

May 28, 2009

1690364 2009-009-8500

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**Letter Carrier Presort Addressed Admail™ and Publications Mail™
Mandatory Use of Mailing Plan File Import Capability and Container Label Specifications
Effective July 20, 2009**

Dear Customer:

The following letter was recently sent to the prime contact person in your organization. Our records show that you are currently identified as the billing contact and we wanted to ensure you were aware of upcoming changes that may impact your Canada Post invoice.

Canada Post recently implemented changes to its receipt and verification process to help serve you better. The implementation of new technology now provides a faster, more efficient acceptance process at Receipt Verification Units (RVUs), resulting in a more consistent and positive customer experience. We also introduced a new file import capability that reduces the amount of manual data entry required when you create your Orders as well as new container label specifications. As a result of important dates fast approaching, we are providing you with a reminder of these recent changes and of the mandatory requirements that will come into effect in July 2009.

New File Import Capability

Canada Post and software vendors introduced a Mailing Plan file import capability in January 2009, which now enables you to import your Mailing Plan into the Electronic Shipping Tools (EST - Desktop and Online). Software vendors provide the Mailing Plan in one of two approved file formats:

- Extensible Mark-up Language (XML)
- Comma Separated Value (CSV)

This new capability helps reduce the amount of manual data entry required when you prepare your Orders for Letter Carrier Presort (LCP) Addressed Admail™, LCP Publications Mail™ and Presort Lettermail™. It also eliminates the current mandatory requirement of providing a hardcopy Mailing Summary at time of induction.

Last January, we also introduced a new optional import file for Machineable Mail (Addressed Admail, Publications Mail and Incentive Lettermail). This new optional file import can also assist you by reducing manual entry of data when creating your Orders in EST. Note that this file is only accepted in a CSV format using the Desktop version of EST.

Important!

Please note that by **July 20, 2009, it will be mandatory to upload the Mailing Plan into EST for LCP Addressed Admail and LCP Publications Mail**. LCP Addressed Admail and LCP Publications Mail inducted without the required Mailing Plan file uploaded to EST will be subject to a **surcharge of \$0.05 per piece** on the entire mailing upon induction at the RVUs. The import of the Mailing Plan data for Presort Lettermail is **optional** and it is not recommended for Orders that contain multiple weight bands.

Process for Spoilage/Shortage (applicable only if you are importing your Mailing Plan data into EST)

We understand the number of items deposited may on occasion be lower than what is indicated on your Mailing Plan as a result of a production problem occurring after the Mailing Plan has been created (e.g.,

mail damaged in your processing equipment); this is referred to as spoilage/shortage. In the case of spoilage/shortage, please follow this process:

- Clearly indicate the amount of pieces deposited and the reason for more pieces on the Order (Statement of Mailing) presented to Canada Post at time of induction.
- Include, if available, a print production report (customer-generated) with the Order to confirm the amount of actual pieces that have been produced.

The RVU will review the information and a credit adjustment will be applied to your account for shortages of up to 200 pieces, at the Delivery Mode Direct price point. For shortages of more than 200 pieces, you will be required to re-run your Mailing Plan.

New Container Label Specifications

In January 2009, we also introduced new specifications for LCP Addressed Admail and LCP Publications Mail which include bar-coded container labels. The new bar code and associated human-readable data is generated by SERP software and is linked to the EST Order which will in turn enable a faster, more efficient acceptance process.

To accommodate the changes to the container labels, there has been a change to the label size. The number of labels that you will be able to print on one sheet is reduced from 6 labels per page to 4 labels per page. The new container labels specifications are available on the Canada Post website at canadapost.ca/tools/pg/labels/

Important!

Effective July 20, 2009, it will be mandatory that container labels and tie on tags for LCP Addressed Admail and LCP Publications Mail include a bar code and the associated human-readable data. The new bar code and associated human-readable data will also be required on all monotainers and pallet labels if brick-piling is the preparation method.

If your printer does not have the capability to produce a bar code, the human-readable data that is associated with the bar code content will be accepted without penalty until **January 10, 2010**, at which time inclusion of the bar code (including associated human-readable data) on all labels will also become mandatory, otherwise a **surcharge of \$0.05 per piece** on the entire mailing will apply at time of induction.

Please note that in the case of multiple anomalies (e.g., combination of Mailing Plan not imported in EST and missing bar code/human-readable data on container labels), only one surcharge will be applied. For additional information on surcharges, please visit canadapost.ca/postalservices

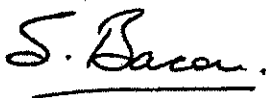
Reminder

To ensure you receive the best possible service as well as avoid potential delays or surcharges, please ensure your mail is properly prepared and that the correct Order documents are provided at the time of induction.

Should you have any questions on the information presented in this letter, please visit our website at canadapost.ca/business and click on the red icon *Service and price changes in 2009* or call our Commercial Service Network at 1.866.757.5480.

Thank you for your continued business.

Sincerely,



Stewart Bacon
Chief Sales and Marketing Officer