

**RECEIVED****AUG 23 2001**

Mr. Vincent R. Sombrotto
President
National Association of Letter
Carriers, AFL-CIO
100 Indiana Avenue, NW
Washington, DC 20001-2197

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

Re: J94N-4J-C 99050117
Class Action
Napierville, IL 60540-9998

Dear Mr. Sombrotto:

Recently, our representatives met in prearbitration discussions on the above-referenced case.

The issue in this grievance concerns the application of the October 19, 1988 Overtime Memorandum and Arbitrator Snow's national level decision in Case No. A90N-4A-C 94042668, alleging separate violations of both the twelve hour and sixty hour limits (Article 8.5.G.2) within one service week.

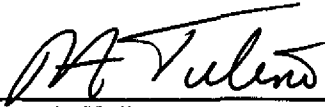
After reviewing this matter, we mutually agreed that no national interpretive issue is fairly presented in this case. However, the parties provide the following to memorialize our understanding of the issue.

As a result of those discussions, we mutually agree that the remedy of 50% of the base hourly straight time rate provided in the Memorandum will apply for each hour worked in excess of twelve on a service day (excluding December) by a full time employee. Further, we agreed that the remedy also applies to each hour worked by a full time employee in excess of the sixty during the same service week (excluding December) in which the full time employee has exceeded twelve hours in a service day. To avoid such payment, management must instruct the full time employee to "clock off" and go home; the full time employee would then be paid whatever guarantee applies for the remainder of the service day.

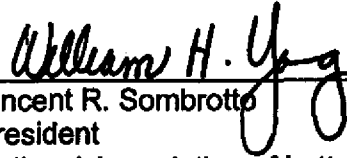
It is also agreed that in those circumstances where the same work hours of a full time employee simultaneously violate both the twelve hour and sixty hour limits (e.g. the thirteenth and fourteenth hour worked on the last service day of the service week are also the sixty-first and second of the service week), only a single remedy of 50% of the base hourly straight time rate will be applied.

It is understood that the foregoing does not apply to part time flexible employees and has no impact on the manner by which part time flexible employees are paid penalty overtime pay pursuant to Article 8.4.E.

Accordingly, please sign and return the enclosed copy of this letter as your acknowledgement of agreement to remand this case to Step 3 for further processing, including arbitration, if necessary, removing it from the pending national arbitration listing.



Doug A. Tulino
Manager
Labor Relations Policies
and Programs



Vincent R. Sombrotto
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Date: 9-06-01