



December 1, 2011

<b>Step-2 Settlement</b>
11394397 rdc11-421 11387577 gb11420 Class Action

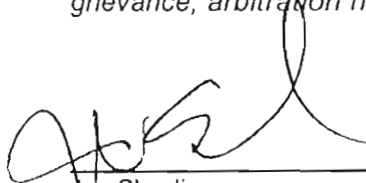
FULL AND FINAL SETTLEMENT OF THE ABOVE CAPTIONED GRIEVANCE, THE PARTIES AGREE TO THE FOLLOWING:

Union contends on dates of August 27/28, 2011, employees were denied Administrative Leave and made to use Emergency Annual Leave ("EAL), Annual Leave ("AL"), or Leave With Out Pay ("LWOP") for absences related "Hurricane" Irene. Union appealed the three (2) cases to Step 2 of the grievance arbitration process and as a result of review of the case file, discussions with local management, our discussion, and in effort to resolve regarding the above referenced cases, the grievances are settled as follows without prejudice to either party and is understood that this settlement is not precedent setting as follows:

Employees identified<sup>1</sup> who were prevented from reporting to work on Tour 1 for Saturday night into Sunday (August 27 into August 28<sup>th</sup>) will receive total of one (8 hours) Admin Leave in accordance with Employee and Labor Relations Manual Section 519.215 and 519.216; the administrative leave date is to be scheduled for use between time periods of January 2, 2012, through March 31, 2012. The parties agree to managements' discretion of number of employees to be scheduled off on a day between January 2, 2012, through March 31, 2012, in compliance of this settlement is at 3% (2 employees) in addition to the number of employees scheduled leave for that date. Employees who elect not to utilize the administrative leave as per terms as stated herein will forfeit their allowance under the Agreement.

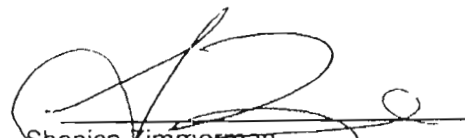
IT IS UNDERSTOOD THAT THIS SETTLEMENT IS NOT PRECEDENT SETTING.

*By virtue of this full and final settlement agreement, this document shall also serve as the union's official notification to management that it is withdrawing this case from arbitration. Additionally, both parties agree that this settlement is non-precedent setting nor is it intended to modify, change, alter any contractual language of the National Contract, ELM, or LMOU, and will not be cited by either party in any subsequent grievance, arbitration hearing or any other forum.*




---

Joe Shevlin  
President, APWU Red Bank Local



Shonica Zimmerman  
Labor Representative, USPS

12/1/11

<sup>1</sup> eRMS Leave Usage Log List Report ran for Tour 1 is attached for reference. Leave identified as AWOL, FMLA (Sick, etc), or iOWCP, is not applicable to the terms of this settlement.