

INTERNATIONAL BUSINESS REPLY SERVICE AGREEMENT
BETWEEN
THE AMERICAN INSTITUTE IN TAIWAN
AND
THE COORDINATION COUNCIL FOR NORTH AMERICAN AFFAIRS

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ARTICLE 1. PURPOSE OF THE AGREEMENT

This Agreement between the American Institute in Taiwan (AIT) and the Coordination Council for North American Affairs (CCNAA) shall govern the exchange of International Business Reply Service (IBRS) items between the territory represented by AIT and the territory represented by CCNAA. In implementing this Agreement, AIT shall work through its designated representative, the United States Postal Service (USPS), and CCNAA shall work through its designated representative, the Directorate General of Posts (DGP), Ministry of Communications. This Agreement shall cover the exchange of IBRS items between any areas for which the USPS and the DGP exercise IBRS responsibilities.

ARTICLE 2. AUTHORIZATION

This Agreement is entered into pursuant to the Taiwan Relations Act of April 10, 1979, Public Law 96-8 (22 U.S.C. §§ 3301 et seq.).

ARTICLE 3. DEFINITIONS

As used in this Agreement, the following terms shall have the indicated meanings:

1. Administration - an abbreviated form used to refer to either the USPS or the DGP.

2. Articles and sections - articles and sections of this Agreement, except when the context indicates an article which is or can be inserted into an item.

3. Convention - the Universal Postal Convention as adopted by the Congress of the Universal Postal Union from time to time.

4. Detailed Regulations - the Detailed Regulations of this Agreement attached hereto.

5. International Business Reply Service (IBRS) - an international mail service which allows a mailer to obtain a permit or license to distribute preaddressed cards and letters in mailings to customers in another jurisdiction, for return to the permit holder or licensee without postage being affixed. Return postage for these mail items is guaranteed and will be paid by the permit holder or licensee.

ARTICLE 4. GENERAL CONDITIONS FOR IBRS MAIL

1. Each administration shall offer IBRS on a permit or license basis to customers who agree to use the service in accordance with requirements established by that administration.

2. Each administration shall designate which of its exchange offices will be responsible for the dispatch or receipt of IBRS items. IBRS items shall be dispatched to or from only those exchange offices so designated.

ARTICLE 5. CHARGES TO BE COLLECTED FROM THE PERMIT HOLDER/LICENSEE

1. Each administration shall fix the IBRS charges to be collected from the permit holder or licensee. Such charges shall be fixed taking into account both the costs of the service and market conditions.

2. The fees charged by each administration for returning IBRS items for delivery to the permit holder or licensee shall be notified to the other administration.

ARTICLE 6. CONDITIONS OF ACCEPTANCE

1. Each IBRS item shall be either a card or an envelope weighing not more than 2 ounces/50 grams.

2. Each IBRS item shall conform to the conditions for standardized items specified in Article 22 of the Convention, with the exception that an IBRS envelope may weigh up to 2 ounces/50 grams.

3. Each IBRS item shall conform to the appropriate format requirements specified in the Detailed Regulations to make it readily identifiable in sorting offices as an IBRS item.

ARTICLE 7. QUALITY OF SERVICE

Each administration shall ensure that IBRS items posted in its territory are returned to the other administration as quickly as possible. All IBRS items shall be handled as airmail items. Dispatches of returned IBRS items shall be made every day.

ARTICLE 8. ACCOUNTING

1. For each IBRS item returned, the administration where the item is posted shall collect from the administration to which the item is destined a fee based on the costs of providing the service, including collecting, handling, dispatching, and conveying outbound IBRS items. The fee shall include the direct and indirect costs of providing such service, plus a reasonable mark-up acceptable to both administrations. Accounts shall be settled annually.

2. The administrations agree not to collect the fees authorized in section 1 of this article for the first year this Agreement is in effect, so as to allow IBRS to generate sufficient volume to justify accounting.

3. The administrations shall notify each other of IBRS traffic levels on a quarterly basis.

ARTICLE 9. DETAILED REGULATIONS

The implementation of this Agreement shall be governed by the Detailed Regulations.

ARTICLE 10. DISPUTE SETTLEMENT

Any dispute which arises concerning the interpretation or application of this Agreement that cannot be resolved by the administrations to their mutual satisfaction shall be settled by negotiation between the administrations, following procedures agreed upon by the administrations.

ARTICLE 11. ALTERATIONS OR AMENDMENTS;
ADDITIONAL RULES AND REGULATIONS

1. This Agreement or the Detailed Regulations may be altered or amended by mutual consent, by means of correspondence between officials of each administration who have been authorized to make such alterations or amendments.

2. Each administration is authorized to adopt internal implementing rules and regulations for IBRS not inconsistent with this Agreement or the Detailed Regulations.

ARTICLE 12. ENTRY INTO FORCE AND DURATION

1. This Agreement shall enter into force after it is signed by AIT and CCNAA on a date mutually agreed upon by the administrations.

2. This Agreement shall expire twelve months after either party notifies the other in writing of termination.

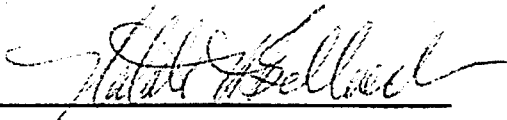
ARTICLE 13. EXECUTION

This Agreement may be executed in two counterparts, each of which shall be deemed to be an original.

In Witness Whereof, the parties to this Agreement have

caused it to be executed at Washington, D.C., on the seventh day of February, 1992 and at Washington, D.C. on the seventh day of February, 1992.

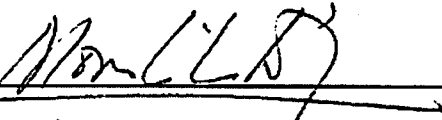
FOR THE AMERICAN INSTITUTE IN TAIWAN

BY: 

NAME: Natale H. Bellocchi

TITLE: Chairman of the Board
and Managing Director

FOR THE COORDINATION COUNCIL FOR NORTH AMERICAN AFFAIRS

BY: 

NAME: Ding Mou-Shih

TITLE: Representative

DETAILED REGULATIONS OF THE
INTERNATIONAL BUSINESS REPLY SERVICE AGREEMENT
BETWEEN
THE AMERICAN INSTITUTE IN TAIWAN
AND
THE COORDINATION COUNCIL FOR NORTH AMERICAN AFFAIRS

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The following Detailed Regulations have been drawn up to govern implementation of the International Business Reply Service (IBRS) Agreement between the American Institute in Taiwan (AIT), working through its designated representative, the United States Postal Service, and the Coordination Council for North American Affairs (CCNAA), working through its designated representative, the Directorate General of Posts, Ministry of Communications.

ARTICLE 101. DEFINITIONS

The definitions set forth in Article 3 of the IBRS Agreement shall be applicable to these Detailed Regulations.

ARTICLE 102. INFORMATION TO BE SUPPLIED BY THE ADMINISTRATIONS

1. Prior to the entry into force of the IBRS Agreement, each administration shall notify the other administration of:
 - a. all prohibitions and restrictions on the entry of IBRS items into areas for which it exercises IBRS responsibilities;
 - b. the provisions of its regulations applicable to the conveyance of IBRS items;
 - c. its IBRS format requirements (including a sample of a conforming mailpiece marked to show such requirements); and
 - d. the locations of its exchange offices that will be responsible for the dispatch or receipt of IBRS items.
2. Any change to the information mentioned in section 1 of this article shall be communicated in writing immediately to the other administration, except that an administration shall give

advance notice of redesignation of, or addition to, the exchange offices that it uses for IBRS.

ARTICLE 103. ADDRESS OF THE ADDRESSEE

To be admitted for mailing, each IBRS item shall bear, in Roman letters and Arabic numerals on the item itself, the addressee's name, complete return address including postal code, and (if required) permit or license number.

ARTICLE 104. GENERAL MAKEUP OF MAILS

1. IBRS items shall be included in closed mails.
2. The IBRS items in each dispatch shall be bundled separately from the rest of the mail. These bundles shall be included in the final pouch of the dispatch.

ARTICLE 105. LETTER BILLS

1. A letter bill, on Universal Postal Union Form C 12, shall accompany each dispatch.
2. The letter bill shall be marked so as to indicate clearly that the dispatch contains IBRS items.
3. The total number of IBRS items in each dispatch shall be entered in the "Other information" block in Table V of the letter bill. The number of IBRS cards and of IBRS envelopes shall be noted separately.

ARTICLE 106. VERIFICATION OF DISPATCHES AND THEIR CONTENTS

1. Upon receipt of a dispatch containing IBRS items, the administration of destination shall verify that the dispatch is consistent with the entries on the letter bill.

2. The contents of each dispatch shall be verified as soon as possible, at an office designated by the administration of destination, to confirm their conformity with the letter bill.

ARTICLE 107. NOTIFICATION OF IRREGULARITIES

1. Any evidence of missing or damaged IBRS bags or items shall be reported immediately to the administration of origin by telex or telefax, if appropriate, and shall be confirmed by verification note on a Universal Postal Union Form C 14.

2. All other actions taken in connection with any irregularity shall be governed by the regulations of the administration of destination.

ARTICLE 108. PERIOD OF RETENTION OF RECORDS

1. Documents and other records relating to IBRS shall be retained for a minimum period of 18 months following the date to which they refer.

2. A record concerning a dispute or an inquiry shall be retained until the matter has been settled. If the inquiring administration, duly informed of the result of an inquiry, allows six months to elapse from the date of the communication without raising any objections, the matter shall be regarded as settled.

ARTICLE 109. IBRS FORMAT REQUIREMENTS OF THE UNITED STATES
POSTAL SERVICE

Each IBRS item distributed in the territory represented by CCNAA by an addressee in the territory represented by AIT shall meet the following requirements:

1. All forms of printing are permissible, provided that the markings are legible to the satisfaction of both administrations. However, handwriting, typewriting, or handstamping cannot be used to prepare the address side. All printing must be in a dark color, provided there is at least a 30 percent reflectance difference throughout the red spectral range of 550 to 775 nanometers (nm) between the paper and ink.

2. The following size and weight requirements apply to IBRS cards:

- a. Minimum size: 3-1/2 by 5-1/2 inches.
- b. Maximum size: 4-1/4 by 6 inches.
- c. Thickness: Not less than .007 inch nor more than .0095 inch.

3. The following size and weight requirements apply to IBRS envelopes:

- a. Minimum size: 3-1/2 by 5-1/2 inches.
- b. Maximum size: 4-3/4 by 9-1/4 inches.
- c. Thickness: Not less than .007 inch nor more than .2 inch.
- d. Maximum weight: 2 ounces.

4. The complete address must appear, including the name of the permit holder, street address (and/or post office box number), city, state, the unique ZIP+4 Code that is preassigned,

and the territory of destination (United States of America), with the bottom line of the address no lower than 5/8 of an inch and the city, state, and ZIP+4 Code line no higher than 2-1/4 inches from the bottom edge of the mailpiece. A clear margin void of any extraneous matter (except for the horizontal bars specified in section 5 of this article) of at least 1 inch is required between the left and right edges of the mailpiece and the address.

5. The face of the card or envelope must bear the following details so that the item may be readily identified as IBRS and not treated as unpaid mail:

- a. The legend "INTERNATIONAL BUSINESS REPLY MAIL/REPOSE PAYEE" must appear above the address in capital letters at least 3/16 of an inch high. Immediately below the legend the words "PERMIT NO.," followed by the permit number and the issuing post office (city and state) must be shown in capital letters. This information must appear between two horizontal bars at least 3/32 of an inch thick and at least 1/2 of an inch apart. The endorsement "Postage Will Be Paid by the Addressee" must appear immediately below the lower bar.
- b. The endorsement "NE PAS AFFRANCHIR, NO POSTAGE NECESSARY IF MAILED TO THE UNITED STATES" must be printed in the upper right-hand corner of the face of the piece with a partial diagonal bar. The endorsement must not extend further than 1-3/4 inches from the right edge of the mailpiece.
- c. The endorsement "AIR MAIL/PAR AVION" must be shown in the upper left corner on reverse print. Immediately beneath this endorsement must appear the words "IBRS/CCRI No." followed by the permit number.

6. A series of horizontal bars parallel to the length of the mailpiece must be printed immediately below the endorsement "NO POSTAGE NECESSARY IF MAILED TO THE UNITED STATES." The bars must be uniform in length, at least 1 inch long, and 1/16 of an

inch to 3/16 of an inch thick and evenly spaced. The vertical column of horizontal bars must not extend below the delivery address line, which is the line above the line containing the ZIP+4 Code. There must be at least 1/2 of an inch clearance between the ZIP+4 Code and the bars.

7. ZIP+4 Postnet Barcodes preassigned by the United States Postal Service must be printed on the address side of each IBRS item within the "barcode read area," which must be free of any printing other than the bar code. The read area extends 5/8 of an inch from the bottom and at least 4-1/2 inches from the right side of the item. The bottom of the bars must be positioned 1/4 of an inch (+/- 1/16 of an inch) from the bottom edge of the item and the barcode must be completely contained within the read area.

8. Each IBRS item must contain a Facing Identification Mark (FIM) pattern C, printed at the top right portion of the address side of the item. The top of the FIM C bar pattern must be within 1/8 of an inch of the edge of the item and may extend to the edge. The right-most bar of the pattern must be within 2 inches (+/- 1/8 of an inch) of the right edge of the item. The FIM bars must be 5/8 of an inch (+/- 1/8 of an inch) long. The entire FIM pattern must be completely contained within a rectangular clear zone measuring 1-1/4 inches in length and 5/8 of an inch in height, with its top edge formed by the top edge of the item and its right edge beginning 1-3/4 inches from the right edge of the item.

ARTICLE 110. IBRS FORMAT REQUIREMENTS OF THE DIRECTORATE
GENERAL OF POSTS, MINISTRY OF COMMUNICATIONS

Each IBRS item distributed in the territory represented by AIT by an addressee in the territory represented by CCNAA shall meet the following requirements:

1. All forms of printing are permissible, provided that the markings are legible to the satisfaction of both administrations. However, handwriting, typewriting, or handstamping may not be used to prepare the address side. All printing must be in a dark color contrasting clearly with a white or light shaded background. Vivid colors or dyes containing phosphorescent substances are not permitted.

2. The following size and weight requirements apply to IBRS cards:

- a. Minimum size: 90 by 140 mm, with a tolerance of 2 mm.
- b. Maximum size: 120 by 235 mm, with a tolerance of 2 mm.
- c. Thickness: Must be sufficiently stiff to withstand processing without difficulty.

3. The following size and weight requirements apply to IBRS envelopes:

- a. Minimum size: 90 by 140 mm, with a tolerance of 2 mm.
- b. Maximum size: 120 by 235 mm, with a tolerance of 2 mm.
- c. Thickness: Not more than 5 mm.
- d. Maximum weight: 50 grams.

4. The name and full postal address of the addressee in the territory represented by CCNAA must appear parallel to the length of the item and underneath the horizontal bars specified in section 5 of this article. The address must be clear with the name of the post town, the word "TAIWAN," and the postal code printed in capital letters.

5. The face of the card or envelope must bear the following details so that the item may be readily identified as IBRS and not treated as unpaid mail:

- a. The words "REPOSE PAYEE" and "TAIWAN" must appear on two lines above the address in capital letters at least 4 mm high. The words must appear between two horizontal bars at least 3 mm thick, 80 mm in length, and 14 mm apart from their inside edges (20 mm apart from their outside edges). The bars must be 15 mm from the right-hand edge of the item and parallel to the length of the item.
- b. The "no stamp required" indicator must appear approximately 5 mm from both the top edge and right edge of the item. The indicator must be in an outlined box of 40 mm in length by 30 mm in height, containing the design showing a bar diagonally passing through an outline of a postage stamp, from the top left-hand corner to the bottom right-hand corner. The words "NE PAS AFFRANCHIR" must appear above this design and the words "NO STAMP REQUIRED" must appear below this design, within the outlined box.
- c. An airmail label with the words "By air mail" and "Par avion" on reverse print must appear in the top left-hand corner.

ARTICLE 111. ENTRY INTO FORCE AND DURATION

1. These Detailed Regulations shall enter into force on

the same date as the IBRS Agreement.

2. These Detailed Regulations shall have the same duration as the IBRS Agreement.