

LICENSING ANNOUNCEMENT

JUNE 25, 2010

EQUIVALENT ALTERNATIVE PAF REMINDER

Primary Audience: NCOA^{Link®} Full and Limited Service Providers and MPE Data Users

What: As a reminder, NCOA^{Link} Licensees are now authorized to use electronic methods to collect and store Processing Acknowledgement Form (PAF) that are functionally equivalent to the current paper-based methods. PAF information includes all current data regarding the List Owner, the Licensee and any Brokers, Agents or List Administrators that are identified on the paper PAF (as published and updated from time to time in the License Performance Requirements (LPR)).

The USPS does not endorse any particular alternative method for verification of client identity. Any system that meets these requirements is sufficient. Licensees must decide what methods best suit their business needs and address their business risks, while still maintaining the appropriate PAF information. Licensees may implement multiple methods for verification based on the Licensee's business needs.

Equivalent alternative methods do not replace the paper version; they are an alternate method for the meeting the requirements of the License Agreement. Please refer to the appropriate section of the LPR that references the equivalent alternative PAF methods: 9.1.2 (FSP); 8.1.2 (LSP); and 11.2.2 (MPE Data User).

If Licensees choose to use an equivalent alternative method, the literal 'A' representing an Equivalent Alternative PAF Indicator must be populated in field 594 of the PAF log. This field indicates an alternative PAF was used.

When: Ongoing

Impact: The USPS is enhancing the rules governing the collection, storage and retrieval of the PAF to help NCOA^{Link} Licensees offer improved service to mailers. The equivalent alternate method in no way removes the responsibility of the Licensee to meet all of the obligations outlined in the NCOA^{Link} License or the NCOA^{Link} LPR and, in particular, the following requirements:

- To diligently retrieve and maintain information identified on the PAF as published and updated from time-to-time in the LPR;
- To diligently retrieve and maintain a record of client's acknowledgement of restrictions of use of the service; and
- To reliably obtain and diligently authenticate identities for all parties identified on a PAF both at the initial transaction and as part of the yearly renewal.

What you need to do: No action is needed, unless you planning to implement an equivalent alternative PAF method. In addition to language in the LPRs, the top sections of NCOA^{Link} Service Provider, Combined, Mail Processing Agent (MPA), and Mail Processing Equipment

(MPE) PAF forms have been updated to reflect the use of equivalent electronic methods for PAF collection and storage. It is the Licensee's responsibility to review these documents and implement them appropriately if an alternative PAF method is chosen.

If you have questions regarding this notice, please contact the Licensing Department at 1-800-589-5766.