

**MEMORANDUM OF UNDERSTANDING
BETWEEN THE
UNITED STATES POSTAL SERVICE
AND THE
NATIONAL ASSOCIATION OF LETTER CARRIERS,
AFL-CIO**

Re: Article 32 Committee

The Joint Committee established pursuant to Article 32.2 shall be tasked with reviewing existing policies and practices concerning the contracting out of mail delivery. The Committee shall seek to develop a meaningful evolutionary approach to the issue of subcontracting; taking into account the legitimate interests of the parties and relevant public policy considerations.

The Committee shall have reasonable access to all relevant data maintained by the Postal Service, and may seek and obtain data and information from other relevant sources.

The parties agree that if the National Rural Letter Carriers' Association seeks to participate in the work of the Committee, it will be permitted to do so.

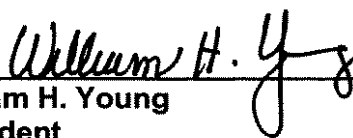
The Committee shall complete its study within six months of ratification of the 2006 National Agreement, unless the parties mutually agree to extend this deadline. Pending final resolution of the work of the Committee, all grievances pertaining to subcontracting which are pending at the national level shall be held in abeyance.

If the work of the Committee does not result in a mutually agreeable approach to subcontracting, the Union may submit any of its pending national level grievances pertaining to subcontracting to rights arbitration in accordance with the existing provisions of the National Agreement.

In addition, beginning with the ratification of the 2006 National Agreement, there will be a six-month moratorium on any new subcontracting of delivery in offices in which city letter carriers are currently employed. This moratorium does not include any in-growth or new growth on current rural routes. Contracts in existence as of the date of the execution of this MOU may be maintained or renewed in offices that are not exclusively city delivery.



**Doug A. Tulino
Vice President
Labor Relations
U. S. Postal Service**



**William H. Young
President
National Association of
Letter Carriers, AFL-CIO**

Date: September 11, 2007