

OVERVIEW OF CHANGES

Effective January 14, 2013 unless otherwise noted



Average Rate Increase

- Price adjustments for **Domestic Parcel Service** will see a net¹ weighted average increase of 3.7%.
- Prices for **USA/International Parcel Services** will see a net¹ weighted average price increase of 3.2%.

¹ Net* represents the price increase adjusted for the reduction in the fuel surcharge index. Not all products are subject to fuel surcharges.

Small Packet™ - U.S.A. Surface Service Discontinued

Effective January 14, 2013, Canada Post will no longer offer Small Packet™ – USA Surface. For customers seeking a low-cost service without features or options, we recommend the Small Packet - USA Air service. For those shipments requiring tracking, delivery confirmation and liability coverage, we recommend you try our new Tracked Packet™ service.

Surcharge Changes

Manual Document Surcharge: A surcharge of \$ 0.95 will be applied for each Manual Order document submitted to offset the higher processing costs of manually processing these orders. The Manual Document Surcharge applies to the following order documents:

Domestic Shipments	International Shipments
33-086-589 Xpresspost Bill of Lading	43-074-277 Priority Worldwide
33-086-590 Priority Bill of Lading	33-086-565 Bulk Manifest
33-086-679 Expedited Parcel Bill of Lading	
33-086-680 Regular Parcel Bill of Lading	
33-086-565 Bulk Manifest	

Avoid this fee by moving to Electronic Shipping Tools (EST) today. Benefit from the efficient, accurate, cost-effective processing that Canada Post's major investments in automated parcel sorting have made possible. For details, visit canadapost.ca/EST.

Fuel Surcharge: The fuel surcharge index will be reduced by 2% in 2013.

Unlike our competitors, Canada Post does not apply additional surcharges such as extended area surcharges or surcharges for delivery to residential areas, which can add significantly to the final cost of shipping.

Liability Coverage Changes

Most shipping services include up to \$100 liability coverage. Additional coverage is available in increments of \$100 (up to \$5,000 for most Domestic shipments and up to \$1,000 for most USA and International items).

- **Regular Parcel Coverage:** Electronically submitted Regular Parcel orders include a \$100 built-in liability coverage. This feature will be removed to align the Regular Parcel service offering across all service channels.

- **Domestic Coverage:** The fee will increase to \$1.95 per \$100 coverage increments. These fees remain the lowest among national competitors.
- **USA/International Coverage:** The fee will remain at \$2.00 per \$100 and *Priority*[™] Worldwide will also remain at \$3.50 per \$100.

The basic \$100 liability coverage included with existing *Small Packet*[™] products will be removed, but will be included in the new *Tracked Packet*[™] service.

Administration Fees

There will be an increase to current administration fees (e.g. NSF fees), as well as new administration service fees for providing additional copies of invoices, Orders (Statements of Mailing, Bills of Lading, Manifests) and cheques. Visit the Customer Guide's Amendment section at canadapost.ca/customerguides for details.

New Mail Induction Rules – Dropping Off Your Parcels at the Right Location

Canada Post has recently undergone a substantial infrastructure reorganization to better serve you. The capabilities of our commercial mail deposit locations have been assessed to ensure they are properly equipped and capable of handling your mail efficiently and on time. The type of mail and the quantities which can be accepted in each of these facilities have been defined in our "Mail Induction Rules". We recommend you confirm your optimal and most convenient mail deposit locations by visiting www.canadapost.ca/depositlocations. The mail induction rules are currently in effect in all provinces excluding the Greater Toronto Area (GTA) where the changes are scheduled for late January 2013.

In the spring of 2013, customers using Electronic Shipping Tools (EST) will find it easier when selecting their deposit locations. Enhancements will be made to display only relevant deposit locations based on your address, mail type and mail quantity. This will save you time and ensure the right deposit locations are indicated on your order documents; information that is crucial to the efficient processing and on time delivery of your mail.

Stay tuned! Detailed information will be communicated in the New Year.

Replenishing Your Shipping Forms

You may have in your possession Canada Post manual shipping labels/forms that should no longer be in use. These labels/forms contain a 13 character tracking PIN number (e.g. CE 000 000 000 CA) and begin with the following prefix letters:

CE, CH, CP, GD, GG, GL, GN, GT, GW, LA, LE, LM, LX MG, MM, MP, NC, PB, PG,PK, RN, RR, RT, TJ, TP.

To continue to receive trusted on time delivery with great reliable tracking, we ask that you reorder Canada Post shipping labels/forms and destroy those you currently have in stock that begin with the prefixes listed above.

Take advantage of one of the following options to help you save time and money when shipping with Canada Post:

- Canada Post offers an **Automation discount** on all parcel mailings done through Electronic Shipping Tools (EST, some conditions apply). To find out more and to take advantage of this offer today, visit canadapost.ca/EST.
- To reorder blank or pre-printed labels/forms, please contact our Commercial Order Desk at 1.888.550.6333.

PLEASE NOTE: Beginning January 14, 2013, users of the Manual Bulk Manifest (form#:33-086-565) will be required to affix tracking labels and destination postal codes to their form for each shipped item. These changes are further explained at www.canadapost.ca/bulkmanifest.