

In full and complete settlement of the issue of step increase deferrals resulting from poor attendance, as raised in national level grievance HIC-NA-C-10, the parties collectively agree:

Existing instructions clearly provide that receated, and/or continuous lack of cooperation, poor attendance, failure to produce acceptable work or other similar characteristics, even after individuals have been subjected to discussion of deficiencies during the waiting period, is the basis for determining whether or not an employee's rating is unsatisfactory to receive a step increase. However, an overt act of misconduct, including attendance deficiencies for which an employee has been subjected to discipline, does not, in and of itself, demonstrate that an employee has "repeatedly and/or continually" failed to meet the requirements of the position throughout the waiting period and such an overt act, in and of itself, would not provide a basis for withholding a step increase.

It is further agreed that the determination to grant or deny a step increase rests on the individual fact circumstances present in each instance and must be adjudged accordingly.

In witness whereof the parties hereto affix their signatures below this 1/4 day of December 1982.

FOR THE UNITED STATES POSTAL SERVICE: FOR THE UNIONS:

William E. Hendy Jr. Director Office of Grievance and Arbitration Labor Relations Department

: I :

William Burrus Executive Vice President American Postal Workers Union, AFL-CIO

Francis J.

Vice.President National Association of Letter Carriers, AFL-CIO