretion):
- (a) require a signed declaration that the volume is in fact not planned or is incremental volume and/or a mailing plan from you that demonstrates the volume is in fact not planned or is incremental volume; and/or,

- (b) calculate your Postage Credits by applying the applicable Incentive Rate(s) by reference to the volume of Eligible Items posted during the Incentive Period that we are satisfied constitutes planned and incremental volume (**the Validated Planned and Incremental Volume**).
- 10.2. We will calculate the amount of any Postage Credits to be awarded by reference to either:
 - (a) the volume of Eligible Items you post during the Incentive Period; or,
 - (b) if we have exercised our rights under paragraph 10.1, the Validated Planned and Incremental Volume you post during the Incentive Period.
- 10.3. The amount of Postage Credits to be awarded will be calculated by deducting the amount that you would have paid in respect of the volume of Eligible Items you post during the Incentive Period or Validated Planned and Incremental Volume (as applicable) during the Incentive Period had the Incentive Rates been applied from the amount actually paid by you in respect of the volume of Eligible Items you post during the Incentive Period or Planned and Validated Incremental Volume (as applicable) during the Incentive Period, up to the Postage Credit Cap.
- 11. Liability:** In addition to (and without affecting) the Framework Terms, to the maximum extent permitted by law, our liability to you under or in connection with this Incentive will be limited to £10,000.
- 12. Warranties:** You warrant and undertake that:
 - 12.1. the Incremental Volume you will send under the Incentive will be new, incremental mail volume and you will send it using the Eligible Services;
 - 12.2. the Eligible Items you declare as new incremental mail volume has not been, is not, and will not be, included in any other Royal Mail incentive, scheme or promotion;
 - 12.3. all Eligible Items shall comply with all relevant laws and regulations, including but not limited to the CAP Code as endorsed and administered by ASA and from time to time revised by them, and all other relevant codes under the general supervision of CAP and ASA;
 - 12.4. the Eligible Items will not include mailing volume switched into this Incentive from another postal operator, one of our other postal services or from a period outside the Incentive Period;
 - 12.5. the Eligible Items will not include mailing volume which is the result of switching between/among a company's divisions, business units, brands or sub-brands; and
 - 12.6. none of the Eligible Items is connected with the calling of a local, general or European election or referendum in the UK or other special event where it is unlikely that the mailing volume for the event would be sent annually.