

Publications Mail™



Linking you to your readers



INTRODUCTION

Canada Post is in the business of providing mail and other related delivery products and services. The parties wish to set out the terms by which Canada Post will provide and the Customer will use such products and services.

1 INFORMATION SOURCES

Information on Canada Post products and services is available on the Canada Post website at:

- Addressed Admail™ – www.canadapost.ca/aasupportdocuments
- Business Reply Mail™ – www.canadapost.ca/brmsupportdocuments
- Catalogue Mail™ – www.canadapost.ca/catsupportdocuments
- Incentive Lettermail™ – www.canadapost.ca/ilmsupportdocuments
- Publications Mail™ – www.canadapost.ca/pmsupportdocuments
- Unaddressed Admail™ – www.canadapost.ca/uasupportdocuments

Table 1: Quick Reference Chart

INFORMATION SOURCES	ADDRESSED ADMAIL	BUSINESS REPLY MAIL	CATALOGUE MAIL	INCENTIVE LETTERMAIL	PUBLICATIONS MAIL	UNADDRESSED ADMAIL
AdCard™ Services www.canadapost.ca/adcard	X					X
Address Accuracy Program Customer Guide www.canadapost.ca/am	X		X	X	X	
Canada Postal Guide www.canadapost.ca/postalguide	X	X	X	X	X	X
Canadian Postal Standards www.canadapost.ca/postalstandards	X			X	X	
Customer Guide (including all amendments) www.canadapost.ca/customer_guides	X	X	X	X	X	X
Electronic Shipping Tools (EST) User Guide www.canadapost.ca/obc	X		X	X	X	X
FSA and Letter Carrier Walk Maps www.canadapost.ca/uasupportdocuments						X
GeoPost™ Plus www.canadapost.ca/uasupportdocuments						X

INFORMATION SOURCES	ADDRESSED ADMAIL	BUSINESS REPLY MAIL	CATALOGUE MAIL	INCENTIVE LETTERMAIL	PUBLICATIONS MAIL	UNADDRESSED ADMAIL
Householder Counts for Urban and Rural Delivery www.canadapost.ca/uasupportdocuments						X
Lettermail National Presortation Schematic (LPNS) www.canadapost.ca/nps				X		
List of Recognized Presortation Software Vendors www.canadapost.ca/am_list	X		X	X	X	
Mail Preparation and Presortation Guides www.canadapost.ca/mailpreparation	X		X	X	X	X
National Presortation Schematic (NPS) www.canadapost.ca/nps	X		X		X	X
Small Publisher's Guide to Mailing Your Publication www.canadapost.ca/pmsupportdocuments					X	
When to say YES – That's Addressed Admail www.canadapost.ca/aasupportdocuments	X					
Your Guide to Preparing Unaddressed Admail www.canadapost.ca/uasupportdocuments						X

1.1 Information Sources Definitions

AdCard™ Services – Provides information on Canada Post's advertising solution that combines convenience with the power of direct mail.

Address Accuracy Program Customer Guide – This Guide identifies the various requirements of the Address Accuracy Program. An address is the information required to identify the specific location of a residence/business and/or the destination where a recipient receives mail.

Canada Postal Guide – This Guide is the single source document containing detailed information on products and services offered by Canada Post.

Canadian Postal Standards – These manuals are primarily intended to assist mailers and their suppliers in properly preparing items that will have the physical characteristics necessary for effective processing by Canada Post's automated mail processing equipment.

Customer Guide (including all amendments) – An electronic version of these Guides can be found on the Canada Post website.

Electronic Shipping Tools (EST) User Guide – This Guide provides a step-by-step walk-through of the Electronic Shipping Tools (EST) software.

FSA and Letter Carrier Walk Maps – These maps will provide Direct Marketers with information on how to target their audiences by providing data associated with the Forward Sortation Area (FSA) and Letter Carrier Walk (LCW) maps.

GeoPost™ Plus – GeoPost Plus is a program that uses geographic, demographic and lifestyle data so that Customers can target their Unaddressed Admail to reach only the neighbourhoods that match their customer profiles.

Householder Counts for Urban and Rural Delivery – Provides information on the number of houses, apartments, farms and business points of call. Customers can use this information to determine the number of items to prepare their Unaddressed Admail mailing.

Lettermail National Presortation Schematic (LPNS) – This schematic will assist mailers and their suppliers in preparing their Lettermail mailings by defining how mail is consolidated to move across Canada.

List of Recognized Presortation Software Vendors – This list is the result of a program that evaluates and recognizes presortation and bar code recognition software products that are deemed acceptable by Canada Post standards.

Mail Preparation and Presortation Guides – These Guides have been developed to provide Customers with a thorough understanding of Canada Post's mail preparation and presortation requirements.

National Presortation Schematic (NPS) – This schematic will assist mailers and their suppliers in preparing their mailings by defining how mail is consolidated to move across Canada.

Small Publisher's Guide to Mailing Your Publication – This Guide is intended for people who work on small magazines. Created and published as a collaborative effort of the Canadian Magazine Publishers Association, Canadian Business Press, Canada Post and the Department of Canadian Heritage.

When to say YES – That's Addressed Admail – Provides detailed information about the Addressed Admail definition, gives examples of the various items that qualify and those that do not qualify as Addressed Admail.

Your Guide to Preparing Unaddressed Admail – Provides information required to help Customers understand and use Unaddressed Admail effectively, including but not limited to unaddressed flyers, brochures, catalogues, samples and coupons.

2 COMMUNICATING WITH CANADA POST

Table 2: How to Reach Us

FOR ENQUIRIES REGARDING	WEBSITE	CALL
General Information on Products and Services	www.canadapost.ca	Commercial Service Network 1-800-260-7678
Electronic Shipping Tools (EST)	www.canadapost.ca/obc	Technical Help Line 1-800-277-4799
Payment and Account Information	email cmg@canadapost.ca	Credit Management Group 1-800-267-7651

3 POSTAL CODE AND OTHER DATA PRODUCTS

Customers may enter into a licence agreement with Canada Post to obtain Postal Code Address data, Delivery Mode data, Householder Counts data, and Householder Counts-Plus data. These products assist Customers in address validation and correction, Mail Preparation and Presortation, as well as Unaddressed Admail targeting.

For information on subscribing to these data products, Customers can contact a Canada Post Representative, visit the Canada Post Address Management Tools web page at www.canadapost.ca/am or send an email to data.product@canadapost.ca

Customers can also write to the following address:

DATA LICENSING
CANADA POST
2701 RIVERSIDE DR SUITE B216
OTTAWA ON K1A 0B1

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PUBLICATIONS MAIL™

1 SERVICE OVERVIEW

1.1 The Purpose of This Publications Mail Customer Guide

This *Customer Guide* has been designed to give Customers detailed information needed to get the most from Canada Post's Publications Mail service.

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

Customers should ensure they are using the most current version of the *Customer Guide*, which is posted at www.canadapost.ca/customer_guides and includes all amendments. It is the Customer's obligation to meet all the requirements outlined in this *Publications Mail Customer Guide*.

1.2 Glossary of Terms

For the purpose of this *Customer Guide*, the following terms refer specifically to Publications Mail.

address carrier

(acceptable enclosure)

- separate *enclosure* (normally a single sheet or overcover used to provide the recipient's address for delivery purposes), which is either attached to the outside of the publication or enclosed as an *outsert* with the *host publication* in a *wrapper*
- may contain advertising or a promotional message and a response mechanism, such as a Business Reply Mail™ item
- must not be personalized with more than the address block information of the addressee

advertising brochure

(acceptable enclosure)

- a thin collection of unbound or stapled or press-pasted printed pages displaying a sampling of products or services for sale, which may include prices and item numbers
- must not be perfect bound or similar to perfect bound
- must not contain the word "catalogue" or "catalog"
- should not have an index or table of contents
- see *catalogue* on page 2

advertorial

(acceptable enclosure)

- an advertising piece that is formatted to look like a newsletter or other *host publication* in order to attract a reader's attention
- must be clearly identified as "advertising", "advertorial" or "promotional" (or similar wording) on the front page/cover, otherwise it may be treated as a co-packaged publication and priced accordingly

back issue

(acceptable enclosure)

- previously published copy/issue of the *host publication*
- only one back issue is acceptable per *host publication*
- two or more back issues enclosed with the current issue of a *host publication* may be sent as a *Bundle of Unaddressed Copies*

base price

- the price corresponding to the *base weight*

base weight

- the initial weight step for pricing purposes, i.e., up to 100 grams for Machineable and NDG and up to 200 grams for LCP

book

(not an acceptable host publication or enclosure, but may be sent by co-packaging)

- a collection of printed or manuscript pages sewn or glued together along one side and *bound* between rigid boards or flexible covers, which is published or intended for publication
- published books normally contain an International Standard Book Number (ISBN)

booklet

(acceptable enclosure)

- a thin collection of unbound or *bound* printed pages between flexible covers whose content is related to the editorial content of the *host publication*
- booklets must not adversely affect the ease of handling of the *item*
- booklets are not *books* as defined in this Glossary

bound

- pages that are sewn, stapled or glued together

Bundle of Unaddressed Copies

- two or more copies of the same *host publication* (and any *enclosure*) wrapped or tied together in a bundle for delivery to a news dealer or other bulk receiver at a single address

buyer's guide

(acceptable enclosure or host publication)

- also referred to as *source guide*

by-law

(not an acceptable host publication or enclosure, but may be sent by co-packaging)

- a law enacted by a legislature or made by a local authority to regulate its own affairs

catalogue

(not an acceptable host publication or enclosure, but may be sent by co-packaging)

- *bound* printed matter containing a listing of items arranged in alphabetical or systematic order with details of products or services for sale and which may include prices and item numbers
- catalogues typically contain an index or table of contents and/or the word "catalogue" or "catalog"
- also see *advertising brochure* on page 1

clear-wrapped

- completely enclosed in a secure plastic *wrapper*, which is transparent or has a transparent window clearly displaying the required addressing and *identifying information*

co-mailing

(not permitted)

- mailing two separate *host publications* in the same *Publications Mail item* (see section 2.1.2.1 "General Acceptance Criteria for Enclosures" on page 9)
- *ride-along publications* (see section "Ride-along Publications" on page 11) and co-packaged publications (see section 2.1.3.2 "Co-packaged Publications Mail" on page 13) are permitted exceptions

co-packaging

- the inclusion of an item of Addressed Admail™ or Lettermail™ within a *Publications Mail item*, or two or more different *host publications*, including any acceptable *enclosure(s)*, being sent to the same recipient within a single *Publications Mail item* (see section 2.1.3 “Co-packaged Items (Addressed Admail, Lettermail and Publications Mail)” on page 12)

directory**(not an acceptable *host publication* or *enclosure*, but may be sent by *co-packaging*)**

- printed matter of *bound* or spiral-bound pages comprised of an alphabetical or classified listing of names, addresses and/or other data, usually with an index and often with page tabs
- a *source guide* or *buyer's guide* is a type of directory that may qualify as an acceptable *enclosure* under specific conditions (see *source guide* on page 5)

double issue**(acceptable *enclosure* or *host publication*)**

- two issues of a *host publication bound* together as one volume

enclosure

- an *insert* or *outsert* that is included with the *host publication*
- Customers often use an *enclosure* to increase their subscriber base and to generate new leads and advertising revenue (see section 2.1.2 “Enclosures” on page 9)

extra edition/issue**(acceptable *enclosure* or *host publication*)**

- a separate issue of the *host publication* published outside the normal frequency of the *host publication*

handbook/manual**(not an acceptable *host publication* or *enclosure*, but may be sent by *co-packaging*)**

- a book of reference or a guidebook that provides specific detailed information or instructions on a particular subject for use by a practitioner or operator

host publication

- a newspaper, magazine or newsletter that is mailed as the primary *Publications Mail item* under a valid Agreement number

identifying information

- the descriptive basic or detailed information about the publication required for proof of payment and processing, including for the return of undeliverable *Publications Mail items*

insert

- editorial and/or advertising printed matter or promotional material enclosed within, or attached to, the pages or covers of a *host publication*

item

- see *Publications Mail item* on page 4

manual**(not an acceptable *host publication* or *enclosure*, but may be sent by *co-packaging*)**

- see *handbook/manual* on page 3

masthead

- the part of the editorial space of a publication where staff members are identified as well as information, such as subscription rates, frequency and place of publication

multiple *Sample, Promotional and Novelty Items***(acceptable *enclosure*, priced and weighed separately from the *host publication*)**

- two or more *Sample* and/or *Promotional and Novelty Items* for the same product line or brand name, mounted on the same backing or packaged together as a chargeable *enclosure*, which may be separated from the *host publication* (see section 2.1.2.4 “Acceptable Enclosures – Priced Separately From the Host Publication” on page 11)

opaque-wrapped

- completely enclosed in a secure non-transparent envelope or plastic *wrapper*

outsert

- editorial and/or advertising printed matter or promotional material enclosed with, but not attached to, a *host publication* in a *wrapper* or envelope

page

- one side of a printed sheet or leaf

personalized

- containing the name of the addressee (person the item is being sent to) plus one other piece of information relating to that individual
- types of personalization include: address, unique membership number, account balance, points record, financial information, purchase history
- with the exception of *renewal notice*, a personalized *enclosure* is not accepted in Publications Mail
- address carriers must not be personalized with more than the address block information of the addressee

phantom price

- the *base price* for the service option that is applied to the difference between the actual volume and the minimum volume required in a mailing

Promotional and Novelty Item

(acceptable *enclosure*, priced and weighed separately from the *host publication*)

- *non-personalized items* used to promote a brand name, a product or a service
- a Promotional and Novelty Item may be an actual product provided that it is intended as a trial to be used, displayed or worn by the reader of the publication
- some examples of Promotional and Novelty Items include: small articles of clothing, pens, trinkets, date booklets, maps, posters, souvenirs (see section “Samples, Promotional and Novelty Items” on page 11)

proxy

(not an acceptable *host publication* or *enclosure*, but may be sent by *co-packaging*)

- an official document used to authorize one person to act for another
- a document providing authority/power to act for another specifically for voting purposes

Publications Mail item

- the individually addressed mail piece under a valid Publications Mail Agreement, whether it is an unwrapped single copy, a wrapped *host publication* with an *enclosure* or a *Bundle of Unaddressed Copies*

registration number

- the number assigned by the Department of Canadian Heritage (DCH) to indicate eligibility for the Publications Assistance Program (PAP)

renewal notice

(acceptable *enclosure*)

- printed notification, which may be *personalized*, to a subscriber about the status of the subscription and options for renewal of the *host publication*
- renewal notices may also contain subscription offers for the *host publication* or other publications or may be for renewal of request subscriptions

report

(acceptable *enclosure* only if it relates to the content of the *host publication*, otherwise it may be sent by *co-packaging*)

- a printed document that describes the findings of some individual or group on a single subject

ride-along publication

(acceptable *enclosure*)

- a complimentary, promotional copy of another title or the same title (a separate newspaper, magazine or newsletter that has not been requested) per mailing up to six (6) times in a calendar year with the intention of building subscription levels of the ride-along title (see section “Ride-along Publications” on page 11)

Sample**(acceptable enclosure, priced and weighed separately from the host publication)**

- trial or trial-sized item or specimen intended to indicate the nature of the product
- may be an actual product provided that it is intended as a trial to be used, displayed or worn by the reader of the publication
- some examples of Samples include: food, personal care items and household products (see section “Samples, Promotional and Novelty Items” on page 11)

source guide**(also referred to as a buyer's guide – acceptable enclosure or host publication)**

- a special annual edition/issue of the *host publication* provided as an editorial service to the specific market served by the *host publication* and included in its annual editorial schedule
- it is comprised of printed matter of *bound* pages whose format is similar to the *host publication*, including a cover that is prominently “branded” with the title logo of the *host publication* and the words “Source Guide” or “Buyer’s Guide”
- may contain an alphabetical or classified listing of names, addresses and/or other data, and must contain editorial and advertising relating to the *host publication*
- a *source guide* or *buyer's guide* may be enclosed with, or be a regular issue of, the *host publication*
- magazine and tabloid formats may be combined as long as the *host publication* and *enclosure(s)* are of similar dimension to ensure ease of handling of the item
- spiral binding may be accepted as long as it is wrapped or overcovered (to appear perfect bound) to ensure ease of handling

special edition/issue**(acceptable enclosure or host publication)**

- a separate issue of the *host publication* published outside the regular frequency of the *host publication*

supplemental (supplementary) mailing

- an additional mailing of the current issue of a publication sent between regular issues for late renewals and new subscribers (see section 3.1.1 “Individually Addressed Copies” on page 18)

survey**(acceptable enclosure only if part of it relates to the editorial or advertising content of the host publication and is not personalized, otherwise it may be sent by co-packaging)**

- a questionnaire that seeks to gather information or opinions

transcript of proceedings**(not an acceptable host publication or enclosure, but may be sent by co-packaging)**

- formal records of institutional meetings or formal proceedings

voting ballot**(not an acceptable host publication or enclosure, but may be sent by co-packaging)**

- an official document used to cast or register a secret vote (blank generic nomination, registration, entry or similar type forms are not considered voting ballots and are acceptable enclosures)

wrapper

- plastic or paper covering (e.g., polybag or envelope) that allows secure enclosure of promotional and/or editorial materials along with the *host publication*

1.3 What is Publications Mail?

When Customers use Publications Mail they are assured access to every address across the country. Our sales team can respond quickly to Customers' concerns and questions because they understand the industry. We consult regularly with Customers, and conduct research in the marketplace to stay on top of industry trends and developments. When it comes to delivering periodicals, Canada Post is the distributor of choice and Publications Mail the preferred service in Canada.

A Publications Mail item is the mail piece, comprised of an eligible host publication, including all acceptable enclosures and any wrapping, which:

- is mailed in Canada and addressed for delivery within Canada
- is produced for the purpose of public dissemination of news and information
- is published at a regular frequency of at least twice a year, and
- meets the requirements outlined in this Agreement.

Publications Mail host publications include:

- newspapers in print form containing news, articles of opinion, features and usually advertising in a bound or unbound broadsheet or tabloid format (newspapers are usually printed and distributed daily or weekly)
- magazines in print form containing miscellaneous information, such as news, articles, features and usually advertising
- newsletters in print form, non-promotional in nature, containing news or information of interest to a membership, special interest group or association and are usually in the form of printed sheets, pamphlets or small newspapers (newsletters may include some advertising)
- publications subsidized by the Department of Canadian Heritage (DCH) under the Publications Assistance Program (PAP) and which may otherwise not be covered under this Agreement (see section 5.2 "Subsidized Publications Mail" on page 28 for more information).

Visit www.canadapost.ca/pmsupportdocuments for a list of support documents detailing Publications Mail requirements.

1.4 Service Standards

Service standards are estimates of how long it will take for the mail to be delivered from the point of deposit to the destination points. These service standards are not guaranteed.

1.4.1 GENERAL OVERVIEW

A general overview of the Publications Mail service standards is as follows:

LOCAL	3 business days
WITHIN A PROVINCE	4 – 5 business days
NATIONAL	4 – 15 business days

1.4.2 TIME-COMMITTED PUBLICATIONS MAIL

A Customer may request Canada Post to provide Time-committed service if the following criteria are met:

- Time-committed Publications Mail mailings must be deposited a minimum of 20 times per year, and either be:
 - presorted by Letter Carrier Presort (LCP) or NDG Presort with a minimum of 40% of each such mailing being presorted direct to Delivery Facility bundles/groupings, or
 - prepared as Machineable Publications Mail.
- mailers must use the Time-committed “J” labels/tags on all containers/bags, and
- mailers must use the Electronic Shipping Tools (EST) to create the *Order (Statement of Mailing)*.

The mailing must also meet all other requirements for Publications Mail. Failure to adhere to the criteria as stated above may result in removal from the Time-committed Publications Mail qualifying list.

The following service standards apply to Time-committed Publications Mail (described above):

LOCAL	2 business days
WITHIN A PROVINCE	3 – 4 business days
NATIONAL	4 – 13 business days

NOTE 1: The number of days excludes the day of mailing, weekends and statutory holidays.

2: Weekend and statutory holiday deposits are considered deposited on the following business day.

3: These service standards do not apply to redirected or returned items.

4: Service standards are subject to change without notice.

For more information on Service Standards, visit the *Canada Postal Guide* at www.canadapost.ca/postalguide under Service Standards > Communications Services.

1.5 Service Features and Options

1.5.1 FEATURES

A feature is provided as part of the basic service.

1.5.1.1 Redirection

Publications Mail items that cannot be delivered as originally addressed because the addressee has moved will be redirected to the addressee at no extra charge while there is a *Change of Address Notification* (COAN) in effect.

1.5.1.2 Undeliverable Publications Mail

For every Publications Mail item (including a Bundle of Unaddressed Copies) that is considered undeliverable, Canada Post will forward the address block information along with a sample cover of the host publication to the Canadian address which must be provided by the Customer in the detailed identifying information of the host publication (see section 2.2.1.2 “Detailed Identifying Information” on page 15). The Customer will pay the price indicated on the *Publications Mail Price Sheet*.

A Publications Mail item will be treated as undeliverable mail if:

- the item does not bear a complete and valid address
- the item is addressed to a non-existent address
- the addressee has moved without providing a forwarding address

- the addressee has moved and the *Change of Address Notification* (COAN) has expired
- delivery is prohibited by law
- the item cannot otherwise be delivered to the addressee.

Undeliverable Publications Mail items will be disposed of or recycled, as determined by Canada Post.

Customers should not indicate “return postage guaranteed” on their publications, as this service does not apply to Publications Mail.

1.5.2 OPTIONS

An option is a service enhancement that is not provided automatically as part of the basic service.

1.5.2.1 *Time-committed Publications Mail*

A Customer may request Canada Post to provide Time-committed service, if the criteria for Time-committed Publications Mail are met. See section 1.4.2 “Time-committed Publications Mail” on page 7 for more information.

2 CONTENT, FORMAT AND PHYSICAL CHARACTERISTICS

To be eligible as Publications Mail, the items mailed must meet the criteria specified for Publications Mail and must be prepared for mailing in such a manner as to prevent loss or damage to any item and permit easy examination of each item.

Items submitted as Publications Mail that do not meet the content, format and physical characteristics specified for Publications Mail and the various mail preparation and other requirements outlined in this Agreement, may be subject to price adjustments and/or surcharges or may not qualify for Publications Mail services and prices.

See Section 5 “Criteria for Qualification” and Section 6 “Surcharges” in the General Terms and Conditions at the end of this *Customer Guide*. Visit www.canadapost.ca/customer_guides for information on surcharges.

2.1 Content

2.1.1 WHAT IS ACCEPTABLE AS PUBLICATIONS MAIL?

To qualify as Publications Mail, newspapers, magazines and newsletters must be:

- mailed in Canada and addressed to a subscriber, non-subscriber or news dealer anywhere in Canada
- published at a regular frequency of at least twice a year, with an intent to publish issues indefinitely with continuity from issue to issue
- individual copies or Bundles of Unaddressed Copies
- mailed under a valid Agreement number and, if applicable, Publication Assistance Program Registration number
- within the minimum and maximum dimensions established by Canada Post, and
- properly prepared and/or presorted in accordance with the *Mail Preparation and Presortation Guides*. Visit www.canadapost.ca/mailpreparation for more information.

In addition, a Publications Mail item, including all enclosures (inserts and outserts), must be produced with less than 70% space devoted to advertising in more than 50% of the issues in any 12-month period (advertising and editorial content must be distinguishable from one another). For example, 7 out of 12 monthly issues must each contain more than 30% editorial content, including enclosures.

2.1.1.1 Newly Launched Publications

Newly-launched publications may qualify as Publications Mail even though the frequency of publication is undetermined. If the intent is to publish issues indefinitely with continuity from issue to issue at least twice within a twelve-month period, then the publication qualifies as Publications Mail, providing that all other requirements are also met.

2.1.1.2 Double Issues, Extra Editions and Back Issues

Double, extra and special editions/issues are considered as one issue of the host publication provided that these copies are clearly “branded” with the title logo of the current host publication identified in the Publications Mail Agreement. Extra and special editions may be enclosed and priced with a current issue of the host publication or mailed as separate host publications. A back issue must be enclosed with a current copy of the host publication in order to qualify as Publications Mail. For definitions, see section 1.2 “Glossary of Terms” on page 1.

2.1.1.3 Publications Produced in More Than One Language

Publications produced in more than one language, even if they are a direct translation, are considered separate host publications, unless they are bound together under one cover.

2.1.2 ENCLOSURES

2.1.2.1 General Acceptance Criteria for Enclosures

In addition to the general Publications Mail requirements, in order for enclosures to be accepted by Canada Post, Customers must ensure their enclosures:

- are not specifically excluded from Publications Mail (see section 2.1.5 “What is Unacceptable as Publications Mail?” on page 13)
- will not individually or in aggregate affect the ease of handling (e.g., acceptance, transportation, processing and delivery) of the item
- are enclosed with the host publication (if unwrapped) in such a way that they cannot become separated during the normal postal handling of mail (if the enclosure does separate, it will not be delivered and will be recycled or disposed of in accordance with Canada Post’s applicable policy). To test whether an enclosure will separate from the unwrapped host publication, using the thumb and index finger of the same hand, pinch along the middle of the spine (or fold) and shake the publication horizontally. This test does not apply to publications that are shrink-wrapped, bagged or wrapped in a paper or plastic sleeve
- are not personalized with more than the name of the addressee (e.g., address, unique membership number, account balance, points record, financial information) unless the enclosure is an address carrier or a renewal notice relating to the host publication
- are not a co-mailing of paid or free subscriber copies of another publication unless the enclosure is a ride-along publication or a co-packaged publication
- are packaged in such a way as to prevent any scent or liquid from escaping, and
- do not bear a postal indicia for another product.

The total item including all enclosures and wrapping must not exceed the maximum size and weight dimensions (see Table 1: “Size and Weight” on page 17), or individually or in aggregate affect the ease of handling of the item.

2.1.2.2 Types of Enclosures

There are three main types of enclosures.

1. Acceptable Enclosures – Priced With the Host Publication.
2. Acceptable Enclosures – Priced Separately From the Host Publication.
3. Co-packaged Items (Addressed Admail, Lettermail and Publications Mail).

2.1.2.3 Acceptable Enclosures – Priced With the Host Publication

These enclosures are considered as part of the host publication for pricing purposes.

Advertising or Editorial Enclosures

Advertising or editorial enclosures, which meet the general acceptance criteria for enclosures and are composed of paper or other material with the general characteristics of paper, may be enclosed with the host publication without additional postage, other than for the additional weight of the enclosure (if applicable). For more information, see section 2.1.2.1 “General Acceptance Criteria for Enclosures” on page 9.

If a publication has received compensation of any kind for including an acceptable enclosure, 100% of that enclosure is considered advertising for the purpose of measuring the advertising to editorial ratio. If a publication has received no compensation for such enclosure, the actual advertising and editorial space in the enclosure is considered when measuring the advertising to editorial ratio of the Publications Mail item.

Acceptable Enclosures With a Host Publication

The following are examples of acceptable enclosures that may accompany a host publication (for definitions, see section 1.2 “Glossary of Terms” on page 1):

- advertorials
- renewal notices for the host publication
- surveys relating to the editorial or advertising content of the host publication
- advertising brochures
- Business Reply Mail cards or envelopes (Domestic or International)
- source guides or buyer’s guides that are special issues/editions of the host publication
- back issues
- extra and special editions/issues
- minutes of meetings
- booklets relating to the editorial content of the host publication
- ride-along publications
- annual or one-time publications
- date calendars containing editorial and/or advertising (appointment/date booklets or their refills may qualify as Samples, Promotional and Novelty Items)
- address carriers
- reports on a single subject relating to the content of the host publication.

Ride-along Publications

A host newspaper, magazine or newsletter may carry one (1) ride-along publication per mailing up to six (6) times in a calendar year with the intention of building subscription levels of the ride-along title.

In addition, the ride-along publication:

- is priced with the host publication on the same *Order (Statement of Mailing)*
- must be clearly identified on the cover or on a separate sheet, card or overcover with the words “complimentary” or “free issue/copy” (or similar wording), and
- must include a call-to-action for subscription, such as a Business Reply Mail item, otherwise it may be treated as a co-packaged publication and priced accordingly.

Samples, Promotional and Novelty Items included in the ride-along publication are priced, weighed and counted separately from the ride-along publication in which they are enclosed.

Undeliverable return service is not available for the ride-along publication, since the address block information will be returned only for the host publication.

2.1.2.4 Acceptable Enclosures – Priced Separately From the Host Publication

Samples, Promotional and Novelty Items

A Sample, Promotional and Novelty Item is a non-personalized trial or trial-sized item or specimen intended to indicate the nature of the product or a non-personalized item used to promote a brand name, product or service. It may be an actual product provided that they are intended as a trial to be used, displayed or worn by the reader of the publication. Some examples of a Sample, Promotional and Novelty Item are food, personal care items, household products, small articles of clothing, pens, trinkets, date booklets, maps, posters, souvenirs.

Two or more Samples, Promotional and Novelty Items for the same product line or brand name, mounted on the same backing or packaged together may be considered multiple Samples, Promotional and Novelty Items.

In order for a single or multiple Sample, Promotional and Novelty Item to qualify as a Publications Mail enclosure with additional postage, it must meet all the requirements below:

- it must be mailable
- it must meet all the general acceptance criteria for enclosures (see section 2.1.2.1 “General Acceptance Criteria for Enclosures” on page 9 for more information)
- it cannot normally be sold at retail
- it cannot be sent to fulfill an order or provide a premium (free gift)
- it cannot be personalized with more than the name of the addressee
- it must not adversely affect the ease of handling of the Publications Mail item

For instance:

- its movement is limited inside the item
- it does not cover the destination address and identifying information for Publications Mail items (see section 2.2.1 “Identifying Information for Publications Mail Items” on page 15)
- the item, including all enclosures, is foldable in order to fit into mail receptacles, and
- the presorted bundles, including all enclosures, are properly secured with double strapping and faced so that the items remain as flat as possible and are easily stacked.

In addition:

If more than one single or multiple Sample, Promotional and Novelty Item is to be enclosed in a Publications Mail item, the Customer must ensure that these enclosures do not adversely affect the ease of handling of the item and otherwise meet the applicable requirements in this Agreement. For definitions, see section 1.2 "Glossary of Terms" on page 1.

Samples, Promotional and Novelty Items that do not meet the requirements may be subject to additional charges or may require additional mail preparation.

A non-personalized audiocassette tape, compact disc (CD) or Digital Video Disc (DVD) used to promote a brand name or use of the product or service may be accepted as a Sample, Promotional and Novelty Item (CDs and DVDs are not acceptable in hard jewel cases).

The price for Samples, Promotional and Novelty Items is based on the total weight, including backing and/or packaging. Prices for Samples, Promotional and Novelty Items can be found on the *Publications Mail Price Sheet*.

Samples, Promotional and Novelty Items are weighed, counted, and priced separately from the host publication in which they are enclosed. They are not considered part of the publication when measuring the advertising to editorial ratio of the Publications Mail item.

2.1.3 CO-PACKAGED ITEMS (ADDRESSED ADMAIL, LETTERMAIL AND PUBLICATIONS MAIL)

Co-packaging provides a convenient way for Customers to reach their target audience with an effective array of messages or materials.

Co-packaged items are weighed and priced as if they were mailed separately (including when they are mailed as part of a Bundle of Unaddressed Copies). The wrapper is weighed as part of the host publication.

Co-packaged items must be entered on separate *Orders (Statements of Mailing)* and meet the other applicable requirements.

2.1.3.1 Co-packaged Lettermail or Addressed Admail

If an item or any of its components does not meet the requirements of Publications Mail but meets the requirements of Lettermail or Addressed Admail, it may be enclosed within a Publications Mail item but it will be priced as a separate item.

In such cases:

- a separate *Order (Statement of Mailing)* must be completed using the Electronic Shipping Tools (EST) for the enclosed Lettermail or Addressed Admail items as if they were mailed separately, with the selection "Co-packaged in Pubs Mail piece" indicated
- the wrapper is weighed as part of the host publication
- there is no minimum volume requirement for a co-packaged Addressed Admail or Lettermail item
- the co-packaged item is priced according to its weight regardless of its size or format
- Publications Mail service standards apply
- the co-packaged Lettermail or Addressed Admail items should not bear a postal indicia, and
- undeliverable co-packaged Lettermail or Addressed Admail items will not be returned to the sender.

Any Bundles of Unaddressed Copies containing a Lettermail and/or Addressed Admail item co-packaged with a host publication is entered on the Publications Mail *Order (Statement of Mailing)* as Bundles of Unaddressed Copies.

2.1.3.2 Co-packaged Publications Mail

Co-packaged Publications Mail consists of two or more host publications being mailed to the same recipient and that are packaged together for convenience. Generally, a second publication enclosed in a Publications Mail item that would qualify as a separate host publication should be co-packaged, unless it qualifies as a ride-along publication or other acceptable enclosure.

In such cases:

- a separate *Order (Statement of Mailing)* must be completed using Electronic Shipping Tools (EST) for the co-packaged publication as if it were mailed separately, with the selection “Co-packaged in Pubs Mail piece” indicated
- the co-packaged publication will be priced as a separate item (not including the weight of the wrapper, which is considered part of the host publication)
- there is no minimum volume requirement for a co-packaged Publications Mail item
- undeliverable co-packaged Publications Mail items will not be returned to the sender, and
- publications produced in more than one language (even if they are a direct translation) are considered separate host publications, unless they are bound together under one cover.

When two or more publications are co-packaged within Bundles of Unaddressed Copies, each different publication title is weighed and priced as separate Bundles of Unaddressed Copies and entered on separate *Orders (Statements of Mailing)*.

An enclosed publication (newspaper, magazine or newsletter) published at a frequency of less than twice a year, may qualify as an acceptable enclosure priced with the host publication, provided that:

- it does not otherwise qualify as an advertorial, ride-along publication or other acceptable enclosure
- it is clearly identified on the cover or in the masthead, with the words “annual publication” or “one-time publication” (or similar wording), and
- it meets all other criteria to be considered a Publications Mail item.

Otherwise, it may be considered as co-packaged and priced accordingly.

2.1.4 PRE-APPROVAL OF MAILINGS WITH ENCLOSURES

Customers should contact a Canada Post Representative at least five (5) business days (excluding weekends and statutory holidays) prior to preparing their mail to ensure the mailing, which includes enclosures, meets the acceptance criteria for Publications Mail.

If upon deposit, the enclosure or the item otherwise does not meet the acceptance criteria, then the process outlined in the General Terms and Conditions applies. See the General Terms and Conditions at the end of this *Customer Guide* for more information.

2.1.5 WHAT IS UNACCEPTABLE AS PUBLICATIONS MAIL?

A Publications Mail item cannot include any of the following, either as a host publication or as an enclosure, unless co-packaged:

- handbooks, manuals or any amendments or revisions to them in the form of replacement pages
- catalogues
- business, commercial, technical, stock or price listings
- street, telephone or other directories
- transcripts of proceedings

- by-laws
- minutes of meetings (acceptable as enclosures only)
- annual, quarterly or other regular-frequency reports on financial performance
- books (booklets are acceptable as enclosures)
- surveys that do not relate to the editorial or advertising content of the host publication
- invoices
- proxies or voting ballots (blank generic nomination, registration, entry or similar type forms are not considered voting ballots and are acceptable enclosures)
- reports (acceptable as enclosures only if related to the content of the host publication).

For definitions, see section 1.2 “Glossary of Terms” on page 1.

If any of these items qualify as Addressed Admail or Lettermail, or if they are separate host publications, they may be co-packaged with a host publication and priced as a separate mailing on another *Order (Statement of Mailing)*. See section 2.1.3 “Co-packaged Items (Addressed Admail, Lettermail and Publications Mail)” on page 12.

If an item or any of its components is tendered as Publications Mail and does not qualify for Canada Post's Publications Mail service, then the process outlined in the General Terms and Conditions applies. See the General Terms and Conditions at the end of this *Customer Guide* for more information.

Dangerous substances or articles prohibited by law are not acceptable as Publications Mail. For more information on unacceptable items, visit the *Canada Postal Guide* at www.canadapost.ca/postalguide under Non-mailable Matter or refer to the *Canada Post Corporation Act*.

Commingling of Publications Mail items is not permitted, with the exception of ride-along publications and co-packaged items. See section “24 Ownership of Mail” on page 28.

2.1.6 NON-MAILABLE MATTER

Generally, non-mailable matter means any item that:

- is prohibited by law (e.g., illegal, obscene, fraudulent)
- is non-mailable due to the fact that it fails to meet certain physical characteristics or marking requirements
- contains products or substances that could:
 - cause injury to those handling the mail
 - cause damage to postal equipment or other items
 - cause entrapment of other items.

Any item bearing a modified postage stamp in contravention of section 52, or bearing a word or mark in contravention of section 58, of the *Canada Post Corporation Act* is also non-mailable matter.

NOTE : Solicitations that have the general appearance of a bill or statement of account must clearly indicate that there is no obligation to make a payment in relation to the offer unless it is accepted. Specific wording and format requirements are detailed in the *Solicitations by Mail Regulations* made under the *Canada Post Corporation Act*.

For further information respecting non-mailable matter restrictions, visit the *Canada Postal Guide* at www.canadapost.ca/postalguide under Non-mailable Matter.

It is the Customer's obligation to ensure an item does not constitute non-mailable matter and is otherwise acceptable for mailing.

2.2 Format

2.2.1 IDENTIFYING INFORMATION FOR PUBLICATIONS MAIL ITEMS

Certain identifying information is required for proof of payment and processing, including handling of undeliverable Publications Mail items.

Depending on the location of the required identifying information, Customers may need to apply both the basic identifying information and the detailed identifying information, as described below, on each item.

2.2.1.1 Basic Identifying Information

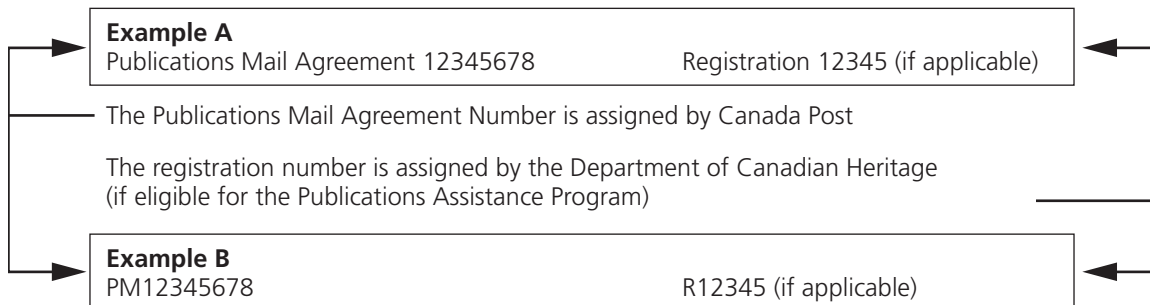
The basic identifying information is required on each unwrapped or clear-wrapped Publications Mail item (excluding a Bundle of Unaddressed Copies). All opaque-wrapped Publications Mail items and all Bundles of Unaddressed Copies must meet the requirements for the detailed identifying information.

The basic identifying information must be clearly visible in **one** (1) of the following locations in minimum 6-point font on the host publication:

- on the cover (front, back or spine if perfect bound) of a magazine
- on the front or back page of a newspaper or newsletter
- on the address label (destination address font size minimum is 2 mm)
- as part of the postal indicia (if the proof of payment option is used).

The basic identifying information must be indicated in either one (1) of the following formats:

Figure 1: Examples of Basic Identifying Information



2.2.1.2 Detailed Identifying Information

Each opaque-wrapped host publication or any Bundle of Unaddressed Copies must contain the detailed identifying information (not the basic) clearly visible on the outside of the wrapper/bundle. The detailed identifying information does not need to be duplicated on or in the host publication if it is printed on the outside of an opaque wrapper or envelope.

Each unwrapped or clear-wrapped Publications Mail item must have the detailed identifying information printed in **one** (1) of the following locations:

- on one of the first five or last five pages of the host publication
- on the first page of the table of contents of the host publication
- in the masthead of the host publication
- on a clearly identifiable insert card securely enclosed in the host publication
- on an address carrier which is clearly visible through a polybag
- on the outside of the host publication to replace the basic identifying information.

The detailed identifying information must appear as illustrated in the example below and must also contrast with the background for legibility:

PUBLICATIONS MAIL AGREEMENT NO. XXXXXXXX
REGISTRATION NO. XXXXX (if applicable)
RETURN UNDELIVERABLE CANADIAN ADDRESSES TO
MYCOMPANY/DEPARTMENT
123 MYADDRESS ST
MYCITY ON M9M 9M9

If a postal indicia is used to indicate proof of payment on an opaque-wrapped Publications Mail item (including a Bundle of Unaddressed Copies), the Canadian return address for undeliverable address block information must be clearly indicated on the outside of the opaque wrapper.

2.2.2 ADDRESSING

Each Publications Mail item must be addressed to a specific individual or company name and include the complete mailing address, including the valid postal code for that address. Copies or bundles must not be addressed to Occupant, Boxholder or Householder. The address must be placed firmly on the publication, the envelope, the plastic wrap or on the insert inside the clear plastic wrap where it can be easily read. Light-coloured address labels are preferred (white, pale yellow or beige). Customers must use high-quality glue on the labels so they do not separate from the publication or wrapper during processing.

For more information on addressing, visit the *Canada Postal Guide* at www.canadapost.ca/postalguide under Addressing.

2.2.3 MARKINGS

Customers may only use Canada Post postal indicia, logos, trademarks or markings if the Customer has obtained the written consent of Canada Post. Any use by the Customer must then be only in strict accordance with the consent granted. Any unauthorized use is an offence under the *Canada Post Corporation Act*.

Note that an item will be non-mailable matter if, on the outside, it is marked or labelled with any of the following that were not provided or authorized by Canada Post:

- any design likely to be mistaken for a postage stamp, franking impression or service label
- any label or endorsement implying that it will be given special handling, delivered faster or be provided with any service that has not been purchased by the Customer. (However, Customers may include labels on items that are directed to the addressee as an instruction that is clearly related only to the enclosure and would not otherwise result in the item being non-mailable matter. Examples of acceptable wording include *Urgent*, *Rush* and *Important Communication Enclosed*)
- any facsimile of any label, endorsement or marking used by Canada Post that might cause confusion so as to affect its handling, e.g., confusion as to the service the Customer has paid for.

It is the Customer's obligation to obtain approval for any proposed endorsement or other markings from Canada Post prior to printing.

NOTE : In no event may third parties use or replicate the tagline "From anywhere... to anyone™". This tagline is Canada Post's corporate tagline and is reserved for the exclusive use of Canada Post. No third parties will be granted permission to use or replicate this tagline or permitted to create a "spin-off" of this tagline.

2.2.4 POSTAL INDICIA

The use of postal indicia is optional for Publications Mail. However the applicable “identifying information” described in this *Customer Guide* is required (see section 2.2.1 “Identifying Information for Publications Mail Items” on page 15). If a postal indicia is used, it must meet the requirement as outlined in the *Canada Postal Guide*. Visit www.canadapost.ca/postalservices for more information regarding the postal indicia.

2.3 Physical Characteristics

Each Publications Mail item, including the host publication, wrapper and all enclosures, must meet the following size and weight requirements:

Table 1: Size and Weight

CATEGORY		LENGTH	WIDTH	THICKNESS	BUNDLE HEIGHT	WEIGHT
Individually Addressed Copies (including all enclosures and wrapping)						
Presorted LCP or NDG	max.	600 mm	600 mm	200 mm	200 mm	1.36 kg
	min.	140 mm	90 mm	0.18 mm	–	–
Machineable Short and Long (S/L)	max.	245 mm	156 mm	5 mm	100 mm	50 g
	min.	140 mm	90 mm	0.18 mm	–	3 g
Machineable Oversize (O/S)	max.	380 mm	270 mm	20 mm	200 mm	750 g
	min.	140 mm	90 mm	0.5 mm	–	10 g
Bundles of Unaddressed Copies						
	max.	600 mm	600 mm	600 mm	–	25 kg
	min.	140 mm	90 mm	0.36 mm	–	–
Samples, Promotional and Novelty Items*						
	max.	380 mm	270 mm	20 mm	–	100 g
	min.	–	–	–	–	–

NOTE : Length + girth must not exceed 2.0 m.

- * For convenience, the most current domestic mail item sizing template (part no. CPO 8129 – 2005-01- 21) should be used to measure the maximum thickness, width and length. The item should pass freely through the 20 mm slot in either direction.

3 PREPARING THE MAILING

Proper mail preparation is important to ensure that Publications Mail items are processed and delivered efficiently. Adjustments and/or surcharges may be applied to improperly prepared mailings.

3.1 Mail Preparation and Presortation

Mail preparation is the process of facing and containerizing the items and labelling the bags and containers. 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 items and labelling the bags and containers to allow Canada Post to bypass various processing steps and facilities within its mail distribution network.

3.1.1 INDIVIDUALLY ADDRESSED COPIES

The following mail preparation and presortation options are available to Publications Mail Customers:

- Machineable
- Letter Carrier Presort (LCP)
- NDG Presort.

If Customers choose to presort their mail, they must use only one (1) of the following options for each deposit: LCP or NDG Presort. LCP and NDG presorted items cannot be combined.

All copies in each issue being mailed must be included on a single *Order (Statement of Mailing)*, with the exception of supplemental mailings for late renewals and new subscribers, which may be made on separate *Orders* between issues (subject to minimum volume requirements).

If variations in enclosures within an issue or edition require separate presortation, LCP must be used. In this case, all of the variations must be combined on one *Order (Statement of Mailing)* and a *Mailing Summary* must be provided for each variation. A weighted average weight per item calculation may be used. The minimum volume requirement applies to the entire *Order* for presorted Publications Mail.

Under no circumstances are issues to be split on separate *Orders (Statements of Mailing)* for the purpose of circumventing mailing requirements.

Visit www.canadapost.ca/mailpreparation for more information on mail preparation and presortation.

3.1.2 BUNDLES OF UNADDRESSED COPIES

No presortation is required for Bundles of Unaddressed Copies. Mail preparation includes proper wrapping and addressing. Bundles of Unaddressed Copies must be segregated from Machineable, LCP or NDG items at the time of deposit to facilitate their processing.

3.2 Summary of Options and Key Requirements

3.2.1 MACHINEABLE MAIL

Machineable Mail is mail that is prepared in such a way that it can be processed through Canada Post's automated mail processing equipment.

Table 2: Machineable Short and Long (S/L) and Oversize (O/S) Publications Mail

KEY REQUIREMENTS
<ul style="list-style-type: none"> • to access Machineable prices, Customers must submit an <i>Order (Statement of Mailing)</i> electronically using the Canada Post Electronic Shipping Tools (EST). Otherwise NDG National prices will apply, in addition to a manual <i>Order</i> processing fee • a minimum of 1,000 items per deposit (phantom pricing is available at Machineable base price) • no presortation is required • machine readability acceptance level of 90% for S/L and 80% for O/S (price adjustment is applied to items that do not meet readability acceptance) • it is recommended that Customers use Canada Post's evaluation service for mail samples to test the machineability/readability of their items • a <i>Statement of Accuracy</i> (SOA) is required for mailings of more than 5,000 items • may be included on the same <i>Order (Statement of Mailing)</i> as presorted Letter Carrier Presort (LCP) or NDG Presort • meets the postal standards as set out in the <i>Canada Postal Standards Manual – Publications Mail</i> • meets Machineable Mail requirements • must be deposited at approved Canada Post sites for Machineable Mail • containerization: mail must be deposited in a hardsided container (Lettertainer for S/L and a Flats Tub for O/S), unless otherwise approved by Canada Post • container label reads: S/L PUBLICATIONS MAIL MACHINEABLE or TIME-COMMITTED S/L PUBLICATIONS MAIL MACHINEABLE or O/S PUBLICATIONS MAIL MACHINEABLE or TIME-COMMITTED O/S PUBLICATIONS MAIL MACHINEABLE

Machine Readability Requirements and Evaluation of Samples

Items prepared and submitted as Machineable Publications Mail must meet certain requirements, including machine readability.

Machineable Publications Mail mailings with read rate levels of less than 90% for Short and Long and 80% for Oversize are subject to the mailing being refused, price adjustments and/or surcharges. Visit www.canadapost.ca/customer_guides for information on surcharges.

To help reduce the risk of such price adjustments and/or surcharges and permit efficient mail processing through Canada Post's automated processing equipment, Customers can submit samples of proposed mailings to Canada Post to test for readability. The Customer remains responsible for meeting all applicable requirements.

Customers wishing to have samples tested may either contact a Canada Post Representative or send 200 samples, identical to those being mailed, to:

CANADA POST
MAIL STANDARDS AND TESTING
PROCESS INNOVATION AND EQUIPMENT
2701 RIVERSIDE DR SUITE N0550
OTTAWA ON K1A 0B1

Visit www.canadapost.ca/postalstandards for more information on Machineable Publications Mail.

3.2.2 LETTER CARRIER PRESORT (LCP) MAIL

The Letter Carrier Presort (LCP) option allows Customers to presort items directly to specific letter carrier routes or other delivery modes using presortation software recognized by Canada Post.

Table 3: LCP Short and Long (S/L) and Oversize (O/S) Publications Mail

KEY REQUIREMENTS
<ul style="list-style-type: none"> • to access LCP prices, Customers must submit an <i>Order (Statement of Mailing)</i> electronically using the Canada Post Electronic Shipping Tools (EST). Otherwise NDG National prices will apply, in addition to a manual <i>Order</i> processing fee • LCP may not be included on the same <i>Order (Statement of Mailing)</i> as NDG Presort • a minimum of 1,000 items per <i>Order</i> (phantom pricing is available at the LCP Delivery Mode Direct base price) • a <i>Statement of Accuracy</i> (SOA) is required for mailings of more than 5,000 items • Delivery Mode Code (DMC) required on each item • mailing must be prepared using current version of Canada Post-recognized presortation software • meets the postal standards as set out in the <i>Canada Postal Standards Manual – Publications Mail</i> • meets LCP requirements • <i>Mailing Summary</i> is required • <i>Mailing Details</i> must be provided upon request by Canada Post • a minimum of six (6) items per grouping • levels of consolidation (groupings): Delivery Mode Direct (DMD), Delivery Facility (DF), Distribution Centre Facility (DCF), Forward Consolidation Point (FCP) and Residue • levels of containerization (hardsided containers, bags, pallets and/or monotainers): Delivery Facility (DF), City, Distribution Centre Facility (DCF), Forward Consolidation Point (FCP) and Residue • containerization: mail may be deposited in hardsided containers, bags, pallets and/or monotainers • container label reads: PUBLICATIONS MAIL LCP or TIME-COMMITTED PUBLICATIONS MAIL LCP

Delivery Mode Code (DMC) for Letter Carrier Presort (LCP)

On a regular basis, Canada Post produces data files containing Delivery Mode Codes (DMC). Use of the current DMC is a requirement to qualify for the LCP option.

The application of these codes associates the mail to a specific type of delivery and delivery route.

Visit www.canadapost.ca/mailpreparation for information on requirements related to the Delivery Mode Code (DMC).

An integral part of the Delivery Mode Code (DMC) is the Delivery Mode Audit Code. It is the visible reference on the item that identifies the version of data used for mail presortation. The use of an outdated Delivery Mode Audit Code to presort mailings could result in inefficient delivery of the mail and is subject to a price adjustment as defined by Canada Post.

3.2.3 NDG PRESORT MAIL

The NDG option is the basic mail presortation option that allows Customers to presort items by postal code sequence and group them according to the National Presortation Schematic (NPS). Visit www.canadapost.ca/nps for more information.

Table 4: NDG Presort Short and Long (S/L) and Oversize (O/S) Publications Mail

KEY REQUIREMENTS
<ul style="list-style-type: none"> • the use of the Electronic Shipping Tools (EST) to prepare an <i>Order (Statement of Mailing)</i> is recommended when accessing NDG prices, otherwise a manual <i>Order</i> processing fee will apply • NDG Presort may not be included on the same <i>Order (Statement of Mailing)</i> as Letter Carrier Presort (LCP) • a minimum of 50 items per <i>Order</i> for mailings comprised of NDG National items (phantom pricing is available at NDG National base price) • no minimum volume requirement for mailings containing qualified NDG Regional and/or Local Rural items (even if some NDG National items are included on the <i>Order</i>) • a <i>Statement of Accuracy</i> (SOA) is required for mailings of more than 5,000 items • meets the postal standards as set out in the <i>Canada Postal Standards Manual – Publications Mail</i> • meets NDG requirements • a minimum of six (6) items per grouping • levels of consolidation (groupings): Delivery Facility (DF), Distribution Centre Facility (DCF), Forward Consolidation Point (FCP) and Residue • levels of containerization (hardsided containers, bags, pallets and/or monotainers): Delivery Facility (DF), City, Distribution Centre Facility (DCF), Forward Consolidation Point (FCP) and Residue • containerization: mail may be deposited in hardsided containers, bags, pallets and/or monotainers • container label reads: PUBLICATIONS MAIL NDG or TIME-COMMITTED PUBLICATIONS MAIL NDG

3.2.4 BUNDLES OF UNADDRESSED COPIES

Bundles of Unaddressed Copies can be used when two or more copies of the same host publication and any enclosures are wrapped or tied together in a bundle for delivery to a news dealer or other bulk receiver at a single address.

Table 5: Bundles of Unaddressed Copies

KEY REQUIREMENTS
<ul style="list-style-type: none"> • may be included on the same <i>Order (Statement of Mailing)</i> as Machineable, LCP or NDG • no minimum volume is required • no presortation is required • DIRECT BUNDLE TO THIS ADDRESS notation is required on or near the address label • must be segregated from individually addressed copies when deposited in order to expedite processing

3.3 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 company and must display a complete mailing address, including any required suite or unit information as well as the valid postal code for that address. If the mailing address is not complete, the mail may be delayed or returned.

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

Participation in the Address Accuracy Program is mandatory for all Machineable, Letter Carrier Presort (LCP), and NDG Presort mailings greater than 5,000 items.

The standard for Address Accuracy is 95%. This means that 95% of the addresses on the Customer's database are determined to be valid. This is done by using a Canada Post-recognized address validation and/or address validation and correction software. If the percentage on the *Statement of Accuracy* (SOA) produced by the software is less than 95%, an adjustment will be applied to the mailing.

Customers must record their Address Accuracy percentage and expiry date obtained from their *Statement of Accuracy* (SOA) on their *Order (Statement of Mailing)*. Failure to record the Address Accuracy percentage and expiry date on the *Order (Statement of Mailing)* will result in the application of a surcharge.

Customers are requested to keep a valid copy of the *Statement of Accuracy* (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*, on the Canada Post website at www.canadapost.ca/am or from a Canada Post Representative.

4 DEPOSITING THE MAILING

4.1 Prior to Depositing

4.1.1 PROVIDE A SAMPLE

To confirm that the items meet Canada Post's specifications for Publications Mail, one (1) representative sample of each item, including all enclosures and wrappings, identical to the item being mailed must be provided for each variation (weight, size, content).

Such samples must be provided to the approved Canada Post facility where the mail will be deposited on or before the time of deposit.

4.1.2 SCHEDULING

If a single mailing contains 10,000 or more items, the Customer must provide a deposit schedule for the mailing to Canada Post. The deposit schedule must be provided at least five (5) business days (excluding weekends and statutory holidays) before the actual deposit, to help ensure proper delivery arrangements are in place and meet Customer delivery requests. Customers must confirm this deposit schedule at least twenty-four hours before the actual mailing date.

4.1.3 CREATING AN ORDER (STATEMENT OF MAILING)

An *Order (Statement of Mailing)* must be properly completed and submitted at the time of mailing, along with a sample of the item, including enclosures and wrappings, identical to the item being mailed.

Two (2) printed copies of the *Order (Statement of Mailing)* prepared electronically, or the original of a manually prepared *Order (Statement of Mailing)*, must be provided to an authorized Canada Post Representative at a postal facility approved by Canada Post at the time of mailing.

The use of the Electronic Shipping Tools (EST) to prepare and submit *Orders (Statements of Mailing)* is mandatory to access Letter Carrier Presort (LCP) and Machineable prices. LCP and/or Machineable items accompanied by a manually prepared *Order* are subject to a manual *Order* processing fee and will be priced at the applicable NDG National prices in effect at the time of mailing. NDG mailings accompanied by a manually prepared *Order* are subject to a manual *Order* processing fee.

4.1.3.1 Electronic Order (Electronic Shipping Tools [EST])

In order to access Letter Carrier Presort (LCP) and Machineable prices, *Orders (Statements of Mailing)* must be prepared and submitted using the Electronic Shipping Tools (EST).

Customers can obtain the Electronic Shipping Tools (EST), free of charge, by registering for a user ID and password at www.canadapost.ca/obc. For technical inquiries regarding the Electronic Shipping Tools (EST), please call the Technical Help Line at 1-800-277-4799.

Customers have the option of using either the Electronic Shipping Tools (EST) online, or the desktop version, which can be downloaded to prepare *Orders* offline and submitted later. This method reduces paperwork and opportunities for error, while providing added Customer convenience.

Customers can go to www.canadapost.ca/obc for more information.

4.1.3.2 Manual Order (Statement of Mailing)

Customers can choose to manually prepare an *Order (Statement of Mailing)* using a hard copy form. However, for Publications Mail, manually prepared *Orders* are subject to a manual *Order* processing fee and will be priced at the applicable NDG National prices in effect at the time of mailing.

4.1.4 MAILING SUMMARY AND MAILING DETAILS

The *Mailing Summary* includes general information regarding the Customer and the presortation software used for the mailing. Customers must provide a *Mailing Summary* for all Letter Carrier Presort (LCP) mailings.

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

Visit www.canadapost.ca/am_list for a list of recognized presortation software vendors.

4.1.5 PARTIAL MAILINGS AND DOWNSTREAM SHIPMENTS

If a Publications Mail mailing is deposited in more than one (1) shipment, the total mailing cost must be reflected on the *Order (Statement of Mailing)* for the entire mailing. However, each individual partial mailing must be made within a maximum number of days specified by Canada Post.

If a Publications Mail mailing is deposited at approved downstream sites, the total mailing cost must be reflected on a single *Order (Statement of Mailing)* for the entire mailing.

For Machineable Publications Mail, each partial mailing must meet the minimum volume requirement of 1,000 items. For presorted mail (LCP or NDG), the minimum volume requirement applies to the entire *Order* and not to the partial or downstream shipments.

4.1.6 WEIGHTED AVERAGE WEIGHT

A mailing may be comprised of items of varying weights (including items above and below the base weight). In such cases, the Customer may choose to enter information on the *Order (Statement of Mailing)* using the weighted average weight per item.

Separate average weights must be calculated and entered on the *Order (Statement of Mailing)* for the portions of the mailing:

- up to the base weight
- between the base weight and 500 g, and
- over 500 g.

Two examples of a weight calculation using the weighted average approach follow.

Example 1 – A Customer has a mailing of 2,500 items of NDG National. All items weigh more than 100 g. However, a portion of the mailing is at 155 g and the remainder is at 160 g. The formula to calculate the weighted average weight is:

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

Table 6: Weighted Average Weight Calculation

NDG NATIONAL PRESORT	A NUMBER OF ITEMS	B WEIGHT PER ITEM	C TOTAL WEIGHT	D TOTAL (C) DIVIDED BY TOTAL (A) = WEIGHTED AVERAGE WEIGHT
	500	155 g	77,500 g	
	2,000	160 g	320,000 g	
TOTAL	2,500		397,500 g	159.0 g

In this example, since all items in the mailing have a weight in excess of 100 g but less than 500 g, the average weight per item calculation can be used and entered on the *Order (Statement of Mailing)* for pricing purposes. (The same approach would be used in cases where an NDG mailing has items with different weights but all items weigh 100 g or less, all items weigh more than 100 g but less than 500 g, or all items weigh more than 500 g).

Example 2 – A Customer has a mailing of 5,000 items of NDG National. The mailing is comprised of various weights above and below 100 g but less than 500 g. In this example, two calculations of average weight must be completed and entered separately on the *Order (Statement of Mailing)* for pricing purposes: one entry for that portion of the mailing at 100 g or less and one entry for the portion over 100 g but under 500 g.

Table 7: Weighted Average Weight Calculation – Under 100 g

NDG NATIONAL PRESORT	A NUMBER OF ITEMS	B WEIGHT PER ITEM	C TOTAL WEIGHT	D TOTAL (C) DIVIDED BY TOTAL (A) = WEIGHTED AVERAGE WEIGHT
	1,500	30 g	45,000 g	
	500	45 g	22,500 g	
TOTAL	2,000		67,500 g	33.75 g

Table 8: Weighted Average Weight Calculation – Over 100 g but Under 500 g

NDG NATIONAL PRESORT	A NUMBER OF ITEMS	B WEIGHT PER ITEM	C TOTAL WEIGHT	D TOTAL (C) DIVIDED BY TOTAL (A) = WEIGHTED AVERAGE WEIGHT
	1,000	155 g	155,000 g	
	2,000	160 g	320,000 g	
TOTAL	3,000		475,000 g	158.33 g

4.2 At the Time of Deposit

4.2.1 REQUIRED AT TIME OF DEPOSIT

A completed *Order (Statement of Mailing)* must accompany each publication issue deposited, along with a sample copy or copies of the publication (including enclosures) for each weight variation as well as a *Mailing Summary*, where applicable. For more information, see section 4.1 “Prior to Depositing” on page 22.

4.2.2 WHERE TO DEPOSIT

All Publications Mail items must be deposited with an authorized Representative at a postal facility approved by Canada Post.

Publications Mail cannot be deposited into street letter boxes or any other mail receptacle.

All mail must be deposited during normal business hours, or at a time otherwise approved by an authorized Canada Post Representative.

Machineable Publications Mail must be deposited at one of the following Canada Post approved sites*:

Table 9: Machineable Mail Approved Deposit Sites

SHORT AND LONG (S/L) APPROVED SITES	OVERSIZE APPROVED SITES	ADDRESS
St. John's NL	N/A**	98 KENMOUNT RD ST. JOHN'S NL A1B 3T3
Halifax NS	N/A**	6175 ALMON ST HALIFAX NS B3K 5N4
Saint John NB	N/A**	125 ROTHESAY AVE SAINT JOHN NB E2L 2B0
Québec QC	N/A**	300 ST-PAUL ST QUÉBEC QC G1K 3W0
Montréal Léo-Blanchette QC	Montréal Léo-Blanchette QC	555 MCARTHUR ST ST-LAURENT QC H4T 1T4
Ottawa ON	Ottawa ON	1424 CALEDON PL OTTAWA ON K1A 0C1
Toronto South Central ON	Toronto South Central ON	969 EASTERN AVE TORONTO ON M4L 1A5
Hamilton ON	Hamilton ON	393 MILLEN RD STONE CREEK ON L8E 5A8
London ON	London ON	951 HIGHBURY AVE LONDON ON N5Y 1B0

SHORT AND LONG (S/L) APPROVED SITES	OVERSIZE APPROVED SITES	ADDRESS
Windsor ON	N/A**	4255 WALKER RD WINDSOR ON N8W 4W0
Winnipeg MB	Winnipeg MB	266 GRAHAM AVE WINNIPEG MB R3C 0K4
Regina SK	N/A**	2200 SASKATCHEWAN DR REGINA SK S4P 0B5
Saskatoon SK	N/A**	817 51 ST E SASKATOON SK S7K 5C6
Calgary AB	Calgary AB	1100 49 AVE NE CALGARY AB T2E 0A0
Edmonton AB	Edmonton AB	12135 149 ST EDMONTON AB T5L 2J0
Vancouver BC	Vancouver BC	349 WEST GEORGIA ST VANCOUVER BC V6B 1Y9
Victoria BC	N/A**	4181 GLANFORD AVE VICTORIA BC V8Z 4B0

* Subject to change without notice.

** Not accepted at this location.

5 PRICING

5.1 Publications Mail Pricing

In order to access Letter Carrier Presort (LCP) and Machineable prices, Customers must submit the *Order (Statement of Mailing)* electronically using the Electronic Shipping Tools. LCP and/or Machineable items accompanied by a manually prepared *Order* will be priced at the applicable NDG National prices in effect at the time of mailing and the manual *Order* processing fee will apply.

The applicable published prices for Publications Mail are available at www.canadapost.ca/customer_guides on the *Publications Mail Price Sheet*.

5.1.1 MINIMUM VOLUME AND PHANTOM PRICING

Customers may deposit less than the minimum volume requirement provided that the difference between the actual volume and the minimum volume is paid at the phantom price.

5.1.2 MACHINEABLE

The Machineable price applies to all items prepared according to Machineable requirements and mailed at an approved postal facility for delivery at any other postal facility in Canada. Phantom pricing applies to Machineable mailings that do not meet the minimum volume requirements.

5.1.3 LETTER CARRIER PRESORT (LCP)

LCP prices apply to all items that meet the LCP requirements and are mailed at a postal facility for delivery at any other postal facility in Canada. LCP includes Delivery Mode Direct (DMD), Delivery Facility (DF), Distribution Centre Facility (DCF), Forward Consolidation Point (FCP) and Residue. Phantom pricing applies to LCP mailings that do not meet the minimum volume requirements.

5.1.4 NDG PRESORT

NDG prices apply to all items that meet the NDG Presort requirements. NDG Presort includes National, Regional and Local Rural.

5.1.4.1 National

The NDG National price applies to all items mailed at a postal facility for delivery at any other postal facility in Canada.

Phantom pricing applies to NDG National mailings that do not meet the minimum volume requirement.

5.1.4.2 Regional

The NDG Regional price applies to all items mailed at a postal facility for delivery at post offices that have no Letter Carrier delivery and that are located in the same or adjacent provinces as the accepting postal facility. In order to qualify for this price category, at least 50% of the total addressed copies in the publication issue mailed must be either Regional or a combination of Local Rural and Regional. Otherwise, NDG National prices will apply to the nominal Regional portion of the mailing.

Orders containing qualified NDG Regional items do not have a minimum volume requirement (even if some NDG National items are included on the *Order*).

5.1.4.3 Local Rural

The NDG Local Rural price applies to items mailed at a post office with no Letter Carrier delivery for delivery at that post office.

A Non-Letter Carrier post office with civic addressing may have several postal codes. Items addressed to these postal codes may qualify under the Regional price category. Visit www.canadapost.ca/business/offerings/publications_mail/can/about_fsas-e.asp to view the *Publications Mail Regional Price Category FSA Table*.

Orders containing qualified NDG Local Rural items do not have a minimum volume requirement (even if some NDG National items are included on the *Order*).

5.1.5 BUNDLES OF UNADDRESSED COPIES

The Bundles of Unaddressed Copies price applies to Bundles of Unaddressed Copies mailed at a postal facility for delivery at any other postal facility in Canada, and addressed to a news dealer or other bulk receiver.

5.1.6 UNDELIVERABLE PUBLICATIONS MAIL

The Undeliverable Publications Mail price applies to each address block for an undeliverable Publications Mail item forwarded to the Customer's Canadian return address, as applicable.

5.1.7 SAMPLES, PROMOTIONAL AND NOVELTY ITEMS

The Samples, Promotional and Novelty Items price applies to acceptable enclosures priced and weighed separately from the host publication.

5.1.8 PRICE DISCOUNTS

Customers may be eligible for price discounts based on their commitment to mail a minimum of three million Publications Mail items in an Agreement year. Such a commitment must be specified on the *Agreement Activation Form* along with the effective date, and the eligible titles must be listed on the *Agreement Activation Form* or the applicable supplement. A price discount is calculated and applied to the postage paid for individually addressed Publications Mail items on each eligible *Order* completed using EST.

Customers should contact a Canada Post Representative for more information on price discounts.

5.2 Subsidized Publications Mail

Subsidies are available for certain publications if specific eligibility criteria are met under the Publications Assistance Program (PAP). Customers who wish to apply for subsidies must contact the Department of Canadian Heritage directly at 1-800-641-9221.

If the Customer's publication qualifies for a subsidy under the Publications Assistance Program (PAP), Canada Post will forward the request to the Department of Canadian Heritage (DCH) for approval of a subsidy payment under the PAP in the applicable amount, which is set out on the signed *Order (Statement of Mailing)*. If approved by DCH, Canada Post will deposit the PAP subsidy payment into the Customer's Account.

6 PUBLICATIONS MAIL SPECIFIC TERMS AND CONDITIONS

6.1 Payment Terms

For general payment terms, see "Making Payment" at the end of this *Customer Guide*.

6.2 General Terms and Conditions

For general terms and conditions, see "General Terms and Conditions" at the end of this *Customer Guide*, which are modified as follows:

Replace:

15.1 Amendments

Canada Post reserves the right to modify, discontinue Products or Services, or otherwise amend this Agreement, including prices, by giving the Customer sixty (60) calendar days' written Notice as specified in this Guide.

Add:

24 Ownership of Mail

The Customer agrees that items mailed under this Agreement will be mailed only on the Customer's or its Authorized User's behalf, and that items will not include commingled mail, being consolidated mail of a type or from sources other than those approved by Canada Post.

Making Payment

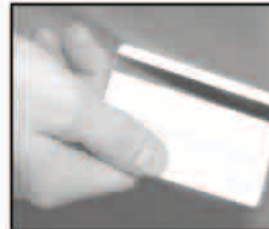


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MAKING PAYMENT

The Making Payment information below applies to the following products: Addressed Admail™, Catalogue Mail™, Incentive Lettermail™, Publications Mail™ and Unaddressed Admail™.

For Business Reply Mail™, the Making Payment information can be found in the *Business Reply Mail Customer Guide* under section 6.1, Payment for Business Reply Mail.

1 PAYMENT OPTIONS

The following describes various methods of payment acceptable to Canada Post, however, not all methods of payment may be accepted at all Canada Post facilities.

1.1 Credit Card

VISA, MasterCard and American Express credit cards may be available as a method of payment:

- when the Canada Post Electronic Shipping Tools (EST) is used and the Customer chooses credit card. The credit card will be charged at the time of mailing
- as set out in the *Canada Postal Guide* or other material published by Canada Post and of general application to Canada Post's Customers, as amended from time to time.

NOTE 1: Some conditions and restrictions apply.

- 2: With the exception of Customers enrolled for pre-authorized credit card payment, credit cards are not accepted in payment of invoices or for settlement of Account balances.
- 3: Credit cards are accepted at Canada Post facilities only where credit card authorization facilities are available.

1.2 Postage Meter

Payment by postage meter impression is an available method of payment only for the following:

- Addressed Admail items, with the exception of Addressed Admail items weighing over 50 g, and for Dimensional Addressed Admail items
- Incentive Lettermail items, with the exception of Incentive Lettermail Short and Long (S/L) items over 50 g and Incentive Lettermail Oversize (O/S) items over 100 g up to 500 g, and
- Business Reply Mail Postage Due Receipt.

NOTE 1: Payment by postage meter impression on the item cannot be used to pay for Publications Mail, Unaddressed Admail or Catalogue Mail items.

- 2: The Return to Sender and Address Correction service options are not available if postage meter payment is used.

The Customer may elect “meter” as a method of payment for qualifying items:

- by placing a postage meter impression on each item to sufficiently cover the cost of mailing, or
- for Addressed Admail items by placing a postage meter impression on each item at the lowest price. The Customer will be invoiced for the additional postage.

NOTE 1: Payment by postage meter impression is not an acceptable method of payment for certain products and services as set out in the *Canada Postal Guide* or other material published by Canada Post and of general application to Canada Post’s Customers, as amended from time to time.

2: The postage meter impression must meet requirements as outlined in the *Canada Postal Guide*.

1.3 Account

Qualifying Customers may elect “Account” as a method of payment if the mailing is to be invoiced and charged to the Customer’s Account and for applicable credit terms to apply. Following approval by Canada Post and continued credit worthiness as determined by Canada Post, at its discretion, credit terms of net fifteen days from date of invoice will apply.

Accounts may be settled using one of the following:

- pre-authorized bank payment
- pre-authorized credit card payment, upon Canada Post approval
- payment by cheque or money order
- online payment, upon Canada Post approval.

Customers wishing to sign up for pre-authorized or online payment need to complete and submit the applicable form, which can be obtained at www.canadapost.ca/caf or from a Canada Post Representative.

If the Customer does not qualify for credit, the Customer must provide full payment at the time of mailing, otherwise, the items will not be accepted. See section 1.4 “Payment at Time of Mailing” for more information.

Use of the Electronic Shipping Tools (EST) to prepare and submit an *Order (Statement of Mailing)* is mandatory to access:

- Addressed Admail Machineable and Letter Carrier Presort (LCP) prices
- Incentive Lettermail Machineable and Presort prices
- Publications Mail Machineable and Letter Carrier Presort (LCP) prices
- Unaddressed Admail contract prices.

1.4 Payment at Time of Mailing

For Customers without pre-approved credit terms, full payment at the time of mailing must be made by:

- certified business cheque (payment by uncertified business cheque is subject to approval by Canada Post)
- cash (Retail Outlets only)
- money order
- meter (some conditions apply)
- credit card (some conditions apply)
- debit card (some conditions apply)

2 PAYMENT REMITTANCE

Cheques or money orders must be made payable to “Canada Post Corporation”, include the Canada Post Customer number, and be accompanied by the remittance information. Payment must be sent to the following address:

PAYMENT PROCESSING
CANADA POST
2701 RIVERSIDE DR STATION 0680A
OTTAWA ON K1A 1L7

Customers should allow up to three (3) business days for payment processing.

3 INVOICE AND STATEMENT OF ACCOUNT

Canada Post will provide the Customer with an invoice that summarizes the charges posted to their commercial Account. Customers who elect to pay for services via credit card may receive an electronic invoice using Canada Post's epost service. Visit www.epost.ca for more details on epost.

A *Statement of Account* (SOA) will be provided monthly to the Customer providing the Customer has elected to use their Account to pay for their mailing. The *Statement of Account* (SOA) will summarize each of the invoices processed, any related adjustments and payments made during the month, as well as any balance owing at the end of the month.

NOTE 1: For details supporting credit card transactions, Customers may sign up for epost (visit www.epost.ca for details) or rely on their credit card statement for information.

2: A manual *Order (Statement of Mailing)* for Unaddressed Admail items submitted at Retail Outlet and Depot (locations approved to accept Unaddressed Admail) is also not reflected on the *Statement of Account*.

The Customer should advise the Credit Management group at 1-800-267-7651 of any discrepancies within fifteen days of the invoice date.

4 MANAGE MY ACCOUNT

Customers may view the status of their Accounts and make payment online by visiting www.canadapost.ca/obc through the “Manage My Accounts” page.

Call the Credit Management group at 1-800-267-7651 to obtain a user ID and password.

5 LATE PAYMENT FEES

Past due amounts will be subject to a late payment fee. The late payment fee will be calculated at a rate of 1.5% per month (18% per annum). Canada Post may amend the late payment fee rate at any time upon Notice to the Customer.

An administrative fee of \$25 will be applied on any payment that is dishonoured for any reason, including a payment returned due to Not Sufficient Funds (NSF). Canada Post may amend the amount of this fee at any time upon Notice to the Customer. The Customer agrees to reimburse Canada Post for all costs, including legal fees and bank charges, incurred as a result of late or dishonoured payments.

If an amount becomes past due, Canada Post may elect to apply any money otherwise received from the Customer or any money due to the Customer by Canada Post towards bad debts first. Such right of set off shall be without prejudice and in addition to any other rights Canada Post may have.

6 AUTHORIZED USERS

The Customer may wish to allow another party to use their Agreement or Customer number. Please refer to the *Agreement Activation Form* and to Section 1 “Definitions” and Section 9 “Authorized Users” in the General Terms and Conditions at the end of this *Customer Guide*. A Canada Post Representative can explain under what conditions this is possible and who may be considered as an Authorized User.

For Customers who receive subsidies through the Publications Assistance Program (PAP) administered by the Department of Canadian Heritage (DCH), postage for PAP-eligible publications must be paid by the Customer who has been assigned the Registration number by DCH.

7 PROOF OF PAYMENT

For all methods of payment, except for postage meter impressions, Addressed Admail, Catalogue Mail, Incentive Lettermail and Business Reply Mail, items must bear the appropriate postal indicia on the addressed side of each item. For Publications Mail, the use of a postal indicia is optional, however, the applicable “identifying information” described in the *Publications Mail Customer Guide* is required (refer to Section 2.2.1 of the *Publications Mail Customer Guide*). No postal indicia applies to Unaddressed Admail items (refer to Section 2.2.4.1 of the *Unaddressed Admail Customer Guide*).

The postal indicia must meet the requirements as outlined in the *Canada Postal Guide* for the applicable service.

NOTE 1: Camera-ready artwork for postal indicia can be obtained through a Canada Post Representative or electronically at www.canadapost.ca/postalservices under Postal Indicia.

2: Business Reply Mail artwork is obtained at www.canadapost.ca/obc through the Business Reply Mail Artwork Online tool, which includes the postal indicia.

3: Payment by postage meter refers to payment by placing a postage meter impression on each item of mail qualifying for meter payment. See section 1.2 “Postage Meter” on page 1.

General Terms and Conditions



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GENERAL TERMS AND CONDITIONS

Also see the Specific Terms and Conditions for each product or service in each *Customer Guide*.

Canada Post is in the business of providing mail and other related delivery products and services. The parties wish to set out the terms by which Canada Post will provide and the Customer will use such products and services. In consideration of the mutual obligations specified in this Agreement, the parties agree to the following:

1 DEFINITIONS

1.1

“**Affiliate**” means an affiliated body corporate as defined by the *Canada Business Corporations Act* as amended from time to time.

1.2

“**Agreement**” has the meaning set out in section 13 “Entire Agreement and Alterations” on page 7.

1.3

“**Agreement Year**” means twelve (12) consecutive calendar months falling between two (2) anniversary dates.

1.4

“**Applicable Published Prices**” means, with respect to each Product and Service, the applicable prices, including any applicable fees, charges or surcharges, and less any applicable rebates, set by Canada Post and in effect at the time of mailing, as published and/or made available by Canada Post for general application to its customers, as amended from time to time.

1.5

“**Authorized User**” means a party designated by the Customer and who is approved by Canada Post to have access to the Products and Services offered under this Agreement. Unless otherwise specified in this Agreement, an Authorized User has full access to the Products and Services offered under this Agreement.

1.6

“**Business Day**” means a day other than Saturday, Sunday, a statutory holiday and any day normally observed as a holiday by Canada Post.

1.7

“**Customer Guide**” means the document of the same name issued by Canada Post for each of the Products and Services, as amended from time to time.

1.8

“**Electronic Shipping Tools (EST)**” means the software system made available under license by Canada Post or a third party shipping system approved by Canada Post, which allows for automated preparation of shipping documentation including labels and contains other features to facilitate shipping with Canada Post, and which is further described on the www.canadapost.ca website.

1.9

“**Item**” means a single item or mail piece prepared and mailed using one of the Products and Services in accordance with this Agreement.

1.10

“**Products and Services**” means any of the products and services offered for sale as described in the *Canada Postal Guide* or other Canada Post publication of application to commercial Customers generally, including the applicable *Customer Guide*.

1.11

“**Subsidiary**” means a subsidiary body corporate as defined by the *Canada Business Corporations Act* as amended from time to time.

1.12

“**Term**” means the period set out in the *Customer Guide* for each Product or Service.

1.13

Other terms not specifically defined in this Agreement have the meanings defined in the applicable *Customer Guide*, the *Canada Postal Guide* or other Canada Post publication of application to customers generally.

2 CANADA POST'S OBLIGATIONS

2.1

Canada Post agrees to deliver Items of each Product and Service mailed under this Agreement according to the applicable service standards set out in the *Canada Postal Guide*, or other material published by Canada Post and of general application to Canada Post's customers, as amended from time to time. Unless expressly stated in this Agreement, service standards established by Canada Post for its Products and Services are not performance guarantees.

2.2

Canada Post agrees to provide or make available to the Customer upon execution of this Agreement the *Canada Postal Guide* or other material published by Canada Post, including the *Customer Guide* corresponding to a particular Product and Service, of general application to customers and any subsequent amendment thereto.

3 CUSTOMER'S OBLIGATIONS

3.1

The Customer agrees to prepare and mail Items in accordance with this Agreement.

3.2

The Customer agrees to purchase and pay for the Products and Services at the Applicable Published Prices specified in the *Price Sheet*, subject to any applicable rebates and including all applicable fees, charges, surcharges and taxes. The Applicable Published Prices charged are subject to verification, correction and adjustment for any applicable fees, charges, surcharges and taxes.

3.3

The Customer agrees to pay for the Products and Services purchased using the payment method(s) specified in the applicable *Customer Guide*.

3.4

The Customer agrees to meet the minimum volume of Items required per deposit or per annual commitment for each Product and Service as specified in the applicable *Customer Guide*.

3.5

If so specified in the *Customer Guide* for a Product or Service and if Canada Post determines that the Customer's pattern of business is not consistent with any agreed volume commitment, then Canada Post may amend the applicable prices on thirty (30) calendar days' written Notice.

3.6

If so specified in the *Customer Guide* for a Product or Service, the Customer shall include an electronic *Order*, in such form as approved or stipulated by Canada Post, with each mailing. Only volumes captured through an electronic *Order* will count toward the Customer's minimum volume commitment for the Product or Service.

4 EXCLUSIVE PRIVILEGE

4.1

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 mailed up to the date of termination and the amount that would have been payable for that volume, at current prices, had the Agreement not been signed.

5 CRITERIA FOR QUALIFICATION

5.1

All Items must comply with the requirements set out in this Agreement and, except for Purolator International Services, the *Canada Post Corporation Act and Regulations*; and, for international Items, the *Universal Postal Union (UPU)* requirements and any receiving Postal Administration requirements and the laws of the country of destination; all as may be amended from time to time. Items not complying with these requirements may not be mailed under this Agreement. Each of Canada Post and Purolator retains the right to refuse to accept any Item that either Canada Post or Purolator, in its sole discretion, deems unacceptable.

5.2

Mailings not previously approved by Canada Post and assessed by the Customer, or on behalf of the Customer, are subject to pricing verification and correction by Canada Post.

5.3

Items presented for mailing to Canada Post may be verified to determine compliance with applicable terms and conditions. Items determined not to be compliant may, at the discretion of Canada Post, be:

- returned at the Customer's expense, to be made compliant by the Customer, where possible
- processed and charged at the next or most appropriate Product or Service category, where available
- subject to a surcharge
- refused for mailing.

5.4

Canada Post may correct the Customer's *Order* documentation for incomplete or incorrect information.

5.5

Canada Post shall not be responsible for meeting any service standard or delivery commitment, where applicable, for delays arising from the mailing of non-compliant Items.

6 SURCHARGES

6.1 Oversize and Volumetric Weight (Density)

Items mailed under this Agreement may be subject to Oversize and/or Volumetric Weight (Density) surcharges established by Canada Post from time to time, applicable generally to its commercial customers and as set out in the *Customer Guide*. Canada Post may amend the Oversize and/or Volumetric Weight (Density) surcharges at any time immediately upon Notice to the Customer.

6.2 Fuel Surcharge

Items mailed under this Agreement may be subject to a fuel surcharge, established by Canada Post from time to time, applicable generally to its commercial customers and as set out in the *Customer Guide*. Canada Post may amend the fuel surcharge at any time immediately upon Notice to the Customer.

6.3 Non-compliance Surcharge

If so specified in the applicable *Customer Guide*, Items mailed under this Agreement may be subject to surcharges for non-compliance with mail specification or preparation requirements. Canada Post may amend the non-compliance surcharge at any time immediately upon Notice to the Customer.

7 CURRENCY

7.1

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

8 AUDITS

8.1

On request, the Customer shall permit Canada Post and its authorized representatives access to its premises, and if applicable those of Authorized Users and the Mailer, On Behalf Of the Customer, during the Term, and for a reasonable period of time after the expiry or earlier termination of this Agreement. The Customer agrees to facilitate Canada Post's access, examination and audit of the records, databases and information relating to the Items mailed under this Agreement and the Customer's obligations including if applicable those of Authorized Users and Mailer, On Behalf of the Customer, under this Agreement.

9 AUTHORIZED USERS

9.1

All references to the Customer include the Customer's Authorized Users and any actions taken by an Authorized User are deemed to be the actions of the Customer. The List of Authorized Users is set out in an appendix to this Agreement.

9.2

The Customer may amend the List of Authorized Users upon consent of Canada Post.

9.3

An Authorized User who ceases to be an Affiliate, Subsidiary or a franchisee of the Customer will no longer be entitled to mail Items under this Agreement as of the date upon which it ceases to be the Affiliate, Subsidiary or franchisee of the Customer. In the event that an Authorized User ceases to be an Affiliate, Subsidiary or a franchisee of the Customer, the Customer shall give notice to Canada Post within thirty (30) calendar days of such change in relationship.

9.4

The Customer is responsible for the compliance by each Authorized User with this Agreement. In the event that an Authorized User fails to pay for Products or Services provided under this Agreement, the Customer shall pay the amount owing.

10 MAILERS, ON BEHALF OF

10.1

Canada Post will accept Items mailed by another party on behalf of the Customer provided that the mailing of such Items complies with the terms and conditions of this Agreement. The Customer shall require a Mailer, On Behalf Of, to abide by the Agreement. The actions taken by the Mailer, On Behalf Of, are deemed to be the actions of the Customer.

11 RESALE OR INTERLINING

11.1

The Customer agrees that any Products and Services purchased under this Agreement are for its own use as an end user or for the use of an Authorized User and that it will not sell or permit the resale of any services, nor use the Products and Services offered under this Agreement for the purposes of interlining. Interlining is the process in which a carrier uses another carrier's transportation service in the course of a continuous freight movement.

12 ASSIGNMENT

12.1

The Customer shall not assign this Agreement without the prior written consent of Canada Post and any purported assignment without 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.

12.2

If the Customer amalgamates, merges or enters into a similar business combination with any other entity, including without limitation by means of (a) acquisition of all or substantially all of the assets of another entity; or (b) the sale of all or substantially all of the assets to another party, then, for the purpose of this Agreement, such amalgamation, merger or combination will be deemed to be an assignment requiring the prior written consent of Canada Post.

13 ENTIRE AGREEMENT AND ALTERATIONS

13.1

All references to this Agreement shall be deemed to include:

- the applicable *Agreement Activation Form(s)*
- these General Terms and Conditions
- the applicable *Customer Guide(s)*
- the applicable *Price Sheet(s)*
- the *Credit Application Form*, if applicable
- the *Canada Postal Guide*, and
- any appendices and any documents referenced therein, as all may be amended from time to time.

13.2

Without limiting the generality of the above, in the event of any inconsistency between this Agreement, and any document other than the *Canada Post Corporation Act* or its *Regulations* referred to herein, the terms of this Agreement shall prevail and be interpreted in the order of priority listed above.

13.3

No representations, negotiations, or conditions either verbal or written will bind the parties except as expressly set out in this Agreement. Except as set out in section 14 “Waiver” on page 8, no agent or representative of either party to this Agreement has authority to alter the provisions of this Agreement, and any such purported alteration shall not be binding.

14 WAIVER

14.1

Except as specifically stated in this Agreement, no waiver or amendment of this Agreement shall be binding unless executed in writing by the appropriate party's authorized representative. No waiver of any provision of this Agreement shall constitute a continuing waiver unless otherwise expressly provided. Acceptance of Items for mailing shall not constitute a waiver by Canada Post of the Customer's obligations under this Agreement.

15 AMENDMENTS

15.1

Canada Post reserves the right to modify, discontinue Products or Services or otherwise amend this Agreement, including prices, by giving the Customer thirty (30) calendar days' written Notice as specified in this Agreement.

15.2

Canada Post reserves the right to amend the *Canada Postal Guide* without Notice to the Customer.

16 SURVIVAL

16.1

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

17 GOVERNING LAW

17.1

This Agreement is made subject to and in accordance with the *Canada Post Corporation Act* (the "*Act*"), R.S.C. 1985, c. C-10, as amended from time to time and any of the *Regulations*, which are or may be from time to time made under the *Act*.

17.2

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

18 LANGUAGE

18.1

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.

19 EXCUSABLE DELAY

19.1

Except for the Customer's payment obligations, neither party shall be liable to the other for any failure to perform, or delay in the performance of, any obligation under the Agreement due to causes beyond its reasonable control, including but not limited to, acts of God, labour disruptions or, if applicable, delays caused by customs authorities, provided that the party experiencing such circumstances immediately notifies the other party in writing of the circumstances and minimizes, to the extent reasonably practicable, the impact of such circumstances on the performance of the obligations under the Agreement.

20 LIMITATION OF LIABILITY

20.1

Canada Post reserves the right to independently review and verify any and all claims made by the Customer arising from missed delivery and/or service commitments.

20.2

Except as specified in the *Customer Guide* for the Product or Service, Canada Post shall not be responsible for any direct, indirect, general, special or consequential damages arising out of the Agreement regardless of whether such damages result from loss, mishandling or delay in delivery of any Item.

21 TERMINATION

21.1

Either party may terminate this Agreement at any time, without cause, by giving thirty (30) calendar days' written Notice to the other.

21.2

Either party may immediately terminate this Agreement upon written Notice to the other party if at any time during the Term:

- either party ceases to carry on business or makes a sale in bulk of all or substantially all of its assets; or
- either party becomes insolvent or bankrupt, or files any proposal or makes any assignment for the benefit of creditors; or
- a receiver, trustee or other person with like powers is appointed to handle the affairs or property of either party; or
- an order is made for the winding up or liquidation of either party; or
- either party continues to be in default of any of its obligations after being provided thirty (30) calendar days' Notice of the default.

21.3

Should the Customer fail to purchase Product and Services under this Agreement for a period of more than twenty-four (24) consecutive months, Canada Post may terminate the Agreement or amend the List of Authorized Users without notice.

21.4

Termination of this Agreement shall be without prejudice to any rights of the Customer or Canada Post that have accrued prior to the date of termination.

21.5

Neither party shall have a right to damages as a result of termination of this Agreement.

22 NOTICES

22.1

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. Alternatively Notices regarding Amendments to this Agreement by Canada Post may be sent to the Customer via e-mail or by Canada Post posting such changes on the Canada Post website (www.canadapost.ca) which will be deemed received upon posting.

Notices to Canada Post shall be sent to:

AGREEMENT MONITORING
CANADA POST CORPORATION
2710 RIVERSIDE DR SUITE CO157
OTTAWA ON K1A 0B1

Notices to the Customer shall be sent to the Customer's general contact at the mailing or e-mail address set out in the *Agreement Activation Form*.

22.2

Notices delivered personally shall be deemed received at the time of delivery, Notices sent by Registered Mail shall be deemed received on the fourth Business Day following the date of mailing, and Notices sent by Priority Courier or Xpresspost with signature shall be deemed received on the second Business Day following the date of mailing. Weekends and statutory holiday mailings will count as originating on the following Business Day.

22.3

Either party may change its address by giving Notice to the other party.

22.4

The Customer agrees that Canada Post may update the Customer's address information obtained from any source, including any Change of Address Notification form submitted to Canada Post, for the purpose of contacting the Customer with respect to this Agreement.

23 CONFIDENTIALITY

23.1

Except as may be required by law or for those terms and conditions that have been made publicly available by Canada Post, neither party nor their employees (including directors and officers) or agents shall disclose to any third-party, with the exception of Authorized Users, prices or any other terms or conditions contained in this Agreement.

23.2

Canada Post has policies and procedures in place to protect the confidential information that it handles. Canada Post is subject to the federal *Privacy Act* and the *Canada Post Corporation Act*. Any third parties who are involved in handling confidential information on behalf of Canada Post are required to agree to appropriate contractual provisions.