

**MEMORANDUM OF UNDERSTANDING
BETWEEN THE
UNITED STATES POSTAL SERVICE
AND THE
NATIONAL RURAL LETTER CARRIERS' ASSOCIATION**

CARRIER PICKUP PROGRAM

The parties have agreed to pilot the Carrier Pickup Program on all rural routes in Post Office™ locations with My Post Office access. The pilot will begin on Monday, April 19, 2004, and continue for approximately three to four months.

Carrier Pickup allows a customer to conveniently request a pickup at their home or office through the Internet. This service is available for sending prepaid Priority Mail and Express Mail items. Pickup is provided by a carrier, the postal delivery day following the request, when delivering the customer's mail. When the customer's request is accepted, two forms will be generated indicating the specifics of the pickup and will then be used to confirm the pickup with the customer once completed and to close out the record in the database. Rural carriers involved in this test will be required to handle and complete the forms for each customer request.

During the pilot, the parties agree that rural carriers will receive the following compensation:

- Two minutes for the duties associated with each pickup request consisting of one or more items left by the customer in or around the mailbox.
- Three minutes for the duties associated with each pickup request consisting of one item left by the customer at a location requiring the carrier to dismount and walk (or drive from the mailbox) to retrieve the item, (i.e., at the customer's front door).
- Four minutes for the duties associated with each pickup request consisting of two or more items left by the customer at a location requiring the carrier to dismount and walk (or drive from the mailbox) to retrieve the items, (i.e., at the customer's front door).

Each occasion of carrier pickup and associated minutes of credit will be recorded and tracked by the carrier's supervisor/postmaster during the pilot. On or about July 23, 2004, Form 2847, *Rural Carrier Payment Authorization*, will be completed for each regular rural carrier involved in the pilot pursuant to the compensation instructions related to this Memorandum of Understanding (MOU). Payment will be made at the national average hourly rate for rural carriers. Leave replacements will be compensated each pay period during the pilot on Form 1314-A, *Auxiliary Rural Carrier Time Certificate*, using the appropriate time allowances above and related compensation instructions.

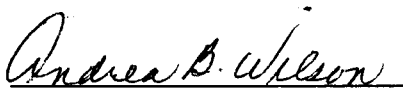
Generally, rural carriers will pickup the item(s) at the time delivery is completed to the customer on the carrier's regular line of travel. Under unusual circumstances, other

arrangements may be utilized. For example, a leave replacement may be required to perform the duties as auxiliary assistance or any carrier assigned to a regular route may deviate from the sequence of delivery or perform a second trip. Without prejudice to their position in other cases, the parties agree that if a rural carrier is authorized to deviate from the sequence of delivery, or perform a second trip to complete the pickup, the carrier will be authorized two minutes per mile and EMA for additional miles over 40 miles for the day.

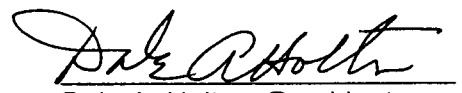
Rural carriers involved in the pilot will be provided instructions through one or more stand-up talks. Carriers receiving instructions will be compensated for the actual time involved, using Form 8127 or 1314-A, as appropriate.

The parties agree that the procedures and time allowances provided for in this MOU are for this pilot only. They do not reflect any agreement by the parties that the procedures and time allowances used in this pilot are appropriate when the program is fully implemented following the pilot. The parties have agreed that data will be recorded during the pilot and will be consolidated and presented to the NRLCA. It is expected that this data will help determine the impact the carrier pickup program will have on the rural carrier craft.

As data is received and analyzed, the parties will discuss time allowances when implementing the program. If the parties do not reach agreement on time allowances, the NRLCA may initiate a grievance at the national level within ten days upon conclusion of the discussions, pursuant to the provisions of Article 34. If the time allowances are not resolved and a grievance proceeds to arbitration, the Carrier Pickup Program may continue on rural routes and the time allowances provided during the pilot will be applied until disposition of the grievance.


Andrea B. Wilson, Manager
Contract Administration
(NRLCA/NPMHU)

Date: 4/8/04


Dale A. Holton, President
National Rural Letter Carriers'
Association

Date: 4/8/04