

LABOR RELATIONS

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 CONTRACT ADMINISTRATION UNIT
 N.A.L.C. WASHINGTON, D.C.

Mr. William H. Young
 Vice President
 National Association of Letter
 Carriers, AFL-CIO
 100 Indiana Avenue NW
 Washington, DC 20001-2197

Re: H90N-4H-C 95024014
 CLASS ACTION
 GADSDEN, AL 35901-9998

Dear Mr. Young:

Recently, your representative met with Patricia Heath to discuss the above-referenced case, currently pending national arbitration.

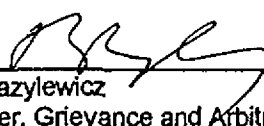
The issue in this grievance is whether transitional employees (TEs), originally hired under the terms of the December 21, 1992 Memorandum of Understanding on part-time flexible conversions, may be retained past November 20, 1994.

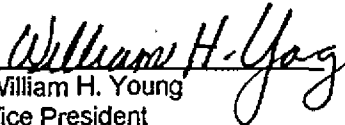
During the discussion, it was mutually agreed that transitional employees hired under the terms of the December 21, 1992 Memorandum may only be retained past November 20, 1994 under the terms of the January 16, 1992 NALC Transitional Employee arbitration award, as modified by the December 21, 1992 Memorandum and Revised Chapter 6 of Building Our Future by Working Together. It was further agreed that whether or not management complied with these requirements is a factual question suitable for resolution at Step 3 or regular arbitration, as appropriate.

Accordingly, it was agreed to remand this case to the parties at Step 3 for further processing, or to be scheduled for arbitration, as appropriate.

Please sign and return the enclosed copy of this decision as your acknowledgment of agreement to remand this case, removing it from the national arbitration listing.

Sincerely,


 Pete Bazylewicz
 Manager, Grievance and Arbitration
 Labor Relations


 William H. Young
 Vice President
 National Association of Letter
 Carriers (AFL-CIO)

Date 8/28/96