

LABOR RELATIONS



Mr. Fredric V. Rolando
President
National Association of Letter
Carriers, AFL-CIO
100 Indiana Avenue, NW
Washington, DC 20001-2144

Re: Q06N-4Q-C 09012746
Class Action
Washington DC 20260

Dear Fred:

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

After reviewing this matter, we mutually agree to resolve this case based on the following understanding:

While we agree that Step B resolutions must normally be complied with, the parties recognize that there are limited circumstances where a Step B settlement may be invalid (e.g. where a Step B resolution is based on fraud, misrepresentation, intentional concealment of facts, or mutual misunderstanding). Where the parties have a dispute as to whether a Step B settlement is invalid, the issue is suitable for regular arbitration. However, before the case may be scheduled for regular arbitration the issue must be reviewed by the national level parties. If an arbitration hearing is subsequently held, the sole issue before the arbitrator will be whether the settlement is valid. In the event an arbitrator invalidates a Step B decision, the original dispute will be returned to Step B for determination on the merits, unless the parties at the Regional/Area level agree otherwise.

Please sign and return the enclosed copy of this decision as acknowledgment of your agreement to resolve this case and remove it from the arbitration docket.

A handwritten signature in black ink, appearing to read "Alan S. Moore".

Alan S. Moore
Manager, Labor Relations
Policy and Programs
U.S. Postal Service

A handwritten signature in black ink, appearing to read "Fredric V. Rolando".

Fredric V. Rolando
President
National Association of Letter
Carriers, AFL-CIO

Date: 7-2-14