



Full-Service Annual Presort Fee Waivers Fact Sheet

ANNUAL PRESORT FEE

- Permit Holders claiming presort prices are required to pay an annual Presort fee for each permit.
- The annual Presort fee covers a one year period.
- The date the annual Presort fee is due, or when initially established, is known as the Presort fee anniversary date.
- A new Presort fee anniversary date is established when the Full-Service percentage falls below 90%.

Permit Holders presenting Full-Service automation mailings (consisting of First-Class Mail cards, letters, and flats, Standard Mail letters and flats, or Bound Printed Matter flats) are eligible for the waiver of annual presort mailing or destination entry Presort fees, **when 90% or more of each permit's cumulative mailings contain Full-Service pieces.**

FULL-SERVICE CUMULATIVE PERCENTAGE

Permit Holders claiming presort rates are required to pay an annual Presort fee for each permit. The annual Presort fee covers a one year period. The Presort fee waiver period and cumulative Full-Service percentage run concurrently and both begin (and % resets to 0%) on the Presort fee anniversary date.

The cumulative Full-Service percent begins with the first postage statement submitted on the anniversary date. The cumulative Full-Service percent is automatically calculated by *PostalOne!* each time a postage statement is finalized.

$$\text{Cumulative FS\%} = \frac{\text{Full-Service Cumulative Percentage Calculation: Number of FS Pieces}}{\text{Total Number of Eligible Presorted Pieces}}$$

PRESORT FEE WAIVER

- The Presort fee waiver period and cumulative percentage period run concurrently, or at the same time.
- Presort fees are waived based on the postage payment method.
- Postage statements **MUST** be finalized **BEFORE** a Presort fee payment is determined.
 - The system will calculate the Full-Service percentage to determine if a Presort fee payment is required.
- The following are excluded from Full-Service fee waiver calculations:
 - All Parcels
 - Non-presorted Flats
 - Roundtrip Pieces
 - Single Piece Letters & Cards

MAIL SERVICE PROVIDERS

First—Class Mail:

Payment of one annual First-Class Mail Presort fee allows a Mail Service Provider (MSP) to enter mail on behalf of their clients, as well as their own mail. Mail Service Provider ABC Company has Permit Imprint 999 and they pay the annual Presort fee.*

- Mail Service Provider may submit mailings for Mail Owners 1, 2, & 3.
- Mail Owners 1, 2, & 3 do not have to pay the annual First-Class Mail Presort fee.
- If Mail Service Provider ABC does not pay an annual Presort fee, all Mail Owners must pay the FCM Presort fee.

Standard Mail:

All Mail Owners, or all clients of MSP, must pay the annual Standard Mail Presort fee if the Permit Imprint of the Mail Owner is used on the pieces. If the Permit Imprint of the Mail Owner is used on the mailpiece the annual Presort fee must be paid for that permit*

- Mail Service Provider A pays their annual Presort fee.
- Mail Owners A, B, & C must also pay their annual Presort fee if their Permit Imprint is on the mailpiece.

*Annual Presort fees will be waived if more than 90% of the Presort eligible volume is Full-Service.

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BALANCE & FEES MODULE

- Permit Holders and BMEU Acceptance employees can access the following information on Business Customer Gateway (BCG) and *PostalOne!*:

- Cumulative Full-Service percentage by mail class and permit
- Full-Service percentage details for all permits and details per statement

- Additionally, Permit Holders can access Full-Service details from prior years from BCG.

WHERE CAN YOU VIEW THE FULL-SERVICE %?

- Internal/External balance & fees page
- Internal/External review final screen
- Internal Permit Number Column on dashboard
- Internal Customer Assistance lookup screen

PRESORT FEE WAIVER SCENARIO'S

Scenario 1: Cumulative Full-Service Threshold Stays Above 90%

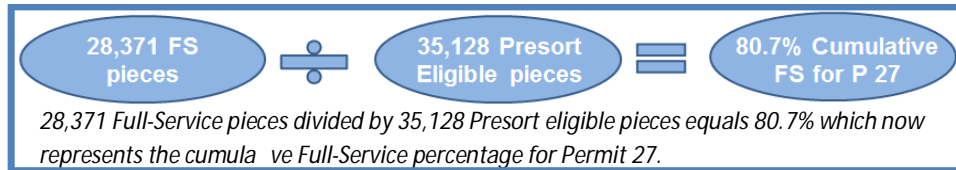
Permit 27 was opened on September 1, 2014 and the annual Presort fee was paid. The Presort fee anniversary date, or the date when the annual Presort fee is due, is September 1, 2015. On September 1, 2015 the annual Presort fee waiver period begins, the cumulative percentage period begins, and the cumulative Full-Service percent resets to 0%.

- September 1, 2015:** Permit Holder presents a postage statement containing 95% Full-Service. The cumulative Full-Service percent resets to 95%.
- September 2, 2015 — August 31, 2016:** Permit Holder presents postage statements, Full-Service percent remains at 90% or greater, no annual Presort fee is due.
- September 1, 2016:** Full-Service percent resets to 0%; Presort fee waiver period begins again.

As long as all subsequent mailings submitted under this paying permit maintain a cumulative Full-Service % of 90% or greater Full-Service, the annual Presort fee will continue to be waived. On August 31, 2016 the Mail Owner ends the year with a cumulative Full-Service % that is at, or greater than, 90%. On September 1, 2016 the process starts over, the cumulative Full-Service % resets to zero, the Presort fee waiver period and the cumulative Full-Service % period starts over.

Scenario 2: Cumulative Full-Service Threshold Falls Below 90%

The same Permit Holder from the above example mailed the following mailings:



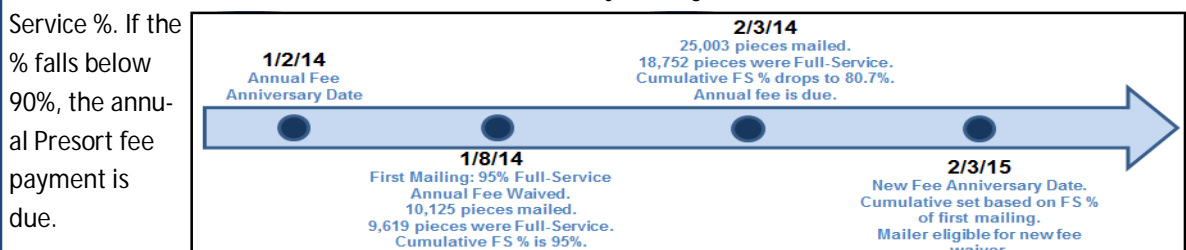
- July 8, 2015:** The Permit Holder presents the 1st mailing: 10,125 pieces were mailed. Of that 9,619 pieces were prepared as Full-Service. The cumulative Full-Service % for Permit 27 is 95%.
- August 3, 2015:** The Permit Holder presents the 2nd mailing: 25,003 pieces were mailed. Of that 18,752 were prepared as Full-Service. The Full-Service cumulative % for Permit 27 drops to 80.7%.

The Permit Holder presented 28,371 Full-Service pieces, but had a total of 35,128 Presort eligible pieces on two separate days.

With the August 3, 2015 mailing *PostalOne!* will indicate the annual Presort fee must be collected for Permit 27, since 80.7% is below the 90% cumulative Full-Service threshold. The annual Presort fee is collected and Permit 27 is no longer eligible for a Presort fee waiver. A new Presort fee period of August 3, 2015—August 2, 2016 is set. The new Presort fee anniversary date for Permit 27 is August 3, 2016.

On August 3, 2016, Permit 27 again becomes eligible for a Presort fee waiver. A new Full-Service cumulative percentage will be calculated with the first mailing on or after August 3, 2016.

NOTE: Mailings made prior to August 3, 2016 will not count towards the Full-Service cumulative percentage. Subsequent mailings will affect the cumulative Full-Service percentage. The first mailing after this date establishes the new Full-Service cumulative % and every mailing after that adds to the cumulative Full-Service %.



If the % falls below 90%, the annual Presort fee payment is due.