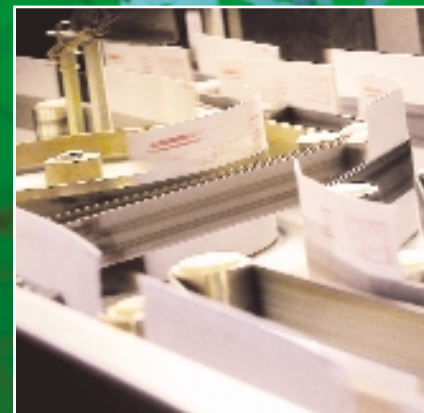




**Everywhere**  
you need to be



Customer  
Guide

# Table of Contents

<b>1 Introduction</b>	1
1.1 The Purpose of This Guide	1
1.2 How to Reach Us	1
1.3 Additional Information Sources	1
<b>2 Service Overview</b>	3
2.1 What is Incentive Lettermail?	3
2.2 Service Standards	6
2.3 Delivery Features and Options	6
2.3.1 Redirection	6
2.3.2 Return to Sender	6
2.3.3 Undeliverable Items	6
2.3.4 Do Not Forward	7
2.4 Getting Started	7
<b>3 Format, Content and Physical Characteristics</b>	8
3.1 Format	8
3.2 Content	9
3.3 Physical Characteristics	10
<b>4 Preparing and Depositing</b>	11
4.1 Preparing the Mail	11
4.2 Creating an Order	15
4.3 Depositing the Mail	16
4.4 Scheduling the Mail	16
<b>5 Making Payment</b>	17
5.1 Pricing	17
5.2 Customer Account and Payment Options	19
5.3 Invoice/Transaction Record and Statement of Account	21
5.4 Authorized Users	22
<b>6 General Terms and Conditions</b>	23



# 1 Introduction

## 1.1 The purpose of this Guide

This Customer Guide has been designed to give customers detailed information needed to get the most from Canada Post's Incentive Lettermail service.

This Customer Guide forms part of the Agreement between the Customer and Canada Post. It explains the qualifications and the terms and conditions under which this service is provided.

## 1.2 How to reach us

Customers with specific inquiries can reach Canada Post through the following toll-free numbers or visit the Canada Post Web site at [www.canadapost.ca](http://www.canadapost.ca)

General inquiries regarding Incentive Lettermail:  
Business Sales Centre **1 800 260-7678**.

Inquiries regarding Canada Post's Electronic Shipping Tools:  
Technical Help Line **1 800 277-4799**.

Inquiries regarding payment and account information:  
Account Management Group **1 800 267-7651**  
or send an e-mail to [amg@canadapost.ca](mailto:amg@canadapost.ca)

## 1.3 Additional information sources

The following support documents are referenced in this Customer Guide and are available on the Canada Post Web site at [www.canadapost.ca/ilmsupportdocuments](http://www.canadapost.ca/ilmsupportdocuments) or they can be ordered through a Canada Post representative.

- Canada Postal Guide*©
- Canadian Postal Standards Manual Lettermail*
- Canadian Addressing Guide*
- Lettermail National Presortation Schematic (LNPS)*
- Address Accuracy Program Customer Guide*
- Electronic Shipping Tools User Guide*
- List of Recognized Presortation Software Vendors*

## **Postal code products**

Customers may enter into a subscription and license agreement with Canada Post to obtain Address, Householder, Delivery Mode data in ASCII format on CD-ROM, and in EBCIDC format on magnetic tape or IBM cartridge. These products are intended to assist customers in mail preparation and presortation and to help ensure that mailing lists are kept up-to-date.

For information on subscribing to these products, customers may contact a Canada Post representative or call Address Management at **1 800 363-3459**.

Customers can also write to the following address:

DATA LICENSING  
CANADA POST CORPORATION  
2701 RIVERSIDE DR SUITE N0883  
OTTAWA ON K1A 0B1

# 2 Service Overview

## 2.1 What is Incentive Lettermail?

Incentive Lettermail refers to a category of Lettermail that consists of identical items of Standard Short & Long (S/L) and Oversize (O/S) mail as defined by Canada Post that must be deposited in Canada for delivery in Canada.

In order to access the applicable Incentive Lettermail price, customers must enter into an agreement with Canada Post and ensure that the mail meets certain requirements established by Canada Post. These requirements include but are not limited to: mail preparation and presortation, address accuracy, certification, mail processing acceptability and readability, size, weight, etc. A summary of the Incentive Lettermail options and requirements are described in Section 4.1.

Within the Incentive Lettermail category, there are several options available to customers. The options are as follows:

- Machineable S/L
- Low Density Presort S/L
- High Density Presort S/L
- Machineable O/S
- Low Density Presort O/S

### **Machineable S/L & O/S Overview**

Machineable mail refers to mail that is prepared in such a way that it can be processed through Canada Post's automated mail processing equipment. In addition, mail must achieve a prescribed machine readability level in order to qualify for the Machineable price. The readability target for S/L mail is 90% and for O/S, 80%. Machineable mail may only be deposited at approved mechanized sites. A minimum of 5,000 identical items is required.

### **Low Density Presort S/L & O/S Overview**

Low Density Presort refers to mail that is sequenced, grouped and containerized to enable Canada Post to bypass various processing steps and facilities within its mail distribution network. A minimum deposit of 5,000 identical mail items is required.

### **High Density Presort S/L Overview**

High Density Presort refers to mail that is sequenced, grouped and containerized to enable Canada Post to bypass various processing steps and facilities within its mail distribution network. High Density Presort is used by customers who can generate high density mailings in a delivery area, such as utility companies. A minimum deposit of 500 identical mail items is required.

The following is a summary of the Incentive Lettermail options and key requirements necessary to access Incentive Lettermail prices.

<b>Service Option Short and Long (S/L)</b>	<b>Key Requirements</b>
Machineable	<ul style="list-style-type: none"> <li>• Minimum 5,000 mail items per deposit</li> <li>• 90% readability on the Multi-Line Optical Character Reader (MLOCR)</li> <li>• Address Accuracy</li> <li>• Meets physical characteristics (as per Section 3.3)</li> <li>• Meets machineable mail certification requirements</li> <li>• Meets postal standards as set out in the Canadian Postal Standards section of the Canada Postal Guide</li> <li>• Containerization: Lettertainer (a hardsided container used primarily to transport Short/Long mail)</li> <li>• Container label states: S/L Lettermail Machineable</li> </ul>
Low Density Presort	<ul style="list-style-type: none"> <li>• Minimum 5,000 mail items per deposit</li> <li>• Address Accuracy</li> <li>• Recognized Presortation Software must be used</li> <li>• Meets physical characteristics (as per Section 3.3)</li> <li>• Meets postal standards as set out in the Canadian Postal Standards section of the Canada Postal Guide</li> <li>• Delivery Mode Code (DMC) on each piece of urban mail</li> <li>• Minimum of five mail items per Delivery Mode (DM) or Rural Delivery Facility (RDF)</li> <li>• Minimum of one full container to a Delivery Facility (DF) or Distribution Centre Facility (DCF)</li> <li>• Containerization: Lettertainer</li> <li>• Container label states: S/L Lettermail Low Density Presort</li> </ul>
High Density Presort	<ul style="list-style-type: none"> <li>• Minimum 500 mail items per deposit</li> <li>• Address Accuracy</li> <li>• Recognized Presortation Software must be used</li> <li>• Meets physical characteristics (as per Section 3.3)</li> <li>• Meets postal standards as set out in the Canadian Postal Standards section of the Canada Postal Guide</li> <li>• Delivery Mode Code (DMC) on each piece of urban mail</li> </ul>

- At least 80% of the deposit must consist of a minimum of 50 mail items per Delivery Mode (DM) or Rural Delivery Facility (RDF). The remaining 20% of the deposit must consist of a minimum of five mail items per Delivery Mode (DM) or Rural Delivery Facility (RDF)
- Minimum one full container to a Delivery Facility (DF) or Distribution Centre Facility (DCF)
- Containerization: Lettertainer
- Container label states: S/L Lettermail High Density Presort

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**Service Options  
Oversize (O/S)**
**Key Requirements**


---

**Machineable**

- Minimum 5,000 mail items per deposit
- 80% readability on the Flat Sortation Machine (FSM)
- Address Accuracy
- Meets physical characteristics (as per Section 3.3)
- Meets machineable mail certification requirements
- Meets postal standards as set out in the Canada Postal Standards section of the Canada Postal Guide
- Containerization: Flats Tub (a hardsided container used primarily to transport Oversize (O/S) mail)
- Container label states: O/S Lettermail Machineable

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**Low Density Presort**

- Minimum 5,000 mail items per deposit
- Address Accuracy
- Recognized Presortation Software must be used
- Meets physical characteristics (as per Section 3.3)
- Meets postal standards as set out in the Canada Postal Standards section of the Canada Postal Guide
- Delivery Mode Code (DMC) on each piece of urban mail
- Minimum of five mail items per Delivery Mode (DM) or Rural Delivery Facility (RDF)
- Minimum one full container to a Delivery Facility (DF) or Distribution Centre Facility (DCF)
- Containerization: Flats Tub
- Container label states:  
O/S Lettermail Low Density Presort



## 2.2 Service standards

To help ensure timely mail delivery, Canada Post has developed service standards for properly prepared Incentive Lettermail.

Service standards are based on the day of deposit (Day 0) plus the number of business days required for delivery, and do not include weekends and statutory holidays. Deposits made on weekends and statutory holidays will be counted as originating on the following business day.

<b>LOCAL:</b>	2 days
<b>PROVINCIAL:</b>	3 days
<b>NATIONAL:</b>	4 days

Service standards are not applicable to Redirect or Return to Sender items. Customers can refer to the Canada Postal Guide for additional information.

## 2.3 Delivery features and options

### 2.3.1 Redirection

Incentive Lettermail will be redirected to the addressee at no additional charge if a Change of Address Notification (COAN) is in effect.

### 2.3.2 Return to Sender

Incentive Lettermail items that are undeliverable or if no change of address notification is in effect will be returned to the sender at no additional charge if a Canadian return address appears on the outside of the mailpiece. When the return address is on the inside of the mailpiece, it will be returned to the Customer for a fee.

### 2.3.3 Undeliverable Items

Incentive Lettermail is treated as undeliverable mail if:

- the item does not bear a complete and valid address
- the item is addressed to a nonexistent address
- the item is refused by the addressee
- delivery is prohibited by law, or cannot otherwise be delivered to the addressee

### **2.3.4 Do Not Forward**

Incentive Lettermail items can bear an authorized “DO NOT FORWARD” endorsement even though a Change of Address Notification is on file. This mail will be returned to sender. For this service, customers must sign a “Do Not Forward” Agreement (#40-076-649) available through a Canada Post representative.

## **2.4 Getting started**

### **Getting an Agreement**

In order to access the Incentive Lettermail Service, the Customer must complete the applicable documentation such as an Agreement Set-up Form, as required from Canada Post. Once approved, Canada Post will provide the Customer with a copy of all the required documentation along with a Customer Number, an Agreement Number and, depending upon the Customer’s needs, other identification numbers.

### **Credit Application**

To establish a Customer Account with Canada Post, customers need to fill out an Account Activation form and a Credit Application. The Credit Application form captures the information required to establish a Customer Account. It also sets out all of the financial terms and conditions for the Customer Account.

Canada Post respects the fact that financial information is private and confidential, so this information is provided on a separate form that can be faxed directly from the Customer’s finance department to Canada Post’s credit department at **(613) 734-8718 or (613) 734-9092**. Refer to Section 1.2 of this Guide for information about contacting the Canada Post Accounts Management Group.

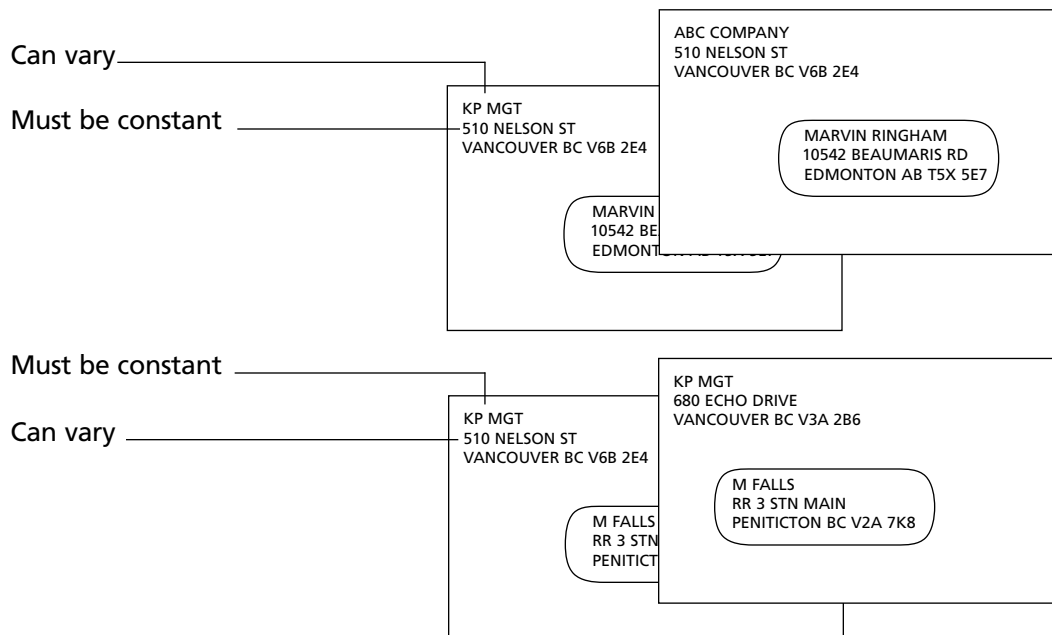
# 3

## Format, Content and Physical Characteristics

### 3.1 Format

Each mail item in an Incentive Lettermail mailing must be identical in design and physical characteristics, although the weight, thickness and the colour of the exterior covers can vary.

The address location and window location must be the same on all mail items. The return address can vary, provided that either the address or the name or logo of the company to which items are to be returned, remains constant. Only Canadian return addresses are acceptable.



Address windows on Incentive Lettermail must be located and covered in a manner that meets the applicable requirements as established in the Canadian Postal Standards Lettermail section of the Canada Postal Guide.

Short and Long items (see Section 3.3) may not be deposited in transparent wrappings.

Oversize items (see Section 3.3) may be deposited in closed, transparent wrappings if they meet the applicable requirements outlined in the Canada Postal Guide.

## 3.2 Content

### **Incentive Lettermail can include the following:**

- a letter
- a card
- a postcard
- a self-mailer
- an annual, semi-annual or quarterly report
- a survey
- product/service information
- a proxy
- a notice of voting for federal, provincial or municipal events
- a receipt or invoice (or similar document containing financial information)

### **Enclosures**

Incentive Lettermail can include enclosures that do not impede mechanized processing.

Non-paper enclosures must be pre-approved, with the exception of plastic cards that meet the flexibility requirements in the Canadian Postal Standards section of the *Canada Postal Guide*.

### **Unacceptable Items**

Prohibited or Dangerous Goods are not acceptable as Incentive Lettermail. Non-mailable matter restrictions are outlined in the *Canada Postal Guide* and the *Canada Post Corporation Act*.

Items must be prepared in such a way that they do not cause:

- loss of, or damage to, any mail item;
- injury to those handling the mail;
- damage to postal equipment;
- and/or entrapment of other mail.

Canada Post will not knowingly deliver offensive articles that contain sexually explicit material, any information relating to bookmakers, pool-setting, betting or wagering or unlawful schemes, or any item related to schemes to defraud the public.

### 3.3 Physical Characteristics

Each item of Incentive Lettermail must be completely sealed, rectangular in shape and meet the following size and weight specifications:

<b>Short and Long (S/L)</b>			
<b>Size</b>	<b>Length</b>	<b>Width</b>	<b>Thickness</b>
<b>Machineable/Presort</b>			
Maximum - Envelope/Self-mailers*	245 mm	150 mm	5 mm
Maximum - Cards	235 mm	120 mm	5 mm
Minimum - Envelope/Cards	140 mm	90 mm	0.18 mm
<b>Weight</b>		<b>Minimum</b>	<b>Maximum</b>
<b>Machineable</b>			
Envelope		3 g	50 g
Self-mailers		5 g	50 g
Cards**		-	-
<b>Length to Width Ratio</b>		<b>Minimum</b>	<b>Maximum</b>
<b>Machineable/Presort</b>		1.3:1	2.6:1

<b>Oversize (O/S)</b>			
<b>Size</b>	<b>Length</b>	<b>Width</b>	<b>Thickness</b>
<b>Machineable/Presort</b>			
Maximum - Envelope	380 mm	270 mm	20 mm
Maximum - Card (presort)	380 mm	270 mm	20 mm
Minimum - Envelope	140 mm	90 mm	0.5 mm
<b>Weight</b>		<b>Minimum</b>	<b>Maximum</b>
<b>Machineable</b>			
Presort		10 g	500 g
		5 g	500 g

\* Any article that does not have an outer cover, wrapping or envelope in addition to the paper or material on which the communication is placed.

\*\* No specific weight requirements for cards – dependent upon grammage of the paper used and the size of the card.

For additional information, please refer to the Canadian Postal Standards section of the *Canada Postal Guide* at [www.canadapost.ca/postalguide](http://www.canadapost.ca/postalguide).

# 4 Preparing and Depositing Mail

## 4.1 Preparing items

### **Mail preparation and presortation**

**Mail preparation** is the process of facing, containerizing and identifying the mail items. It helps ensure machineability of mail (where applicable), protection of mail, identification of the type of mail and ease of handling.

**Mail presortation** is the process of sequencing, grouping and containerizing the mail items enabling Canada Post to bypass various processing steps and facilities within its mail distribution system.

The detailed specifications for preparation and presortation of Incentive Lettermail items can be found in the Mail Preparation and Presortation section of the *Canada Postal Guide* available on the Canada Post Web site at [www.canadapost.ca/postalguide](http://www.canadapost.ca/postalguide).

### **Containerization**

All items of Incentive Lettermail must be presented to Canada Post in hard sided containers provided by or approved by Canada Post.

There are two types of hard-sided containers used for movement of the mail: Lettertainers for Short and Long (S/L) mail only and Flats Tubs for Oversize (O/S) mail.

After one or more full containers to the same destination have been completed, one partially full container to the same destination is allowed.

When only one container (Lettertainer or Flats Tub) is going to a destination and it is less than full, the mail does not qualify for the presort Incentive Lettermail price.

### **Monotainers and Pallets**

Monotainers, (large collapsible containers), and pallets, (platforms on which containers are stacked), are used to transport containers. Canada Post encourages customers to use monotainers, when available, and pallets for consolidation of containers.

Monotainers and pallets benefit both the Customer and Canada Post by:

- Preserving load integrity
- Reducing the amount of handling
- Ensuring a complete mailing arrives simultaneously at its destination

**Labeling**

Correct labelling is essential to ensure mail is directed to the appropriate work centre within a Canada Post facility.

Customers may produce their own container labels that conform to Canada Post specifications. These can be found in the *Mail Preparation and Presortation Guide* of the Canada Postal Guide at [www.canadapost.ca/postalguide](http://www.canadapost.ca/postalguide).

Customers may also use camera-ready artwork available through the Canada Post Web site at [www.canadapost.ca](http://www.canadapost.ca).

**Delivery Mode Code (DMC)**

The Delivery Mode Code is a combination of numerical and/or alphabetical characters that represent a particular mail delivery service in an urban area, such as T15. The alpha character denotes the type of delivery service, such as delivery via a suburban service, and the numeric portion identifies the carrier.

Canada Post regularly produces data files of Delivery Mode Codes for all urban mailing addresses. This enables Customers of Low Density and High Density Presort to add the codes to their mailing lists and prepare their mail according to the appropriate mail preparation and presortation requirements.

Details pertaining to the location of the Delivery Mode Code can be found in the *Mail Preparation and Presortation Guide* available on the Canada Post Web site at [www.canadapost.ca/postalguide](http://www.canadapost.ca/postalguide).

**Address Accuracy**

Address Accuracy is a program designed to improve delivery by encouraging customers to accurately address mail. Every item must be addressed to a specific individual or a company and include the complete address, including the valid postal code.

Consistent and accurate addressing eliminates the need for extra handling and/or re-delivery. For our customers this translates into a more efficient service and lower costs. Accurate addressing helps ensure the mail is delivered on time, the first time, every time.

The standard for Address Accuracy is 95%. This means that 95% of the addresses on the database are determined to be valid. If the percentage on the Statement of Accuracy (SOA) (produced by the customer's address validation and/or address validation and correction software) is less than 95%, a rate adjustment will be applied to the mail items with inaccurate addresses.

Customers must record their Address Accuracy percentage and expiry date obtained from their SOA on their Statement of Mailing.

Customers are requested to keep a valid copy of the SOA on file in the event that Canada Post requests a copy.

More information on the Address Accuracy Program can be found in the *Address Accuracy Program Customer Guide*, available through a Canada Post representative or the Canada Post Web site at [www.canadapost.ca](http://www.canadapost.ca)

### **Recognized Presortation Software**

All software used to sequence, group and containerize mail must meet specific Canada Post standards in order to qualify for the Incentive Lettermail High and Low Density presort prices.

Ensuring mail presortation software meets Canada Post's technical specifications will benefit all presort mail users. By using recognized software, customers will know they qualify for Incentive Lettermail High and Low Density Presort prices.

A list of recognized software vendors can be found at the Canada Post Web site.

Go to:

[http://www.canadapost.ca/offerings/address\\_management/can/presort\\_list-e.asp](http://www.canadapost.ca/offerings/address_management/can/presort_list-e.asp)  
scroll down to '**Address Manager**', then select '**List of Presortation Recognized Software**'.

If customers have developed their own sortation package that is not yet recognized, Canada Post can test it. Software must sequence, group and containerize the mail according to Canada Post's Presortation Technical Specifications, Version 7.0, which is available on CD-ROM.

Customers can call **1 800 363-3459** for more information or send an e-mail to [address.management@canadapost.ca](mailto:address.management@canadapost.ca)



**Testing and certification of Machineable Mail**

In order to qualify for the Machineable Incentive Lettermail price, the mail must be certified. Certification will make it easier and more convenient for the Customer to deposit their Machineable Mail with Canada Post.

To be certified, the Customer must submit samples of mail items identical to those being deposited through Canada Post's automated processing equipment. Canada Post reserves the right to periodically audit mail that is deposited by the Customer.

If Canada Post determines that any deposit does not meet the qualifications for Machineable Mail, then Canada Post will notify the Customer by contacting the General Contact identified on the Agreement Set-Up form, either by telephone, fax or in person. The Customer will be given the longer of either, three (3) days from the date of such notice, or the date of the next mailing of Machineable Mail to rectify the problem. This is called the "Cure Period".

A Canada Post representative can provide details on the various requirements, including where to send samples for testing and answers to any other questions the Customer may have.

**Verification of mail**

All mail that is deposited with Canada Post will be verified to determine its compliance with the specifications and requirements of Incentive Lettermail. In the case of the Machineable option, a visual verification will be performed to determine its machineability (such as size, sealed envelopes, etc.). In the case of the Presort option, the verification will also assess compliance to the presortation requirements, such as Delivery Mode Code (DMC).

If a mailing does not meet the specification for the requested service category the Customer can:

- rework the mail to make it qualify
- pay for the mailing at the next qualified service category

**Indicia and other markings**

Customers may only use Canada Post authorized indicia, logos, trade-marks, or other markings under special agreement with Canada Post. These markings must appear on the front of the mailpiece in an area specified by Canada Post

Designs likely to be mistaken for postage stamps, franking impressions, or service labels are not permitted on an envelope. Pre-printed labels and endorsements must be directed to the addressee as an instruction related to the enclosure, and cannot in any way imply special handling or other services by Canada Post.

It is the Customer's obligation to obtain prior approval for any proposed endorsement, or other markings, by contacting a Canada Post representative.

**4.2 Creating an Order (Statement of Mailing — SOM) for each mailing**

Using Canada Post's Electronic Shipping Tools is the **preferred** method for creating an order (SOM) for each mailing. A copy of the electronic order or the original of a manually prepared order (SOM) must be given to an authorized Canada Post employee at the Receipt Verification Unit (RVU) or at the postal facility approved by Canada Post at the time of mailing.

**Electronic Shipping Tools**

Canada Post's Electronic Shipping Tools is free, fast, flexible and simple to use. Creating an electronic order enhances the quality of the billing process by improving the accuracy and timeliness of order processing for the customer. This method reduces paperwork and opportunities for error while providing added customer convenience.

Customers can go to [www.canadapost.ca](http://www.canadapost.ca) and follow the business links to our Online Business Center for more information. Forms can be completed and submitted online, or the Desktop version can be downloaded to prepare forms off-line and submitted later.

Customers can subscribe to the Canada Post Electronic Shipping Tools free of charge by calling **1-866-511-0546** for a user ID and password.

**Manually Prepared Order (SOM)**

Customers can choose to manually prepare an order (SOM) using a hard copy paper Statement of Mailing provided by Canada Post.

**Mailing Summary and Mailing Details**

These documents are required for presort mail only.

The Mailing Summary includes general information about the Customer and the presort software used. The Mailing summary is automatically generated by presort software and should be submitted with each deposit.

The Mailing Details document is only required upon request by Canada Post. It provides the detailed breakdown of the mail preparation and presortation information.

**4.3 Depositing the mail**

Incentive Lettermail items must be deposited with an authorized employee at a Receipt Verification Unit (RVU) or a postal facility approved by Canada Post. Incentive Lettermail items cannot be deposited into street letter boxes, parcel receptacles or other mail receptacles.

**4.4 Scheduling the mail**

Deposits to Canada Post's processing plants are governed by pre-arranged local requirements. These requirements include, but are not limited to, advance notification, scheduling and work content.

Customers may be requested to provide a mailing plan and/or deposit schedule that includes details of the mailing such as volume, time/day of deposit, etc. This information will ensure efficient deposit and processing of customers' mailings.

# 5 Making Payment

## 5.1 Pricing

The following is a summary of the Incentive Lettermail options and key requirements necessary to access Incentive Lettermail prices.

A price sheet is included with this Guide. To take advantage of these prices, the Customer must meet the specifications for Incentive Lettermail as outlined throughout this Customer Guide.

Current price sheets must be referenced when evaluating the cost of a mailing.

### **Progressive Pricing**

Progressive pricing is a rating process that allows graduated prices when items exceed the base weight. The base weight for Incentive Lettermail is 50g (S/L) and 100g (O/S). The process applies a charge per gram, in addition to the base price, for the portion of the weight that exceeds the base weight.

### **Calculating weighted average weight**

In cases where a mailing is comprised of pieces with varying weights, this information must be entered on the Statement of Mailing using the weighted average weight per piece. Separate average weights must be calculated and entered on the Statement of Mailing for pieces under or at the base weight and pieces over the base weight. The reason for this calculation is that different prices apply to Incentive Lettermail pieces under the base weight and those over the base weight.

Example: 5,000 pieces of Low Density Presort S/L; 2,000 pieces weigh 40g and 3,000 pieces weigh 60g.

Weighted average weight = Total weight of all pieces divided by total number of pieces.

	A	B	C=(AxB)	(C/A)
Low Density Presort	Number of pieces	Weight per piece (g)	Total Weight	Total weight ÷ by total # of pieces = weighted average weight (in grams)
	2,000	40	80,000	
	3,000	60	180,000	
<b>Total</b>	5,000		260,000	52g

### Phantom Pricing

A Customer may deposit less than the minimum volume requirement for a single deposit of Short & Long or Oversize Incentive Lettermail items, provided that, at the time of deposit, the total postage paid equals the amount payable for the minimum volume requirement for the applicable Incentive Lettermail option.

## 5.2 Customer Account and Payment Options

### Customer Account

A Canada Post Customer Account Number is required on all orders and remittances to ensure the Customer is properly charged or credited. The Customer's account will be debited for orders processed and credited for payments received.

The Customer must have sufficient funds in their account to cover any payments required for a mailing or must provide a payment to cover any shortfall when depositing their mail at the Receipt Verification Unit or postal facility. If there are insufficient funds at the time of mailing, the mail could be held until the appropriate funds are available.

Interest is not paid by Canada Post on any funds held in the Customer's account. Details of the terms and conditions of customer accounts are set out in the credit application.

To obtain a Customer Account Number, the Customer must complete both an Account Activation form and Credit Application and receive approval from Canada Post. Customers wishing to use pre-authorized payment must also complete a separate application. The forms can be obtained from a Canada Post representative.

Once the Customer Account has been opened, funds can be deposited by sending a cheque payable to:

COMMERCIAL REMITTANCE PROCESSING  
CANADA POST CORPORATION  
2701 RIVERSIDE DR SUITE E0680  
OTTAWA ON K1A 1L7

The following payment options are acceptable for an Incentive Lettermail order, which is due and payable at the time of mailing:

- Pre-authorized Payment
- Cheque
- Payment on account if sufficient funds available
- Postage meter impression
- Cash

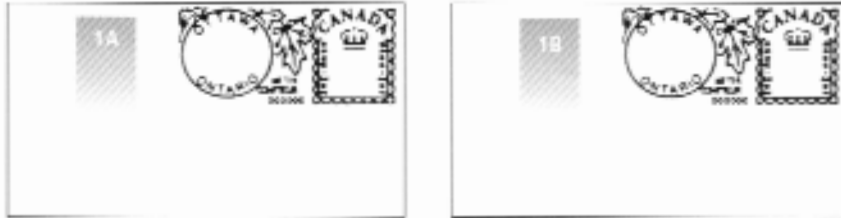
For customers who have signed up for pre-authorized payment processing, Canada Post will deduct the amount due from the Customer's bank account, as per the contractual credit/payment terms. The amount due is deducted from the Customer's account the next day when the invoice/transaction record is produced.

For the above methods of payment, except for postage meter impressions, items must bear a Lettermail postal indicia, which must be bilingual in accordance with the Official Languages Act. The postal indicia must include the Canada Post name and logo, the service name and the Customer Account Number. The name or postal code of the office of mailing is optional.



Camera-ready artwork can be obtained through a Canada Post Sales Representative or by download from the Canada Postal Guide at [www.canadapost.ca](http://www.canadapost.ca)

If a Customer chooses to pay by postage meter impression, the appropriate designation must appear adjacent to the area used for postage payment: "1A" for Machineable: "1B" for Presort.



Payment by meter impression is not permitted for Incentive Lettermail Short and Long (S/L) items over 50g and Incentive Lettermail Oversize (O/S) items over 100g up to 500g.

These items must be paid for by the payment options identified on page 20.

### **5.3 Invoice/Transaction Record and Statement of Account**

The Customer will receive an invoice/transaction record that summarizes the charges that were applied to their Customer Account for each order processed.

A statement of account is provided monthly to all account customers. It summarizes each of their Incentive Lettermail and other product orders processed, any related adjustments and payments during the month as well as any balance owing at the end of the month.



## 5.4 Authorized Users

The Customer may wish to allow another party to use their Agreement or Customer Number. A Canada Post representative will explain under what conditions this is possible and who may be considered as an "Authorized User". The Customer must attach a list of all Authorized Users to their Agreement Set-Up form. The list of Authorized Users may be amended with the consent of Canada Post. Whenever an Authorized User is added or removed, the Agreement holder must provide a signed notification of change to the Agreement so that Canada Post can update its records. All Authorized Users will be required to complete the Customer Account Activation form and a Canada Post Credit Application. The Authorized User will also be required to provide proof that the Customer has approved the use of their Agreement or Customer Account Number. In the event that an Authorized User fails to pay for services rendered under this Agreement, the Agreement holder will pay the amount owing.

# 6 General Terms and Conditions

All references to the Agreement shall be deemed to include the *Agreement Set-Up Form*, the *Customer Guide*, the *Credit Application Form*, the *Customer Account Activation Form*, any *Pick-up or Deposit Schedule*, any *Authorized User listing*, *Price Sheet*, the *Canada Postal Guide* and all documents referenced therein.

## **Alterations**

Except as set out in the Waiver section below, no agent or representative of either party to the Agreement has authority to alter the provisions of this Agreement, and any such purported alteration shall not be binding.

## **Amendment**

Canada Post reserves the right to modify, discontinue services or otherwise amend the Agreement, including prices, by giving the Customer 30 calendar days written notice, however, Canada Post reserves the right to amend the Canada Postal Guide without notice to the Customer.

## **Assignment**

The Customer shall not assign this Agreement (whether as a result of an amalgamation, merger or otherwise) without the prior written consent of Canada Post, and any such purported assignment without such prior consent is void. Canada Post may assign the benefits of this Agreement or make

any arrangements that would result in the performance, in whole or in part, of the obligations of Canada Post under this Agreement by a person other than Canada Post.

## **Audits and Reports**

On request, the Customer shall provide all requested information to permit Canada Post to audit the Customer with respect to compliance with the Agreement including information regarding volumes, weights and mailing patterns. For this purpose, the Customer also agrees to allow Canada Post to perform on site inspection and system audits at the Customer's premises during the Agreement and for a reasonable time thereafter.

## **Authorized Users**

All references to the Customer are deemed to include the Customer's Authorized Users as agents for the Customer and any actions taken by such Authorized Users are deemed to be the actions of the Customer. The Customer shall require that each Authorized User abide by the Agreement. In the event that an Authorized User fails to pay for services rendered under this Agreement, the Customer shall pay the amount owing. The list of Authorized Users may be amended upon consent of Canada Post.

**Currency**

Unless expressly noted to the contrary, all monetary amounts are stated and shall be in Canadian currency.

**Criteria for Qualification**

All items must comply with the requirements set out in the Agreement and the *Canada Post Corporation Act and Regulations*, all as may be amended from time to time. Items not complying with these requirements may not be mailed under this Agreement. Canada Post retains the right to refuse to accept any item that it, in its sole discretion, deems unacceptable.

**Exclusive Privilege**

The Customer acknowledges that Canada Post has, pursuant to and in accordance with the *Canada Post Corporation Act and Regulations*, the sole and exclusive privilege of collecting, transmitting and delivering letters within Canada. Without prejudicing any other rights or remedies Canada Post may otherwise have, the Customer agrees that Canada Post may terminate the Agreement if the Customer, or any Authorized User of the Customer, directly or indirectly contravenes this privilege. If the Agreement is terminated for contravention of this privilege, then, in addition to any amounts otherwise due, the Customer shall pay to Canada Post an amount equal to the difference between the amount paid or payable

for all items deposited up to the date of termination and the amount that would have been payable for that volume, at current rates, had the Agreement not been signed.

**Excusable Delay**

Except for the Customer's payment obligations, neither party shall be liable for delays or inability to perform due to causes outside of its reasonable control, including but not limited to, acts of God, or labour disruption.

**Governing Law**

If the Customer's address is not in a Canadian province or territory, the Agreement shall be governed by, and interpreted, under the laws in force in the province of Ontario, Canada.

**Language**

It is the express wish of the parties that this Agreement as well as all related documents, be written in the English language. Les parties ont demandé expressément que la présente ainsi que tout document afférent soient rédigés en anglais.

**Limitation of Liability**

Canada Post shall not be responsible for any direct, indirect, general, special or consequential damages arising out of this Agreement regardless of whether such damages result from loss, mishandling, damage or delay of items posted under this Agreement.

**Method of Payment**

The Customer agrees to pay for the services provided under the Agreement in accordance with the payment method offered by Canada Post in connection with such service. See in particular the Customer Guide – Section 5 – Making Payment, and the terms and conditions contained on the Customer’s Credit Application form.

**Notices**

Any notice given by either party shall be in writing and delivered personally, by Registered Mail, by Priority Courier with signature or by Xpresspost with signature. Notices sent by Registered Mail shall be deemed received four (4) business days after mailing, except that no Saturday, Sunday or statutory holiday will be considered a business day. Weekends and statutory holidays deposits will count as originating on the following business day. Notices shall be sent to Canada Post at:

CONTRACT MONITORING  
CANADA POST CORPORATION  
2701 RIVERSIDE DR SUITE E0680  
OTTAWA ON K1A 0B1

Canada Post will send notices to the Customer’s general contact at the Customer’s mailing address, identified on the Agreement Set-Up Form.

**Ownership of Mail**

The Customer agrees that Incentive Lettermail items posted under this

Agreement will be deposited only on the Customer’s (or Authorized User’s) own behalf. This means, among other things, no commingling of mail.

**Prices**

The Customer agrees to pay the prices and fees set out in the Price Sheet together with all applicable taxes.

**Survival**

The termination or expiry of the Agreement shall not affect the survival and enforceability of any provision of this Agreement which is expressly or impliedly intended to remain in force after such termination or expiry.

**Termination**

Either the Customer or Canada Post may terminate the Agreement at any time, without cause, by giving thirty (30) calendar days notice in writing to the other.

Canada Post may immediately terminate the Agreement upon written notice to the Customer if:

- a) the Customer ceases to carry on business;
- b) the Customer becomes bankrupt or insolvent, or files any proposal or makes any assignment for the benefit of creditors;
- c) a receiver, trustee or other person with like powers is appointed for any of the affairs or property of the Customer;

- d) an order is made for the winding-up or liquidation of the Customer;
- e) the Customer makes a sale in bulk of all or substantially all of its assets; or,
- f) the Customer continues to be in default of any of its material obligations for thirty (30) days after being provided with notice of the default and not having remedied the default within the thirty (30) day period.

Termination of the Agreement shall be without prejudice to any rights of the Customer or Canada Post that have

accrued prior to the date of termination. Neither party shall have a right to damages as a result of termination of the Agreement.

**Waiver**

Except as specifically stated in the Agreement, no amendment, waiver or termination of the Agreement shall be binding unless executed in writing by the appropriate party's authorized representative. No waiver of any provision of the Agreement shall constitute a continuing waiver unless otherwise expressly provided.

## Integrated Business Solutions from Canada Post

### Communications

We can keep you connected with your customers, across Canada or around the world. From physical and electronic services to hybrid solutions combining elements of both, we can offer you a range of communication services to meet all your needs.

### Marketing and Selling

Obtaining sales leads, increasing store traffic, selling online—whatever your objectives, Canada Post has the services to help you reach them. From one-to-one marketing to targeted geographic coverage, let us show you how to generate response.

### Shipping and Delivery

Across town, between provinces or around the world. Regular speed or courier. Documents or packages. Canada Post offers a variety of smart shipping services to get your deliveries there on time—and at the right price.

### Supply Chain Management

For order management and fulfilment, inbound and outbound transportation, delivery, reverse logistics and systems integration, Canada Post has the expertise to design and operate integrated supply chain solutions tailored to your specific requirements.