
CHAPTER 8. PRINTER/MAILER CONTRACTOR REQUIREMENTS

- 8-1. Mailings Entering Into the U.S. Postal Service Mailstream. All Headquarters and Field organizations which engage contractors to perform either directly or through mailing services which enter into the U.S. Postal Service mailstream must license each contractor before they can enter these mailings.
- 8-2. Basic Requirements.
- a. A separate Application to Mail Without Affixing Postage Stamps, PS Form-3601, must be submitted for each contractor. (See Appendix 11.)
 - b. The method of mailing must be:
 - (1) Permit Imprint
 - (2) Third-Class Bulk Rate Permit
 - (3) The Postage Meter
 - c. Mailing contractors and the points of entry through which they will mail must be fully identified on PS Form-3601. Mail not properly prepared by the contractor may be refused by the receiving Post Office. Also, contractors not properly identified to the USPS through proper application shall not be able to enter material into the USPS mailstream.
- 8-3. Permits, Fees, and Documentation.
- a. Permit Imprint. The Department must pay an annual fee of \$50 once each fiscal year for each Post Office where mail is entered under permit imprint procedures by contractor(s) performing mailing services for HUD. An application PS Form-3601 is required to identify each mail drop point. (See paragraph 8-6 for authorized permits.) No other fee for use of permit imprint has to be paid as long as the permit is active.
 - b. A PS Form-3602, Statement of Mailing with Permit Imprints, must be completely filled out and prepared in triplicate by the contractor for each mailing and presented to the USPS along with the mailing. The USPS accepting employee, after verification, will sign the PS Form-3602 and return copies to the contractor. (See Appendix 12.)

8-4. Application for Permits.

- a. Applications for permits to authorize contractors to use HUD official permit imprint(s) will be executed in conformance with Appendix 11. When the PS Form-3601, Application to Mail Without Affixing Postage Stamps, is being prepared and the entry post office is not known in time for an advance submission, Headquarters and Field Office mail coordinators are responsible for providing two copies of the completed forms to the contractor for submission at the time of mailing.
- b. Fees for contractor permits shall be included as part of the formal year-end postal accountability documentation by the Mail Management Officer, ASB. (Note: When an application is submitted by a Headquarters or Field Office and it is approved for a certain class of mail and the organization did not use it, the Mail Management Officer, ASB, must be notified in order to avoid an overpayment to the USPS.)

8-5. Preparation of Permit Imprints. The Departmental permit imprints have been designed and approved by the U.S. Postal Service. No other forms of imprints may be used in lieu of the imprints as exhibited in paragraph 8-6. The entire imprint must be legible and printed in the upper right corner of the address side and parallel with the length of the mailing piece.

8-6. Contents of Permit Imprints. The Department's permit imprints must show class of mail being utilized, postage and fees paid, Departmental abbreviation and the authorized permit number, as follows:

First-Class Mail
Postage & Fees Paid
HUD
Permit No. G-51

Presorted
First-Class Mail
Postage & Fees Paid
HUD
Permit No. G-51

Third-Class Mail
Postage & Fees Paid
HUD
Permit No. G-51

Bulk Rate
Postage & Fees Paid
HUD
Permit No. G-51

Fourth-Class Mail
Postage & Fees Paid
HUD
Permit No. G-51

8-7. Mailing with Permit Imprints.

- a. Minimum Quantities. Except as stated in paragraph 8-7b below minimum quantities required to be mailed at one time are as follows:
- (1) First-Class Mail - 200 pieces or 50 pounds.
 - (2) First-Class Presort Rate - 500 pieces identical in size and weight.
 - (3) Third-Class Bulk Mail - 200 pieces or 50 pounds of mail presorted to 5-digit destinations.
 - (4) Fourth-Class Mail - Bulk fourth-class zone rates are applied to mailings of at least 300 pieces or 2,000 pounds of fourth class mail identical in weight.
 - (5) Special Fourth-Class Presort Rate - 500 or more pieces presented in full sacks destined for 5-digit Zip Code locations for the Level A rate. For the Level B rate a mailing must consist of a minimum of 500 sackable pieces presorted to bulk mail centers.
 - (6) International Mail - 200 pieces of identical matter.
- b. Exceptions to Minimum Quantities. When mailing consist of less than the required minimum, enter an explanation on the Statement of Mailing with Permit Imprints, Form PS-3602. Exceptions may be made for the following only:
- (1) First-Class Mail - Occasional exception for a contractor whose total daily mailings are not much more than 200 but who, to cooperate with the Post Office, presents a portion of his/her mailings early in the day.
 - (2) All Classes of Mail - When a large mailing extends over two or more consecutive days and the last deposit made to complete the mailing is less than the minimum.
- c. Preparation for Mailings. The Contractor(s) must arrange all pieces with the address side facing the same way. It is recommended that the mailer separate the pieces to the finest extent possible. Each class of mail must be separately presented with a separate Form PS-3602, Mailing Statement or Form PS-3605, Statement of Mailing - Bulk Zone Rates.
- d. Place of Mailing. Deposit mail at the Post Office designated on the PS Form 3601 or at a station or branch of that Post Office designated by the Postmaster.

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- e. Mailing Statement. Contractors who perform mailing services for HUD must prepare and sign a Form PS-3602 for each mailing. The form must be prepared by typewriter, ink or indelible pencil to show the mailer's address, HUD permit imprint number, class of mail, number of pieces in the mailing and weight of a single piece. The Contractor shall present Form PS-3602 in triplicate which will be initialed by the accepting USPS employee, after verification, and returned to the mailer. The contractor shall keep one copy and forward a copy to the responsible HUD program office.

8-8. Presorted Mail

- a. First-Class. Two presort rates are available for First-Class mail. Mailings made at presort discount rates must be paid only by postage meter stamps or HUD's permit imprint. A Form PS-3602 must be submitted with each mailing. No other form is acceptable. The two discount rates are as follows (See Appendix 12):
- (1) Presort First-Class - The Presort First-Class rate is the full First-Class rate less four cents for each letter and two cents for each card that is part of any group of 10 or more pieces sorted to the same 5-digit ZIP Code or 50 or more pieces sorted to the same 3-digit ZIP Code prefix when they are part of a single mailing of not less than 500 pieces. Full First-Class postage must be paid on the residue not sorted to 5 or 3 digit groups. Identifying words "Presorted First-Class" must be printed or stamped by the mailer on each piece above the address and immediately below or to the left of the permit imprint or meter stamp.
 - (2) Carrier Route First-Class - The Carrier Route First-Class rate is the full First-Class rate less five cents for each letter and three cents for each card that is part of a mailing of 500 or more pieces presorted to carrier route. The appropriate Presort rate or full First-Class postage must be paid on pieces not sorted in groups of 10 or more to carrier routes, rural routes, highway contract routes, box sections or general delivery units. Instructions on proper preparation may be received from a Postal Service Customer Service Representative. Identifying words "First-Class Carrier Route Presort" must be printed or stamped by the mailer on each piece above the address and immediately below or to the left of the permit imprint or meter stamp.
- b. Third-Class Mail. Consists of mailable matter which is not mailed or required to be mailed as First-Class mail, not entered as Second-Class mail and weighs less than 16 ounces. Two Third-Class rates are available.
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- (1) Single Rate - The single piece rate is applied to each piece according to its weight. No presort or special preparation is required. Pieces should be endorsed "Third-Class." (See Appendix 15.)
- (2) Regular Bulk Rate - The Regular Bulk Third-Class rates may be applied to mailings of qualifying pieces separately addressed to different addresses in quantities of not less than 200 pieces or 50 pounds. For the Basic Rate, postage is computed at 38 cents per pound on the entire bulk mailed at one time but in no case shall less than 12.5 cents minimum charge per piece be paid. All pieces in a bulk mailing must qualify for the same rate, i.e., either the pound rate or the minimum per piece rate.

In addition to the Basic Rate, two discount rates are available for eligible mailings:

- (a) Five-Digit Presort - Each mailing must consist of at least 200 pieces or 50 pounds presorted to 5-digit destinations and each piece must be part of a group of 10 or more pieces sorted and sacked to the same 5-digit Zip Code.
 - (b) Carrier Route Presort - Each mailing must consist of at least 200 pieces or 50 pounds presorted to carrier routes and must be part of a group of 10 or more pieces sorted to the same carrier route.
 - (c) Official mail sent out under Third-Class rates must be presorted and meet preparation requirements of the U.S. Postal Service. The address side of each piece, or its envelope or wrapper must be plainly marked THIRD-CLASS BULK RATE or CARRIER ROUTE PRESORT preferably in a position beneath the Postage and Fees indicia and above the address. Instructions on proper preparation may be received from the local U.S. Postal Service Customer Service Representative. (See Appendix 16.)
 - (d) If Third-Class Bulk mail is not properly prepared, the mailing will not be accepted for processing. Contractors mailing under permit imprint format must meet all requirements for that method including minimum volume (generally 200 pieces or 50 pounds), identical pieces and proper class endorsement. When these requirements cannot be met, contractors must use penalty mail meters or stamps or must prepay using standard prepayment mailing procedures.
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- (e) Third-Class Bulk Rate mail must be presented for mailing at a designated post office. It may not be deposited in a street letter box. A Form PS-3602 must be completed by HUD or contractor and presented to the post office at the time of mailing. No other form is acceptable in lieu of a Form PS-3602. For 5-Digit Presort or Carrier Route Presort mailings, the Form PS-3602 must be accompanied by a listing that will reflect the number of qualifying and residual pieces mailed to each 5-digit ZIP Code area and the mailings must be physically separated when presented for mailing.
- (f) The following items must be completed on the Form PS-3602 (See Appendix 14):
- 1 Permit Number - Agency assigned "G" number
 - 2 Post Office of Mailing and Date mailed
 - 3 Designation of rate subclass, i.e., carrier route, 5-digit presort or regular bulk-rate
 - 4 The weight of a single piece indicated in ounces and carried five places to the right of the decimal point. Examples:

1 Oz. to be written as 1.00000
2/3 Oz. " " " " .66667
 - 5 Total number of pieces and weight in mailing
 - 6 Name, address and telephone number of permit holder - (HUD's contractor)
 - 7 Name and address of individual or organization for which mailing is prepared - (HUD Program Office)
 - 8 Postage Computation
 - 9 Total Postage
 - 10 Signature and telephone number of permit holder (HUD's contractor)