

**MEMORANDUM OF AGREEMENT
BETWEEN THE
UNITED STATES POSTAL SERVICE
AND THE
NATIONAL ASSOCIATION OF LETTER CARRIERS**

Re: Five-Day Break in Service for Transitional Employees

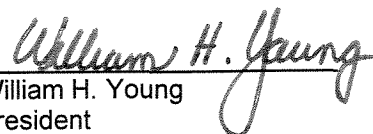
The National Association of Letter Carriers, AFL-CIO (NALC) and the United States Postal Service understand and appreciate the importance of providing efficient and cost-effective service to our customers. The parties also recognize that the majority of NALC transitional employees were hired shortly after ratification of the 2006 National Agreement (September 11, 2007) and that required five-day service breaks (a five-day period not including separation and rehire dates) will occur within a short period of time. In order to provide a more orderly and efficient employment process, the parties agree to provide for staggered transitional employee reappointment dates as follows:

- This agreement applies solely to transitional employees with appointments beginning between September 11, 2007, and February 28, 2008, and who were appointed for 360 days.
- Such transitional employees may be given their five-day break in service prior to the end of their current 360-day appointment provided they are reappointed and employed as an NALC transitional employee after the five-day break for an additional 360-day appointment.
- Management will consider input from affected transitional employees concerning the break period selected.
- This agreement does not alter or impact transitional employee separations initiated pursuant to the provisions of the Memorandum of Understanding, Re: Transitional Employees - Additional Provisions.
- The parties recognize that to qualify for Federal Employees Health Benefits, Transitional Employees must first have completed one full year (365 days) of current continuous employment, disregarding breaks of five days or less, regardless of when the five-day break occurs. The parties agree that application of this agreement may not jeopardize transitional employees' ability to qualify for Health Benefits.

This agreement is without prejudice to the position of either party in this or any other matter and may be cited only for purposes of enforcing its terms.



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



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

August 27, 2008