July 27, 2018

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

Dear Mr. Rolando:

The parties agree to the following concerning the implementation of the Memorandum of Understanding (MOU) Re: *Step Credit for Former Transitional Employees* found in the 2016-2019 National Agreement:

To determine the number of "years" an employee served as a Transitional Employee (TE), the total days an employee served as a TE after September 29, 2007, will be divided by 360.

The Postal Service will recalculate the TE step credit for eligible employees and make any necessary corrections and retroactive payments as soon as administratively practicable, but no later than 60 days from the signing of this agreement.

The Postal Service will process future one-time adjustments necessitated by the MOU Re: *Step Credit for Former Transitional Employees* using the guidelines outlined above.

The NALC agrees to withdraw any cases pending as of the date of this letter at any level of the grievance-arbitration procedure concerning the issues discussed herein.

Please sign and return this document as acknowledgement of this understanding.

[Signature]
Doug A. Tulino  
Vice President, Labor Relations  
U.S. Postal Service

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

Date: 7/27/18