



UNITED STATES POSTAL SERVICE

475 L'Enfant Plaza, SW
Washington, DC 20260

Mr. Lawrence Hutchins
Vice President
National Association of
Letter Carriers, AFL-CIO
100 Indiana Avenue, N.W.
Washington, DC 20001-2197

MAY 29 1987

Re: Class Action
Duluth, MN 55806-9998
H1N-4C-C 35268

Dear Mr. Hutchins:

On May 11, 1987, we met with your representative, David W. Noble to discuss the above-captioned grievance at the fourth step of our contractual grievance procedure.

The issue in this grievance is whether the local carriers are receiving proper step increases because of local management's current instructions.

After reviewing this matter, we mutually agreed that no national interpretive issue is fairly presented in this case.

We further agreed that step increases are to be computed as if they had served continually in their initial assignment after their return to their former grade. The parties are to apply the provisions of Subchapter 422.261(a) of the Employee and Labor Relations Manual to the specific fact circumstances involved in this case to resolve the issue.

Accordingly, we agreed to remand this case to the parties at Step 3 for further processing, including arbitration if necessary.

Please sign and return the enclosed copy of this letter as your acknowledgment of agreement to remand this case.

Time limits were extended by mutual consent.

Sincerely,

Bertram J. Wilson
Bertram J. Wilson
Labor Relations Department

Lawrence G. Hutchins
Lawrence G. Hutchins
Vice President
National Association of Letter
Carriers, AFL-CIO