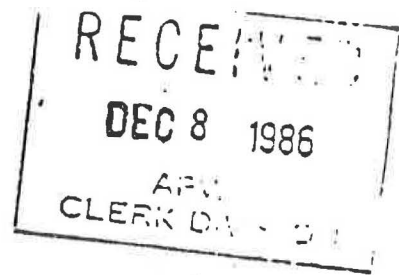




UNITED STATES POSTAL SERVICE
475 L'Enfant Plaza, SW
Washington, DC 20260



DEC 5 1986

Mr. Robert L. Tunstall
Assistant Director
Clerk Craft Division
American Postal Workers
Union, AFL-CIO
817 14th Street, N.W.
Washington, D.C. 20005-3399

| | |
|---------|-----------------|
| ARTICLE | 19 |
| SECTION | Edwin |
| SUBJECT | WAWER |
| | HEALTH BENEFITS |

Re: T. Francis
Lansing, MI 48924
H4C-4B-C 6310

Dear Mr. Tunstall:

On September 30, 1986, we met to discuss the above-captioned grievance at the fourth step of our contractual grievance procedure.

The issue in this grievance is whether management was justified in billing the grievant for health benefits incurred during a nonpay, nonduty status.

After further review of this matter, we mutually agreed that no national interpretive issue is fairly presented in this case. The parties agree that this is a local matter for regional determination by full development of the specific fact circumstances.

Accordingly, we agreed to remand this case to the parties at Step 3 for further processing, including arbitration if necessary.

Mr. Robert L. Tunstall

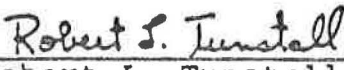
2

Please sign and return the enclosed copy of this letter as your acknowledgment of agreement to remand this case.

Time limits were extended by mutual consent.

Sincerely,


James L. Rosenhauer
Labor Relations Department

 12-29-36
Robert L. Tunstall
Assistant Director
Clerk Craft Division
American Postal Workers
Union, AFL-CIO