ROYAL MAIL GROUP – ADDRESS MANAGEMENT UNIT

MULTIPLE RESIDENCE SOLUTIONS PROVIDER LICENCE

Introduction

- This licence permits the use of Multiple Residence by solutions providers in connection with their software solutions and its use by End Users.
- Details of other licences available for the use of Multiple Residence can be found at the PAF® Licensing Centre.

1. **GRANT**

1.1 Royal Mail grants you a non-transferable non-exclusive limited revocable right for the Term to use Multiple Residence to:

1.1.1 exercise Solution Rights and Promotion/Trial Rights

1.1.2 exercise Sub-licensing Rights

subject always to payment of the appropriate Licence Fees and in accordance with any additional user terms which may apply.

1.2 You may not use Multiple Residence under this Licence unless you also have a valid data supply agreement (as available from the PAF® Licensing Centre).

1.3 You may only sub-license and permit the further sub-licensing of the use of Multiple Residence in the exercise of your rights set out in clauses 1.1 and 13.2.

1.4 Your rights to use Multiple Residence under this licence do not permit any act which is licensed by Royal Mail under another of its Standard Multiple Residence Licences.

1.5 You and your Licensees may use Solutions to exercise the rights granted further to clause 1.1, subject to the terms of this Licence. If you or your Licensees use Solutions in any other way, you do so as an End User subject to the End User Terms and payment of Licence Fees.

1.6 Your rights to use Multiple Residence are only those set out in this clause.

2. **TERM**

This Licence shall commence on the Effective Date and continue in force until terminated in accordance with clause 10.

3. **CONDITIONS OF USE OF MULTIPLE RESIDENCE**

3.1 Your grant of rights to use Solutions to an End User, and any such grant by your Licensees, must be subject to the End User Terms. You acknowledge that Royal Mail may enforce the terms of this Licence against you, and recover from you the losses it incurs, if any End User breaches the End User Terms.

3.2 You must enforce, and ensure that your Licensees enforce, the End User Terms against End Users.

3.3 If:

3.3.1 an End User breaches the End User Terms, and

3.3.2 the breach (if capable of remedy) is not remedied within 20 Working Days of a notice to that End User requiring its remedy, then

on Royal Mail's request you must as soon as reasonably practicable terminate, or ensure that Licensees terminate, that End User's right to use Multiple Residence.

3.4 Royal Mail licenses use of Multiple Residence by Excepted End Users directly further to arrangements described on the PAF® Licensing Centre. Your obligations in clauses 3.1 - 3.3 do not apply to Excepted End Users where their use of Multiple Residence is within those arrangements.

3.5 Where an End User wishes to:

3.5.1 provide a Bureau Service, the terms in Schedule 4 will apply, or

3.5.2 use Solutions within a Closed User Group, the terms in Schedule 5 will apply.

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3.6 You must use, and ensure that your Licensees and End Users use, Solutions and Multiple Residence in accordance with applicable law.

3.7 Except as permitted by this Licence you and your Licensees must not:

3.7.1 display or communicate to the public Multiple Residence or any part of it,

3.7.2 transfer, assign, sell or license (or permit use of) Multiple Residence or any part of it, to any other person, or

3.7.3 copy, reproduce, extract, reutilise or publish Multiple Residence or any part of it.

3.8 You and your Licensees must not remove any notice relating to Royal Mail's intellectual property rights in Multiple Residence.

3.9 You and your Licensees may (without breaching the other restrictions in this clause) make copies of Multiple Residence so far as reasonably necessary for back-up, security, business continuity and system testing purposes.

3.10 You and your Licensees may not advertise or promote Solutions as endorsed or approved by Royal Mail.

3.11 You may not warrant, represent or offer any binding commitment to any person that Royal Mail offers any warranty that any Solution is suitable for or is capable of use by any End User or Licensee.

4. FEES AND REPORTING

4.1 You will pay Royal Mail Licence Fees calculated in accordance with, and perform your obligations set out in, Schedule 2.

4.2 You acknowledge that Licence Fees are payable by you in respect of all use of Multiple Residence made by your End Users and your Licensees and their End Users, unless otherwise set out in a Standard Multiple Residence Licence.

4.3 Nothing in this Licence affects your right to set your own prices for your Solutions.

5. ROYAL MAIL RIGHTS

5.1 You acknowledge that Royal Mail is the owner of the intellectual property rights in Multiple Residence and the "Multiple Residence" brand and you do not acquire and are not granted any rights to use those intellectual property rights other than as this Licence expressly sets out.

5.2 You must include in your Solutions (and require that your Licensees include in their Solutions) an acknowledgement of Royal Mail's ownership of Multiple Residence in the form and manner required by Royal Mail from time to time.

6. CHANGES TO THE LICENCE

6.1 Except as set out in this clause, the terms of this Licence may only be changed if Royal Mail and you agree in writing.

6.2 Royal Mail may change the terms of this Licence (including changing the Licence Fees) on giving 3 months' notice published on the PAF® Licensing Centre:

6.2.1 where such change has previously been notified to and discussed with the PAF Advisory Board and OFCOM (or their respective successor bodies), or

6.2.2 if the change is necessary to comply with the law.

7. MULTIPLE RESIDENCE DATA QUALITY

7.1 Royal Mail does not warrant the accuracy or completeness of Multiple Residence, or that it will meet any of your requirements or those of Licensees or End Users.

7.2 The terms of this Licence exclude all warranties and conditions and any other term implied by any law, to the maximum extent permitted by law.

8. CONFIDENTIALITY

8.1 The Parties shall in relation to any Confidential Information disclosed to one of them by or on behalf of the other:

8.1.1 keep it confidential and not disclose it to any other person other than to its professional advisers, employees, agents and contractors on a need to know basis,

8.1.2 apply to the Confidential Information no lesser degree of care than that which a reasonable person would take in protecting its own confidential information, and

8.1.3 use the Confidential Information only for the purposes of this Licence.

8.2 The obligations contained in this clause shall not apply to any Confidential Information:

8.2.1 which is lawfully available to the public otherwise than through breach of this Licence,

8.2.2 which was disclosed to one Party by a third party legally in possession of the Confidential Information and who was not restricted from disclosing it, or

8.2.3 independently created or already in the possession of one Party.

9. LIABILITY

9.1 There is no limit on your liability for:

9.1.1 Licence Fees, or

9.1.2 losses Royal Mail incurs arising out of a breach of clauses 1, 3 and 5 or an infringement of Royal Mail's intellectual property rights.

9.2 Except as set out in clause 9.1 neither Party is liable to the other for any:

9.2.1 loss of profit, revenue, use of an asset, productivity, reputation, or data (whether any of those are direct or indirect losses), or

9.2.2 indirect or consequential losses.

9.3 Subject to clauses 9.1, 9.2 and 9.4 the total liability of either Party for all claims arising in relation to this Licence in a Licence Year shall not exceed an amount which is the total of Licence Fees payable under this Licence in that Licence Year.

9.4 Nothing in this Licence limits either Party's liability for personal injury or death caused by negligence or for fraud, or for breach of clause 8.

10. ENDING THE LICENCE

10.1 Either Party may terminate this Licence on giving 12 months' written notice to the other.

10.2 Royal Mail may terminate this Licence immediately on giving you notice if:

10.2.1 you breach any of the terms of this Licence and, if that breach is capable of remedy, have failed to remedy it within 30 days of a notice from Royal Mail notifying you of the breach,

10.2.2 you become Insolvent.

10.3 You may terminate this Licence on giving 1 month’s written notice if Royal Mail increases by notice given under clause 6.2 (a **fee increase notice**) the Licence Fees payable by you by an amount which is greater (as a percentage) than the percentage increase in RPI since the later of the Effective Date and the date of any previous fee increase notice. Your notice of termination further to this clause must be given within 1 month of the date of the fee increase notice.

11. AFTER THE END OF THE LICENCE

11.1 Termination of this Licence does not affect any payment obligations or rights to enforce this Licence which have already arisen.

11.2 The provisions of clauses 4, 8, 9, 11, 13 and 14 remain in force between you and Royal Mail after termination of this Licence.

11.3 With effect from the End Date:

11.3.1 the licence granted under clause 1 (and all sub-licences granted under it) ceases and you and your Licensees have no right to use Multiple Residence except as this clause permits,

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11.3.2 within 12 months of the End Date you must destroy all copies of Multiple Residence that you hold and certify to Royal Mail that this has been done,

11.3.3 you:

(a) must notify your Licensees that their rights of use of Multiple Residence have terminated except as this clause permits,

(b) must notify your End Users (and procure that your Licensees notify their End Users) that their right to use Multiple Residence will continue only until the last day of the 12 month period from the End Date, and you may (and may permit your Licensees to) continue to authorise use of Multiple Residence for that period, and

(c) must use your best endeavours to ensure that your Licensees and all End Users destroy all copies of Multiple Residence at the end of their period of permitted use further to this clause, and

11.3.4 you, your End Users and your Licensees (and their Licensees and End Users) may retain one copy of Multiple Residence for archive purposes to be used only for reviewing compliance with this Licence or the End User Terms, satisfying legal or regulatory requirements, or in connection with legal proceedings.

12. MATTERS OUTSIDE THE PARTIES' CONTROL

Except for payment of Licence Fees, neither Party will be liable for any failure to perform its obligations under this Licence if that failure is caused by a matter outside its reasonable control, but only if that Party:

(a) gives the other Party notice of that matter as soon as it can,

(b) continues to perform its obligations as much as possible apart from that matter,

(c) does what it can to minimise the effect of that matter, and

(d) restarts performance of all its obligations as soon as the effect of the matter has ended.

13. TRANSFER, RIGHTS AND OBLIGATIONS OF THIRD PARTIES

13.1 You may not assign your rights under this Licence to any person.

13.2 You may permit your sub-contractors to use Multiple Residence to the extent necessary for:

13.2.1 the creation and development of your Solutions, or

13.2.2 the provision of Solutions to your customers

in each case for your own business purposes and the provision of services or products to your customers, and not those of your sub-contractor.

13.3 If you permit access to Multiple Residence to sub-contractors further to clause 13.2 you are liable for any breaches of the terms of this Licence by any sub-contractor.

13.4 Your sub-contractors may only use Solutions as set out in this clause or as End Users further to the terms of this Licence.

14. GENERAL MATTERS

14.1 This Licence is governed by the laws of England and Wales. The Courts of England and Wales will determine any disputes arising over the terms of this Licence or your use of Multiple Residence.

14.2 Royal Mail may notify you of communications required to be given further to this Licence using the PAF® Licensing Centre, provided that it emails you (at the email address you have notified to Royal Mail) of the posting of such communications at the PAF® Licensing Centre.

14.3 Except as permitted by clause 14.2, communications required to be given further to this Licence must be given in writing (and not by email) to a Party at its address notified during Licence Registration or, in Royal Mail's case, on the PAF® Licensing Centre (or as otherwise notified in writing). A notice served by hand is served when delivered, a notice sent by first class post is served 48 hours after posting and a notice served by fax is served when the fax is sent. If the communication is sent by a postal delivery service providing a written record of sending and delivery, the communication will be deemed to have been delivered on the date indicated in the record.

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14.4 This Licence sets out the only terms on which you may use Multiple Residence for the purposes set out in this Licence and replaces any other terms or agreements between the Parties in relation to the use of Multiple Residence for such purposes. You acknowledge that when you entered this Licence you did not rely on any statements or promises in relation to Multiple Residence which are not contained or specifically referred to in this Licence.

14.5 This Licence does not confer any benefits on any persons other than Royal Mail and you.

14.6 Royal Mail may in any particular case give you additional time to comply with your obligations under this Licence or decide not to exercise its rights, but this does not affect Royal Mail's right to enforce the terms of this Licence generally.

15. DEFINITIONS AND INTERPRETATION

15.1 In this Licence the following terms have the following meanings:

address	refers to an address to which mail can be delivered
Bureau Customer	a customer for a Bureau Service
Bureau Services	a service comprising the Data Cleansing of a Customer Database and the supply of the resulting Cleansed Customer Database back to the relevant customer
Closed User Group	as defined in Schedule 5
Confidential Information	information of a confidential nature in whatever form and whether or not marked as confidential, relating to the business of a Party
Customer Database	a database of an End User's customer
Data Cleansing	the processing of existing data records using Multiple Residence: (a) including validating, reformatting, correcting or appending additional data to those records, and (b) including the use of Multiple Residence within address capture applications, but (c) not including Data Extraction (whether carried out by an address capture application or otherwise), and **Cleansed** shall be read accordingly
Data Extraction	the extraction of data from Multiple Residence for the generation of new property or address records in a new or existing database
Effective Date	the date notified to you by Royal Mail in its acceptance of your Licence Registration application
End Date	the date of expiry or termination of this Licence further to its terms
End User	a single legal entity who you or a Licensee may permit to use Multiple Residence through its Users in accordance with this Licence
End User Terms	the terms set out in Schedule 1
Excepted End User	a person whose use as an End User of Multiple Residence does not attract Licence Fees, as published on the PAF® Licensing Centre
Extracted Data	data generated as a result of Data Extraction
Insolvent	in respect of a person, means that they are unable to pay their debts as they fall due, have a receiver or administrative receiver appointed over any of their assets, are the subject of an administrator's appointment or any steps taken or documents filed for such an appointment, make any arrangement with their creditors, enter into liquidation, cease to do business, or suffer an equivalent event in any territory in which they do business
licence fee year	as defined in Schedule 2 paragraph 2(d)

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Licence Fees	the fees described in Schedule 2
Licence Registration	refers to your application for this Licence made through the PAF® Licensing Centre
Licence Year	each consecutive 12 month period during the Term (the first such period beginning on the Effective Date), and the period between the last day of such 12 month period and the End Date
Licensee	a person whose use of Multiple Residence you authorise further to this Licence, or whose use is authorised by such a person by way of a sub-licence granted further to this Licence (whether directly or by way of a chain of sub-licences) but not an End User
Maximum Data Return	(i) in respect of a Transaction querying only Multiple Residence, data relating to 100 Multiple Residence Records (ii) in respect of a Transaction querying Multiple Residence and PAF®, data relating to 100 addresses
month	refers to a calendar month
Multiple Residence	Royal Mail's database known as 'Multiple Residence', which contains address records for properties receiving mail at a single address, as may be amended from time to time
Multiple Residence Record	a record of a property in Multiple Residence
Multiple User Block	as defined in Schedule 2 paragraph 2(f)(iii)
Organisation Use	as defined in Schedule 2 paragraph 2(p)
PAF®	Royal Mail's database known as PAF®, and including the database known as the "Alias File"
PAF® Licence	a licence for the use of PAF® on standard terms for specified uses made generally available by Royal Mail on the PAF® Licensing Centre or otherwise
PAF® Licensing Centre	Royal Mail's website at www.poweredbypaf.com/licensing-centre or such other website as Royal Mail may notify further to this Licence
Party	either Royal Mail or you (and **Parties** shall be read accordingly)
Promotion/Trial Rights	the rights set out in Schedule 3
Report	as defined in Schedule 2 paragraph 1(b)
Royal Mail	Royal Mail Group Limited, acting by its Address Management Unit
RPI	the retail prices index (all items) (or a replacement index most closely resembling it) published by the Office for National Statistics (or any successor to that Office)
Solution	a product or service or other solution which benefits from or includes Multiple Residence (including the provision of Multiple Residence itself), in whatever form, however produced or distributed and whether or not including other functionality, services, software or data
Solution Rights	the right of an authorised person to (a) create, modify and enhance its Solutions (b) provide its Solutions to End Users
Standard Multiple Residence Licence	a licence (other than a licence on the terms of this Licence) for the use of Multiple Residence on standard terms for specified uses made generally available by Royal Mail on the PAF® Licensing Centre or otherwise

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Sub-licensing Rights	the right to grant sub-licences of Solution Rights and Promotion/Trial Rights, including within such sub-licences a right to grant further sub-licences on the same terms as this right
Substantially All Database	a database which on its own or as part of another database comprises all or substantially all the properties receiving mail at addresses in the United Kingdom or any of England, Wales, Scotland or Northern Ireland
Term	the period during which this Licence is in force according to its terms
Transaction	means, in response to a query relating to Multiple Residence, the verification of that query or the return of data of up to the Maximum Data Return: (a) whether the whole or part of Multiple Residence Records are returned (b) including any further searches within such returned data, which shall not be considered a further "Transaction" provided that no additional data is returned, and (c) not including returns of data in excess of the Maximum Data Return, which shall be considered as a further "Transaction" or "Transactions" by reference to the amount of data returned
Transaction Management System	means an auditable system for the demonstrably accurate counting of Transactions and capable of ensuring that the Maximum Data Return is not exceeded in any single Transaction
User	an individual authorised by an End User to use a Solution
Website	a website, application or other remotely-enabled means of communicating with end user customers for products and services, made generally available to such customers
Website Use	the use of Multiple Residence to capture or verify address details of users of an End User's Website where: (a) Website users are not the End User's employees or concerned with the provision of services to the End User (unless acting in a personal capacity), and (b) neither the use of the Website or the End User's product and service offering is connected with the management of address data or Data Cleansing, and (c) the address capture or verification is carried out for the purpose of the receipt of products or services enabled by the Website
Working Day	Monday to Friday excluding bank and public holidays in England, and
you	the licensee entity specified during Licence Registration (and **your** shall be read accordingly).

15.2 In this Licence (unless the context otherwise requires) words following words such as "includes", "including" and "in particular" are read without limitation, and references to a person are to any natural or legal person whether incorporated or not.

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Schedule 1

End User Terms

1. ***End Users' permitted use of Solutions***

End Users may freely use Multiple Residence in Solutions in accordance with these End User Terms.

2. ***Conditions of use***

(a) End Users must not make copies of Multiple Residence except as permitted by these End User Terms or reasonably necessary for back-up, security, business continuity and system testing purposes.

(b) End Users may use Multiple Residence for Data Extraction but Extracted Data:

(i) may only be accessed by Users, and

(ii) must not be supplied or any access to it provided to any third party.

(c) End Users may provide Cleansed data to third parties provided that:

(i) where that supply is a Bureau Service, the End User and the Bureau Customers comply with the restrictions in Schedule 4, and

(ii) if such databases are Substantially All Databases:

(A) such databases are not represented or held out as a master, original or comprehensive address database or other similar description,

(B) the access is provided in the course of the End User's normal data supply or routine business activities and is not carried on as a business in its own right, and

(C) the provision includes a prominent notice that the relevant Cleansed data has been cleansed against Multiple Residence.

(d) End Users must not permit access to, display or communicate to the public any Solutions, except for the purposes of capturing or confirming address details of third parties.

(e) Except as set out in these End User Terms, End Users must not:

(i) transfer, assign, sell or license Solutions or their use to any other person,

(ii) use Solutions to create a product or service distributed or sold to any third party which relies on any use of Multiple Residence, including copying, looking up or enquiring, publishing, searching, analysing, modifying and reformatting, or

(iii) copy, reproduce, extract, reutilise or publish Solutions or any of them.

3. ***Subcontracting***

End Users may provide Multiple Residence to their subcontractors who may use it to the extent necessary for:

(a) the provision of information technology services to the End User, or

(b) acting on behalf of the End User

in each case for the End User's own business purposes and not those of the sub-contractor and provided that each such sub-contractor agrees to observe the restrictions on use of Multiple Residence contained in these End User Terms and that the End User is responsible for any breaches of those terms by such sub-contractor.

4. ***Personal rights***

End User rights are personal, limited and non-transferable.

5. ***Royal Mail's IPR notice***

The End User acknowledges that Royal Mail is the owner of the intellectual property rights in Multiple Residence and the "Multiple Residence" brand and it does not acquire and is not granted any rights to use those intellectual property rights other than as set out in these End User Terms.

6. ***Cessation of use of Multiple Residence***

End Users must cease use of Multiple Residence if their right to use Multiple Residence is terminated and also destroy any copies of Multiple Residence that they hold.

7. ***Multiple Residence use by Users***

End Users must ensure that:

(a) these End User Terms bind their Users,

(b) only their Users exercise the use rights of Solutions and Multiple Residence granted to End Users further to these End User Terms, and

(c) in the event of termination or expiry of End Users' rights to use Solutions and Multiple Residence, the rights of Users to use them also terminate.

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Schedule 2

Licence Fees and Reporting

1. Reporting and information provision

(a) You must notify us of any material changes to the information about you provided during Licence Registration as soon as reasonably practicable.

(b) Within 10 Working Days of the start of each month during the Licence Year you must report to us the use of Multiple Residence made by you, your End Users, your Licensees and their End Users using our reporting forms (as we update them from time to time) (**Report**).

(c) On our request from time to time you must provide us with the details of your use of Multiple Residence as required by our reporting rules published from time to time on the PAF® Licensing Centre. We will not make such requests more than once in any Licence Year, unless such requests arise out of breaches of this Licence or inconsistencies in Reports.

2. Licence Fees

(a) Licence Fees are:

Option	*Fee (£ excluding VAT)*		*Payable*
	UK	*Postcode Area*	
User	14.25	0.83	Per year
Multiple User Block	870.00	21.00	Per year
Transactions (querying solely MR)	1.94	n/a	Per 100 Transactions
Transactions (querying both MR and PAF®)	2.17	n/a	Per 100 Transactions
Website Use (querying solely MR)	965.00	n/a	Per year
Website Use (querying both MR and PAF®)	9,175.00	n/a	Per year
Organisation Use	2,900.00		Per year

In the table set out above:

"**UK**" refers to Multiple Residence comprising data relating to all Postcode Areas

"**Postcode Area**" refers to geographic areas defined by the first or first and second alphabetic characters of the postcode

"**MR**" refers to Multiple Residence.

(b) If Licence Fees are payable for a Transaction or Website Use querying both Multiple Residence and PAF®, no other fee applies to that Transaction or Website Use (notwithstanding the provisions of any other PAF® Licence applicable to that Transaction).

(c) In respect of a Solution, if an End User can access or query both PAF® and Multiple Residence further to a single access or query request, then you must elect to calculate Licence Fees for Multiple Residence on the same basis as elected under the applicable PAF® Licence.

Licence Fees payable per year

(d) Where a Licence Fee is indicated as payable "per year" it is payable in advance for the 12 month period commencing on the first day of the month in which the User's use of Multiple Residence commences (the **licence fee year**).

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(e) Where Licence Fees on a User basis have been paid in a licence fee year and additional Users are required by an End User, further Licence Fees payable may be pro-rated for part of the licence fee year on the basis of one of the methods for pro-rating described on the PAF® Licensing Centre.

Licence Fees by User

(f) You may elect to pay Licence Fees in respect of an End User's use of Solutions on a per User basis and:

(i) you must ensure that only Users in respect of whom you have paid Licence Fees use Solutions,

(ii) you may calculate usage by User through any number of Users and Multiple User Blocks, and

(iii) you may calculate Licence Fees in respect of an End User by using a "**Multiple User Block**" being a block of up to 300 Users, but any one Multiple User Block may only be used to calculate Licence Fees in respect of Users authorised by one End User.

(g) In respect of an End User's use of a Solution by means of batch processing or other automated use of that Solution (but not otherwise), each device used for that purpose is deemed to be a User for the purposes of Licence Fee calculation.

Licence Fees by Transaction

(h) You may elect to pay Licence Fees in respect of an End User's use of Solutions on a per Transaction basis, in which case you must ensure that:

(i) the number of Transactions carried out by each End User does not exceed the number of Transactions for which you have paid Licence Fees for such End User,

(ii) the Solutions through which such Transactions are enabled are controlled by a Transaction Management System and that no single Transaction results in a return of Multiple Residence Records exceeding the Maximum Data Return, and

(iii) you purchase units of 100 Transaction units (**Transaction Blocks**) in respect of each End User. Transaction Blocks must not be shared across different End Users.

(i) Transaction Blocks are valid for 12 months from their activation date and at the end of such period unused Transactions in a Transaction Block expire, and further Transaction Blocks must be purchased in respect of the relevant Solution use.

Website use

(j) The Website Use Licence Fee authorises a single End User's Website Use only, but does not authorise use of Solutions by an End User's own employees, agents or contractors unless they are

(i) acting in a personal capacity, or

(ii) responsible for technical maintenance and support of the Website and using Solutions for those purposes only.

(k) If an End User's Transactions enabled by Website Use (**Website Transactions**) are estimated to exceed the "**High Use Threshold**" (as defined below) in a licence fee year, an additional fee of £965 per year (the **High Use Licence Fee**) is payable.

(l) Where the Website Use Licence Fee has been paid in respect of an End User, and at any time in the relevant licence fee year that End User's Website Transactions exceed the High Use Threshold, the High Use Licence Fee is payable.

(m) The High Use Threshold is 10 million Transactions.

(n) Where an Organisation Use Licence Fee has been paid in respect of an End User, High Use Licence Fees are not payable.

(o) For the purposes of the High Use Threshold, you may make a good faith estimate of the relevant Website Transaction numbers. You must keep records of any such estimates and the basis for them and Royal Mail's rights under paragraph 6 apply to them.

Organisation Use

(p) If you wish to authorise unlimited use of your Solutions by your End Users the "**Organisation Use**" Licence Fee is payable for each such End User.

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(q) If a Licensee wishes to authorise unlimited use of its Solutions by its End Users, the Organisation Use Licence Fee is payable for each such End User.

3. Additional fee options

(a) Where you authorise an End User to provide a Bureau Service you must report Licence Fees as set out in Schedule 4.

(b) Where you authorise more than one End User to use Solutions as a Closed User Group you must notify Royal Mail in a Report as set out in Schedule 5.

4. Payment and invoicing

(a) We will invoice you for Licence Fees and our invoices are payable by you within 30 days of their date.

(b) All sums due to us under this Licence are exclusive of VAT which if applicable shall be charged at the appropriate rate and paid by you. We will provide you with valid VAT invoices.

(c) You must pay our invoices without deduction or withholding except as required by law and you may not assert any credit, set-off or counterclaim against us in relation to sums payable under this Licence.

(d) If you fail to provide us with a Report or any other information under this Licence, we will estimate the amount of Licence Fees payable and invoice you for that sum. Where the Reports or any such information show a difference between the amounts due and such estimate, we will adjust in a further invoice the Licence Fees due from you accordingly.

(e) If you do not pay our invoices in accordance with this Licence we may (without affecting any other rights we may have) charge you interest (at an annual rate of 4% above the Bank of England's base rate (from time to time) on all overdue amounts until payment is received in full.

5. Excepted End Users

(a) You are not obliged to pay Licence Fees to us in respect of End Users who are Excepted End Users.

(b) In the event that you pay Licence Fees in respect of an End User who is an Excepted End User throughout a licence fee year, we will refund those amounts provided that you notify us within 12 months of their payment.

(c) Paragraph 5(a) does not affect any of your other obligations in this Licence in relation to End Users.

6. **Audit**

(a) You must keep, and procure that your End Users, Licensees and their End Users keep, an accurate record of all Multiple Residence use, reporting and payments under this Licence and retain it for a minimum of 6 years after the relevant use or transaction.

(b) You will permit us to audit records kept further to paragraph 6(a) and provide reasonable co-operation and assistance to us and our authorised agents in relation to audits. This includes, on reasonable prior notice, granting access to relevant premises during working hours to inspect relevant accounts and records for verifying compliance with the terms of this Licence, and a right to copy any such records for that purpose. You will procure that your End Users, Licensees and their End Users provide access, co-operation and assistance on the terms of this paragraph.

(c) We will not carry out audits more than once in any Licence Year unless we reasonably suspect that you have failed to comply with the Licence.

(d) Where through an audit or otherwise it is identified that:

(i) You have failed to comply with any obligation under the Licence, you will promptly take the necessary steps to comply with the obligation,

(ii) You have failed to pay any applicable Licence Fees, you will pay the amount of them to us within 20 Working Days, and

(iii) You have paid us amounts in excess of the Licence Fees due, we will pay you that amount within 20 Working Days.

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(e) We will bear the costs of audits unless:

(i) an audit shows that you did not comply with the terms of the Licence, or

(ii) we notify you of an audit but are not provided with access to your premises further to paragraph 6(b)

in which case you will reimburse us our reasonable costs of audit, including any agents' fees, within 10 Working Days of our request.

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Schedule 3

Promotion/Trial Rights

1. You may under this Schedule 3 demonstrate a Solution to a potential customer (**Promotion Purposes**) and permit use by potential customers of a Solution for a Trial Period (as defined below) (**Trial Purposes**) without returning Licence Fees.

2. You may not charge potential customers any fees in the exercise of rights under this Schedule (but this does not affect your charges for provision of services to your customers associated with the exercise of such rights).

3. Promotion Purposes are limited to the display of Multiple Residence on personal computing devices remaining within the possession or control of the demonstrating party's employees or agents.

4. Trial Purposes are limited, subject to paragraph 5, to:

(a) the provision of access to a Solution to a potential customer for a period not exceeding 3 months (the **Trial Period**),

(b) within 10 Working Days of the end of the Trial Period the Solution being returned or destroyed or rendered unusable (unless at that time the relevant customer has become a Licensee or End User), and

(c) where a Solution is made available through a website or technical equivalent, no response to a single enquiry submitted by a potential customer returning Multiple Residence exceeding the Maximum Data Return.

5. Trial Purposes permit the making available of a Solution on a website or technical equivalent for the purposes of the testing of its functionality, capacity or performance, provided that any making of and responses to address enquiries in the course of that testing are used for those purposes only.

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Schedule 4

Bureau Services

1. End Users performing Bureau Services further to this Schedule are subject to the terms and restrictions set out below and must ensure that they are observed by Bureau Customers.

2. End Users must not supply or provide access to a Cleansed Customer Database to any person other than the relevant Bureau Customer.

3. End Users may only supply or provide access to Cleansed Customer Databases to Bureau Customers subject to the restriction on use of Cleansed data set out in paragraph 2(c)(ii) of the End User Terms.

4. The End User and a Bureau Customer may use the following statement on its publicity and marketing material: "[Name] processes databases against Royal Mail's Multiple Residence database" provided that such use is reasonable.

5. The names of Bureau Customers must be provided to Royal Mail on its request.

6. Licence Fees are payable in respect of each End User providing Bureau Services by your selection at the start of a licence fee year of a Bureau Service option in respect of each End User in a Report. The Licence Fee is £420 per licence fee year per End User.

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Schedule 5

Closed User Groups

1. You must notify Royal Mail further to Schedule 2 of:

(a) End Users to whom Closed User Group Rights have been granted and the relevant Group Purpose, and

(b) details of Group Members.

2. In respect of Closed User Groups you must ensure that Multiple Residence is not used:

(a) by any person other than a Group Member, except as this Schedule expressly permits, and

(b) in an electronic communications network except where that network is controlled by the Group Owner and is subject to technical and security restrictions preventing access to it by persons who are not Group Members.

3. You must ensure that Royal Mail or its authorised agents is granted a right of entry on reasonable prior notice during working hours to the premises of Closed User Group Owners and each member of the relevant Closed User Group for the purposes of inspection of such premises and the systems, accounts and records maintained there for the purpose of monitoring compliance by such persons with the terms of this Schedule.

4. The End User Terms apply to use of Multiple Residence by Group Owners and Group Members subject to and as varied by the following use restrictions:

(a) Data Extraction is not permitted,

(b) the provision of access to Solutions for the purposes of capturing and confirming address details of third parties is permitted provided that:

(i) such use is for the Group Purpose, and

(ii) such third parties are customers or potential customers of the relevant Business Partner.

(c) Licence Fees are payable in respect of each Closed User Group authorised by you or your Licensees, and are capped at £5,250 per Closed User Group per year.

(d) In this Schedule the following terms have the following meanings:

Associate	a person who markets or distributes products or services supplied under a common identity and business method, subject to a written agreement providing for the operation of that identity and method to specified standards and the provision of know-how, technical or business support
Broker	a broker or agent for the sale of (or other distributor of) products or services for one or more originating suppliers (all of which operate in the same industry)
Business Partner	a person who in the course of business acts either as an Associate, a Broker or a Delivery Service User
Closed User Group	an End User's network of businesses comprising that End User and not less than 10 Business Partners all of a single type
Closed User Group Rights	the rights of use of Multiple Residence described in this Schedule
Delivery Service User	a customer of an End User for delivery services relating to mail, packages or products
Group Member	an End User or a Business Partner who are members of a Closed User Group
Group Owner	the End User promoting a Closed User Group, and
Group Purpose	the purpose for which a Closed User Group carries on its business through (as the case may be) Associates, Brokers or Delivery Service Users.