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IMPORTANT INFORMATION – Elimination of bags as a containerization option for Addressed Admail™ and Publications Mail™ effective January 17, 2011

Dear Customer:

Canada Post has accepted bags as a containerization option for our Direct Marketing services for many years. However, as we modernize our network, we will be eliminating bags as an acceptable containerization option as they impact the condition of your mail and cause processing issues and delays due to missing or ripped bag labels.

Effective **December 31, 2010**, Canada Post will **no longer supply bags** to our Addressed Admail™ and Publications Mail™ customers and will **no longer accept** mail deposited in bags for these services effective **January 17, 2011**. In preparation for these changes, we encourage you to start transitioning from bags to more efficient containerization alternatives, such as:

- **Canada Post free reusable plastic pallets:** Brick-piling on Canada Post's free reusable plastic pallets is the most efficient and effective option for large mailings.
- **Canada Post hard-sided containers:** Canada Post supplied hard-sided containers (lettertainers and flat tubs) if the mailing does not meet brick-piling requirements.

The elimination of bags as an acceptable containerization option for Unaddressed Admail™ customers is currently underway effective January 2010. To assist our Direct Marketing customers in transitioning from bags, Canada Post recently introduced the following containerization options:

Canada Post free reusable plastic pallets used as a shipping unit

Canada Post free reusable plastic pallets can now be used as a shipping unit when transporting containerized mail. To encourage the use of pallets as an alternative to bags and to make it easier to access Canada Post reusable plastic pallets, the \$2 reusable plastic pallet usage fee has been eliminated as well as the requirement to sign a *Memorandum of Agreement* (MOA). When using plastic pallets as a shipping unit, it is recommended to apply four cross straps encompassing both the pallet bottom and the containers to secure the containers to the pallet.

Nesting hard-sided containers without lids in monotainers

When preparing mailings in hard-sided containers for a direct Urban Delivery Facility or a Rural Delivery Facility (both Level 1) monotainer, you may nest hard-sided containers without lids. Nesting is the process of placing one container inside another to save space. In the case of nesting, the minimum fill factor of a container is 50%. It is recommended that full monotainers be covered with cardboard to protect the load. When using Canada Post reusable plastic pallets or wooden pallets, lids must be used and nesting is not acceptable.

Additional information on the containerization options recently introduced can be obtained on the Canada Post website at canadapost.ca/mailpreparation.

For more details on all upcoming changes, visit the Canada Post website at canadapost.ca/business and click on the red icon entitled *Notice – Service and Price Changes*.

Sincerely,

A handwritten signature in black ink that reads "S. Bacon." with a horizontal line underneath the name.

Stewart Bacon
Chief Sales and Marketing Officer