



UNITED STATES POSTAL SERVICE
 Labor Relations Department
 475 L'Enfant Plaza, SW
 Washington, DC 20260-4100

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

Re: Class Action
 Boise, ID 83707
 B7N-5K-C 4965

Dear Mr. Hutchins:

On September 7, 1988, a meeting was held with the NALC Director of City Delivery, Brian Farris, to discuss the above-captioned grievance at the fourth step of our contractual grievance procedure.

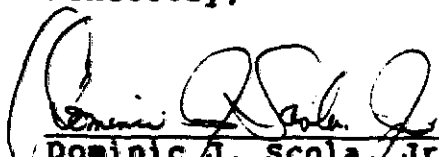
After reviewing this matter, we mutually agreed that no national interpretive issue is fairly presented in this case. We agree that where the local parties are in mutual agreement, grievance discussions may take place via telephone.

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,



 Dominic J. Scola, Jr.
 Grievance & Arbitration
 Division



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

(Date) 3/23/89