

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


Re: Subcontracting

The substantial changes in work force structure and compensation reflected in the 2006 National Agreement have been negotiated by the parties in the spirit of a long-term partnership. Consistent with this basic understanding, the parties have agreed to some restrictions on the subcontracting of letter carrier work.


Effective upon ratification of the 2006 National Agreement, there will be a modification to the subcontracting of city deliveries. This modification includes restrictions on contracting out the following:

- City delivery work at the 3,071 city delivery offices (offices with only city delivery), including new growth and in-growth within those offices
- Any existing city delivery in offices other than those referenced above
- Any assignments awarded as city delivery by settlement or arbitration of any pending or future grievance

The above restrictions shall be in effect for the duration of the 2006 National Agreement, unless extended by mutual agreement.



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