

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

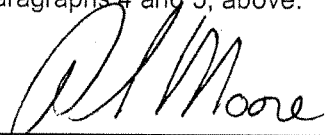
Re: Local Memorandum(s) of Understanding under Delivery Unit Optimization


Delivery Unit Optimization (DUO) refers to a process that includes permanently moving all city carrier assignments from one work location to another location(s).

The parties agree to the following process to address issues related to Local Memoranda of Understanding resulting from Delivery Unit Optimization:

1. The local parties at the gaining installation will identify and discuss any existing Local Memoranda of Understanding (LMOU) provisions from the losing installation(s) that are different from those in the gaining installation(s). While these discussions are not considered Article 30 local implementation, the local parties will make necessary revisions to the LMOU in the gaining installation(s) to accommodate city delivery operations moving from the losing installation(s).
2. Any LMOU issues not resolved at the local level will be referred within 30 days of DUO notice to the Area Manager, Labor Relations (or his/her designee) and the National Business Agent (or his/her designee) for resolution.
3. Any LMOU issue(s) not resolved within 20 days of receipt by the Area and NBA will be forwarded to the parties at the National Level for resolution.
4. Any provision(s) of an LMOU from a losing installation that is made part of the LMOU in the gaining installation(s) will use the date the provision was added to the LMOU in the losing installation for the purpose of applying Article 30.C.
5. In the event city delivery assignment(s) are returned to the losing installation(s), the original LMOU in the losing installation(s) shall be reinstated.
6. This agreement does not apply to the movement of city letter carriers when installations are discontinued, consolidated, or when a station or branch is transferred or made independent in accordance with Article 12.5.C.1, 12.5.C.2, and 12.5.C.3.

This agreement is reached without prejudice to either party's position on this or any other matter and may only be cited to enforce its terms. Either party to this agreement may unilaterally withdraw from this process with 60 days notice to the other party. However, such withdrawal will not impact the provisions of paragraphs 4 and 5, above.

 3-22-11
 Alan S. Moore Date
 Manager, Labor Relations
 Policy and Programs
 U.S. Postal Service

 3-18-11
 Fredric V. Rolando Date
 President
 National Association of
 Letter Carriers, AFL-CIO