

SETTLEMENT AGREEMENT
BETWEEN THE
UNITED STATES POSTAL SERVICE
AND THE
AMERICAN POSTAL WORKERS UNION, AFL-CIO

**Re: Postal Support Employee (PSE) District / ISC/REC Cap Violations
in the Clerk, Maintenance and Motor Vehicle Crafts**

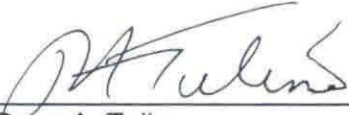
The parties agree that the following represents resolution of all outstanding remedy Issues in case Q10C-4Q-C 13126898 / HQTG20130201 (Maintenance craft cap issues were resolved by the Memorandum of Understanding (MOU) dated March 28, 2014, and July 9, 2014). This agreement also provides the process the parties will follow to address and remedy future violations of the District PSE cap restrictions in the Clerk and Motor Vehicle Crafts as well as PSE cap violations at the International Service Centers (ISC) and Remote Encoding Center (REC).

1. Outstanding PSE cap violations in the Clerk and Motor Vehicle Crafts, International Service Centers (ISC) and Remote Encoding Center (REC) will be remedied by converting 468 PSEs to career:


These conversions will be in addition to the PSE conversions being made as a result of the MOU dated March 20, 2014, Re: Filling of Residual Vacancies.

2. The Postal Service will implement and complete conversions as noted above no later than sixty (60) days from the date of the signing of this agreement. The parties will meet at the national level and agree on where to make the conversions.
3. No back pay or other monetary remedy is due as a result of the conversions made in Steps 1 and 2 of this remedy settlement agreement.
4. Future PSE District, ISC, and REC cap violations will be remedied by converting the appropriate number of PSEs within the craft and occupational group, if applicable, in the same District, ISC, or REC as is required to come into compliance with the applicable requirements as enumerated in the 2010 National Agreement. It is agreed that the union at the national will have an opportunity for input as to where the conversions are made. If the applicable requirements (relevant percentage caps) are modified in the future, the parties agree to abide by those changes. PSEs shall not be terminated in order to come into compliance with the specific cap requirements. These conversions are in addition to the PSE conversions being made as a result of the MOU date March 20, 2014, Re: Filling of Residual Vacancies.

5. PSE conversions made pursuant to Step 4 of this MOU will be implemented and completed thirty (30) days from the date of the PSE Compliance Report required by Article 7.1.B. 7 identifying the cap violation. No backpay or other monetary award is due for the PSE cap violation or during the term of the conversion process. This process will be administered by the parties at the national level.
6. The parties agree that all grievances held pending the resolution of case Q10C-4Q-C 13126898 and HQTG20130201 are withdrawn and resolved in accordance with this agreement.



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



Mark Dimondstein
President
American Postal Workers Union, AFL-CIO

Date: 10/3/14