

Deed of Amendment and Restatement

Her Majesty the Queen in right of New Zealand, acting by and through the Minister for Communications and Information Technology (the **Minister**)

New Zealand Post Limited (**New Zealand Post**)

Details

Between

Name Her Majesty the Queen in right of New Zealand, acting by and through the Minister for Communications and Information Technology

Short name **The Minister**

Name New Zealand Post Limited

Short name **New Zealand Post**

Background

- A The Minister and New Zealand Post are parties to a deed dated 17 February 1998, as amended by a deed of variation dated 15 December 2010 (**Principal Deed**).
- B The Minister and New Zealand Post wish to record their agreement to amend and restate the Principal Deed as set out in this deed.



Agreed terms

1. Defined terms and interpretation

1.1 Defined terms

In this deed:

Deed means this deed of amendment and restatement.

Effective Date means the date this deed is executed.

1.2 Interpretation

Unless the context otherwise requires, capitalised terms used but not defined in this deed have the meanings given to them in the Principal Deed.

2. Amendment and restatement

2.1 Amendment and restatement

With effect on and from the Effective Date, the parties agree that:

- (a) the Principal Deed is amended and restated in the form set out in the Schedule;
- (b) the Principal Deed as amended and restated is confirmed and remains in full force and effect; and
- (c) they will comply with, and are bound by, the Principal Deed as amended and restated.

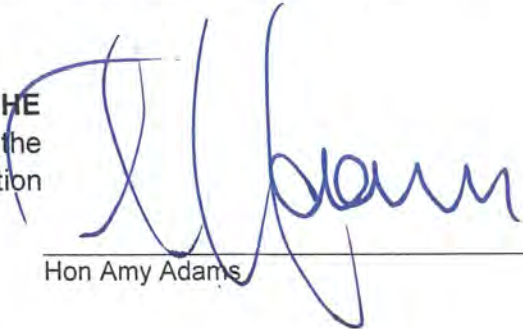


Signing page

EXECUTED and DELIVERED as a deed on 12 December

2013

For and on behalf of **HER MAJESTY THE QUEEN IN RIGHT OF NEW ZEALAND**, by the Minister for Communications and Information Technology:



Hon Amy Adams



Signature of witness

Julia Rose Caldwell

Name of witness

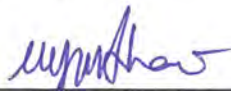
Private Secretary

Occupation of witness

Wellington

City/town of residence

For and on behalf of **NEW ZEALAND POST LIMITED** by:



Signature of witness

Malcolm Shaw

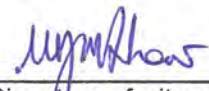
Name of witness

Group General Counsel

Occupation of witness

Porirua

City/town of residence



Signature of witness

Malcolm Shaw

Name of witness

Group General Counsel

Occupation of witness

Porirua

City/town of residence



Signature of director / authorised person

Hon Sir Michael Cullen

Name of director / authorised person



Signature of director / authorised person

David Willis

Name of director / authorised person

Schedule – Amended and Restated Deed of Understanding

DEED OF UNDERSTANDING

- BETWEEN** HER MAJESTY THE QUEEN in right of New Zealand, acting by and through the Minister for Communications and Information Technology ("**the Minister**")
- AND** NEW ZEALAND POST LTD, a duly incorporated company having its registered office at Level 12, New Zealand Post House, 7 Waterloo Quay, Wellington ("**New Zealand Post**").

Recitals

- A. The Government of New Zealand ("**the Government**") has decided to remove the statutory protection for the delivery of certain postal services which had previously been conferred on New Zealand Post Ltd under the Postal Services Act 1987.
- B. The Government desires that New Zealand Post should continue to meet certain universal service obligations in respect of Basic Postal Items.
- C. The Government and New Zealand Post wish to record the universal service obligations which New Zealand Post will continue to provide.
- D. The Government has agreed that New Zealand Post will continue to be the sole designated postal administration for New Zealand for the purposes of acting as a representative of New Zealand at the Universal Postal Union and the Asian Pacific Postal Union and shall have the sole right to issue postage stamps on which the words "New Zealand", or any abbreviation of those words appear, except where those words appear as part of the name of the postal operator by which the stamp is issued; and those words form part of the name under which the postal operator is registered as a company; and that company name of the postal operator appears in full on the stamp, with the words "New Zealand" appearing in the same typeface and point size as the company name.
- E. The Government and New Zealand Post have agreed that the deed entered into by the Government and New Zealand Post dated 6 April 1993, and extended by further deeds dated 11 March 1994, 14 March 1995, 28 March 1996 and 18 March 1997 terminated with effect from 17 February 1998.
- F. The Government and New Zealand Post further agreed on 12 December 2013 that this deed, entered into on 17 February 1998, be amended and restated in its current form.

BY THIS DEED:

1. This deed shall come into effect on the date that this deed is executed by both parties.



2. The Government shall complete a review of the terms of this deed by no later than 1 November 2018.

Statutory Protection

3. The parties acknowledge that this deed has been entered into on the basis that New Zealand Post shall continue to be the sole designated postal administration for New Zealand for the purposes of acting as a representative of New Zealand at the Universal Postal Union and the Asian Pacific Postal Union.

Basic Postal Delivery Service

4. New Zealand Post shall provide the following service for delivery of Basic Postal Items within New Zealand (the **Basic Postal Delivery Service**):
- (a) until 30 June 2015:
 - (i) six day per week deliveries to more than 95 per cent of Delivery Points;
 - (ii) five or six day per week deliveries to more than 99.88 per cent of Delivery Points; and
 - (iii) one to four day per week deliveries to the remainder of Delivery Points.
 - (b) from 1 July 2015:
 - (i) not less than three day per week deliveries to 99.88 per cent of Delivery Points; and
 - (ii) one day per week deliveries to the remainder of Delivery Points;

PROVIDED THAT

- (c) New Zealand Post shall continue to provide:
 - (i) five day per week deliveries to Rural Delivery Points, except for those Rural Delivery Points which had a lower delivery frequency as at 30 June 2013;
 - (ii) two or three day per week deliveries to each Delivery Point that (respectively) received two or three day per week deliveries as at 30 June 2013;
 - (iii) five day per week deliveries to PO Box and Private Bag Delivery Points, except where they received less than five day per week deliveries as at 30 June 2013; and
- (d) Where New Zealand Post provides two or three day per week deliveries as the Basic Postal Delivery Service, those deliveries shall occur on non-consecutive days;
- (e) In any case where a person elects to have the frequency of that person's delivery service reduced, that person shall be regarded as continuing to



receive the same frequency of service as before that election for the purposes of this clause; and

- (f) New Zealand Post has no obligation to deliver on the following days:
- (i) A public holiday (as defined in section 44 of the Holidays Act 2003);
 - (ii) Easter Saturday;
 - (iii) The Monday and Tuesday following a weekend in which Christmas Day and Boxing Day fall on a Saturday and Sunday;
 - (iv) The Monday following a weekend in which Boxing Day falls on a Saturday;
 - (v) The Tuesday following a weekend in which Christmas Day falls on a Sunday;
 - (vi) The Monday and Tuesday following a weekend in which New Year's Day and 2 January fall on a Saturday and Sunday;
 - (vii) The Monday following a weekend in which 2 January falls on a Saturday;
 - (viii) The Tuesday following a weekend in which New Year's Day falls on a Sunday; and

Where clause 4(f) applies, New Zealand Post has no obligation under this clause to deliver on any additional day to make up for the absence of delivery on any of the above days and, accordingly, shall not - by virtue of that absence alone - be in breach of clauses 4(a) to (d) nor any other clause in this deed.

5. New Zealand Post shall not increase the proportion of Delivery Points comprising counter services or community mail boxes beyond 3 per cent of total Delivery Points PROVIDED THAT:
- (a) in any case where a person elects to take counter or community mail box service (including on a temporary basis), that person shall be regarded as continuing to receive the Rural delivery service for the purposes of this clause;
 - (b) any conversion of an existing Delivery Point as at 30 June 2013 to a counter or community box service can only occur with the express written consent of that Delivery Point user.
6. New Zealand Post shall maintain at least 1,910,010 Delivery Points.
7. New Zealand Post will increase the number of Delivery Points within its network if and to the extent there is demand for it do so, provided that New Zealand Post shall not be obliged to add any Delivery Point to its network where to do so would, in New Zealand Post's reasonable opinion, be operationally impracticable or jeopardise the commercial sustainability of the postal services it provides pursuant to this deed.



8. New Zealand Post shall not be liable for any failure to meet the obligations recorded in this deed where such failure is the result of circumstances outside its control. Such circumstances shall include, but not be restricted to fire, flood, earthquake, accident, civil disturbances, war, strikes or labour problems or delays in transportation, or acts of God.
9. Nothing in clauses 4, 5, and 6 is intended to preclude New Zealand Post from introducing new ways of providing delivery services that meet the universal service obligations set out in this deed.

Service Charges

10. New Zealand Post shall not re-introduce a receiver-pays Rural delivery fee for the Basic Postal Delivery Service.
11. Nothing in clause 10 precludes New Zealand Post from introducing alternative forms of charging for other services (including fees for services that are additional to the Basic Postal Delivery Service).

New Zealand Post Service Network

12. New Zealand Post shall maintain throughout New Zealand a network of at least 880 service points at which consumers can purchase basic postal services including, but not limited to, the purchase of postage for, and the acceptance of, Basic Postal Items, excluding bulk mail services.
13. The network of service points may be made up of a combination of outlets owned by New Zealand Post, service points hosted in other businesses and electronic self-service kiosks PROVIDED THAT the conversion of service points to self-service kiosks, and the deployment of self-service kiosks, shall not occur in Rural and/or provincial areas at a rate that is disproportionate to the rate of conversion and/or deployment throughout the rest of New Zealand.
14. New Zealand Post shall, within the network referred to in clause 12 of this deed, maintain at least 240 service points where personal assistance is available to consumers for the purchase of Additional Postal Services. These points must be visually distinct and easily identifiable to consumers as New Zealand Post service points where personal assistance is available for Additional Postal Services and bill payment services to the extent offered by New Zealand Post.
15. Nothing in this deed precludes New Zealand Post from time to time, offering other products or services from any service point within its network, including services provided on behalf of another organisation or entity.

Access to letter services

16. New Zealand Post shall provide access to its postal network to other postal operators on terms and conditions that are no less favourable than those offered to customers in the same circumstances, where the postal operator concerned is able to meet the requirements of the particular service offer. This clause does not preclude New Zealand Post from negotiating particular arrangements with individual customers or postal operators. The terms of access will also be subject to any relevant provisions contained in the Commerce Act or any other relevant legislation.



Enforcement

17. If the Minister receives an allegation that New Zealand Post is failing to comply with the terms of this deed the Minister may refer the allegation to New Zealand Post. New Zealand Post shall consult with the Minister on the accuracy of the allegation and any corrective action required.
18. This deed records an arrangement between New Zealand Post and the Government. It does not create any right or obligation enforceable at the suit of any other person.

Review

19. If the Government decides to remove New Zealand Post's exclusive designation as postal administration for the purposes of acting as a representative of New Zealand at the Universal Postal Union and the Asian Pacific Postal Union, this deed will terminate with effect from the date that any other designated operator's status takes effect.
20. New Zealand Post may request the Minister to amend the provisions of this deed during its term. The Minister shall consider any such request and, following consultation with the Minister for State-Owned Enterprises, may amend the deed, but shall not be bound to make any amendment requested by New Zealand Post.
21. This deed shall continue to apply and New Zealand Post shall continue to perform its obligations under this deed during the course of any such review.

Termination of the Previous Deed

22. The Government and New Zealand Post hereby agree that the deed entered into by the Government and New Zealand Post dated 6 April 1993, and extended by further deeds dated 11 March 1994, 14 March 1995, 28 March 1996 and 18 March 1997 terminated with effect from 17 February 1998.

Definitions

23. In this deed, the following terms have the following meaning:
24. **Additional Postal Services** means local, national, and international parcel and packet postal products and the lodgement of those products. No item may be lodged that exceeds 25kg in weight, 0.125 cubic meters in volume, or 1500mm in length. For avoidance of doubt, New Zealand Post's courier and bulk mail services are excluded from this provision.
25. **Basic Postal Item** means a postal item that does not exceed 260mm height, 385mm length, 20mm thickness and/or 1 kilogram weight or which fall within NZ Post's bulk mail services and excludes parcel, priority, express, and courier services.
26. **Basic Postal Delivery Service** has the meaning given in clause 4 of this deed.
27. **Delivery Point** means a physical location on New Zealand Post's network within New Zealand which may include letter boxes, rural delivery points, community mail boxes, P.O. boxes, private bags, central points in apartment and office



buildings, and counter delivery at postal service points to which Basic Postal Delivery Services are provided, but, for the avoidance of doubt, does not include locations which are part of another postal operator's network and are not also part of New Zealand Post's network.

28. **Rural** means the locations to which delivery was provided by New Zealand Post's rural delivery service as at 30 June 2013.

