

OVERVIEW OF CHANGES EFFECTIVE JANUARY 16, 2012 AND OTHER IMPORTANT REMINDERS

NEW - 2012 Incentive *Lettermail* Price Sheet

There were price increases to Incentive *Lettermail*™ effective January 16, 2012. Customers were provided Price Sheets in July 2011. For details on all 2012 Incentive *Lettermail* prices refer to the 2012 *Lettermail* Price Sheet at canadapost.ca/notice

NEW - 2012 Incentive *Lettermail* Customer Guide

The 2012 version of the Incentive *Lettermail* Customer Guide, effective January 16, 2012 was posted at canadapost.ca/notice on November 18, 2011.

NEW – January 16, 2012 – Addressing Guidelines Simplified

Look for improvements made throughout the Addressing Guidelines by visiting the Addressing Guidelines section at canadapost.ca/postalguide

UPDATE – Address Accuracy Transition Period for Excluded Business Addresses Extended to January 2013


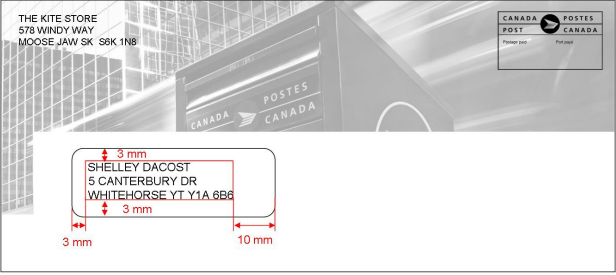


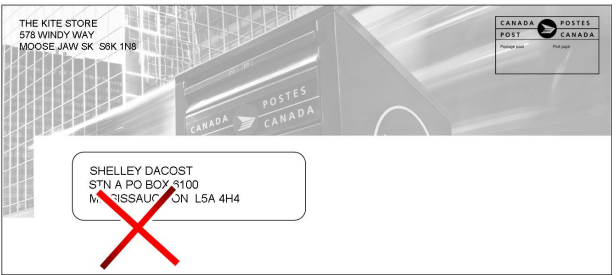
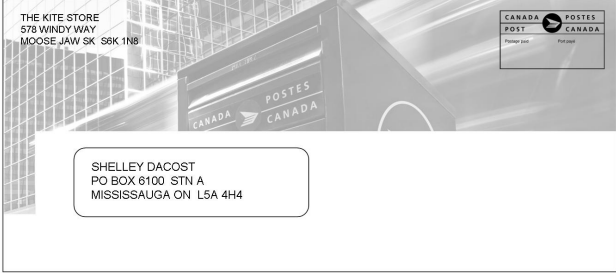
In January 2011, Canada Post introduced Point of Call Address Data, which is now used in Address Accuracy software for validating and correcting mailing lists and for producing a *Statement of Accuracy* (SOA).

In response to requests from our customers, the transition period for **excluded large urban business addresses** has been extended to **January 2013**. This means you have more time to correct these addresses before they're considered invalid and counted against your Statement of Accuracy score. **No further extensions will be provided after January 2013.**

Reminder: As previously communicated, the transition period for **excluded multi-unit residential apartment addresses** will end effective January 13, 2012 at which time invalid residential apartment addresses will count against Statement of Accuracy scores.

NEW – Tips to Avoid Common Errors Affecting Machineable Rates

Readability requirements ensure Canada Post's automated equipment can find and read the address on each of your mail items. To avoid machineable read rate adjustments*, we have identified below some of the most common errors that lead to read rate adjustments or surcharges.

Common errors...	To avoid the error, ensure that...
<p>On window envelopes, the destination address is not fully visible or appears very close to the edge of the window.</p>  <p>THE KITE STORE 578 WINDY WAY MOOSE JAW SK S9K 1N8</p> <p>SHELLEY DACOST 5 CAN...RY DR</p>	<p>the entire destination address is visible, with clear spaces between the edges of the address block and the edges of the window. The entire address must remain fully visible, even if the enclosure shifts within the envelope.</p>  <p>THE KITE STORE 578 WINDY WAY MOOSE JAW SK S9K 1N8</p> <p>SHELLEY DACOST 5 CANTERBURY DR WHITEHORSE YT Y1A 6B6</p> <p>3 mm 3 mm 10 mm</p>
<p>Street name or municipality name is split across two lines.</p>  <p>THE KITE STORE 578 WINDY WAY MOOSE JAW SK S9K 1N8</p> <p>SHELLEY DACOST 235 CH DE LA CÔTE-DE- LIESSE SAINT-LAURENT QC H4N 2M7</p>	<p>the address label or address block space is big enough to fit the longest street/municipality names in your address list.</p>  <p>THE KITE STORE 578 WINDY WAY MOOSE JAW SK S9K 1N8</p> <p>SHELLEY DACOST 2305 CH DE LA CÔTE-DE-LIESSE SAINT-LAURENT QC H4N 2M7</p>
<p>Address format errors. For example, Postal Box number appears after Station information.</p>  <p>THE KITE STORE 578 WINDY WAY MOOSE JAW SK S9K 1N8</p> <p>SHELLEY DACOST STN A PO BOX 6100 MISSISSAUGA ON L5A 4H4</p>	<p>all the elements of the destination address meet the requirements outlined in the Addressing Guidelines of the <i>Canada Postal Guide</i>.</p>  <p>THE KITE STORE 578 WINDY WAY MOOSE JAW SK S9K 1N8</p> <p>SHELLEY DACOST PO BOX 6100 STN A MISSISSAUGA ON L5A 4H4</p>

For complete machineable specifications, please refer to the *Machineable Postal Standards* guide at canadapost.ca/postalstandards.

* Machineable read rate adjustments are applied after machineable mailings pass through our automated equipment and only if they do not meet the read rate targets of 95% for Standard/Short and Long and 85% for Oversize mailings. For details and examples on how the read rate adjustments are calculated, please visit canadapost.ca/surcharges.

REMINDER – January 16, 2012 – Modifying Machineable Specifications to Add Value to Your Mailings

To provide you with more flexibility when creating your mail items and to align with the capabilities of Canada Post's new automated equipment, the following specifications changes will be made to the *Machineable Postal Standards* guide for Standard/Short and Long (S/L) *Incentive Lettermail*, *Addressed Admail* and *Publications Mail*:

- Reduce the Quiet Zone for barcoding on the front of the item from 19 mm high by 150 mm long to **19 mm high by 105 mm long** measured from the bottom right edge
- Allow graphic placement to the right and below the address block provided the Quiet Zone around the address block (6 mm above and below the address; 13 mm to the right and left of the address) and the Quiet Zone for barcoding (**19 mm high by 105 mm long** measured from the bottom right edge) are respected. **Note:** Customers wishing to print text to the right and below the address block must provide samples for testing and approval to Canada Post prior to inducting the mailing.
- Allow all types of fonts for the destination address, provided:
 - All characters are clear, well-defined and have a space no smaller than 0.1 mm between them;
 - Font size is set between 10 and 14 pts (the optimal character height is between 2.3 mm and 3.3 mm); and
 - No bold, underlined, italic, or script/decorative fonts are used.

NEW

We are also pleased to announce that '**matte**' coating for machineable items is now acceptable!

Note: The new machineable specifications will only apply to mailings deposited at Canada Post sites that have new mail sorting equipment. These locations can be found in the "*Induction Locations and Cut-off Times*" document available at canadapost.ca/mailpreparation.

REMINDER – Importance of Using Current Delivery Mode Code Data

The Delivery Mode Audit Code (DMAC) is an integral part of the Delivery Mode Code (DMC). It is the visible reference on a mail item that identifies the version of data used for mail presortation. Approximately every thirty days Canada Post issues new data files containing updated DMCs for any changed or new urban mailing addresses and delivery routes. In 2012, we will be restructuring many delivery routes as we continue to implement our new delivery model as part of our Postal Transformation project. To that end we wish to remind you about the criticality and importance of applying the current and valid Delivery Mode Codes to your mailing and coordinating them with your mailing drop dates.

REMINDER – Allowing the Induction of Mailings Using Cardboard Containers in Conjunction with Canada Post-Supplied Containers

In an effort to minimize the costs of purchasing alternative equipment due to shortages of Canada Post containers during peak times, you can induct your mailings using cardboard lettainers or cardboard boxes in conjunction with Canada Post-supplied lettainers or flats tubs. You may vary the type of containers used (hardsided containers, cardboard lettainers, cardboard boxes or brick-piled pallets), provided the same type of container is used for each destination facility or within each shipping unit.

Note: Please ensure your cardboard boxes meet the requirements outlined in the applicable *Mail Preparation and Presortation* guide at canadapost.ca/mailpreparation

COMING SOON – New Payment Options for Customers with Commercial Accounts Using Postal Boxes

With this convenient centralized billing payment option, you will:

- Save time and better manage your Postal Box rentals
- Pay your Postal Box rental fees through your Canada Post billing account
- Conveniently setup and renew Postal Boxes without having to travel to each Post Office where the boxes are held
- Avoid potential interruption of service from missing your renewal
- View details of all Postal Box rentals on your Canada Post commercial invoice

Visit canadapost.ca/postalboxes for more information about the changes or to find out if you qualify.