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DETAILS ON SURCHARGES FOR BUSINESS REPLY MAIL™ AND INTERNATIONAL BUSINESS REPLY MAIL™

This document provides additional details about the mailing anomaly surcharge structure.

As per the Terms and Conditions - section 5.3, items presented for mailing to Canada Post may be verified to determine compliance with applicable terms and conditions. Items determined to be non-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.

Canada Post consults regularly with mailers to better understand their needs and ensure they understand Canada Post's requirements. We understand that mailing anomalies do sometimes occur within normal production cycles and that feedback to the mailer is important to prevent future mailing issues.

Based on customer feedback, Canada Post developed a framework for the application of mailing anomaly surcharges that is fair and consistently applied across the Direct Marketing and Transaction Mail services.

Since January 15, 2007, there has been a change to the surcharge structure which replaced the Business Reply Mail (BRM) and International Business Reply Mail (IBRM) Out of Spec surcharges. A maximum surcharge of 10¢ per item will apply to mail items that do not fully meet the applicable requirements. In the case of multiple mailing anomalies, only one surcharge (the higher) will be applied.

An invoice will be sent to Customers regarding any applicable surcharges along with a description of the non-compliance issue. If other areas of non-compliance were identified, up to two additional non-compliance matters will be indicated on the invoice to enable the Customer to take corrective action and reduce the risk of future surcharges.

BRM and IBRM Surcharge Structure/Descriptions

Due to the limited space on the invoice, surcharge details are abbreviated. The following tables identify:

- the amount of the surcharge
- the abbreviated description of the anomaly (as it will appear on the invoice) linked to further online information; and
- quick reference description details.

10¢ NON-COMPLIANCE SURCHARGE PER ITEM	
INVOICE DESCRIPTION	DESCRIPTION DETAILS
BRM artwork element incorrect	One or more elements of the Business Reply Mail artwork is incorrect
BRM artwork element missing	One or more elements of the Business Reply Mail artwork is missing
BRM specs non-compliance	Business Reply Mail specifications are non-compliant
IBRM artwork element incorrect	One or more elements of the International Business Reply Mail artwork is incorrect
IBRM artwork element missing	One or more elements of the International Business Reply Mail artwork is missing
IBRM specs non-compliance	International Business Reply Mail specifications are non-compliant

NOTE : Classification and amount of surcharge subject to change at any time immediately upon Notice to the Customer.