



February 14, 2011

Mr. Mark Strong
President
National League of Postmasters
of the United States
One Beltway Center
5904 Richmond Highway, Suite 500
Alexandria, VA 22303-1864

Dear Mr. Strong:

This correspondence will confirm our understanding regarding the impact of Delivery Unit Optimization (DUO) on Postmasters and station managers.

Postmasters and station managers whose EAS grade levels are reduced as a result of implementation of DUO will receive saved grade for two years and indefinite saved salary thereafter provided they adhere to the following:

- During the two-year saved grade period affected Postmasters and station managers downgraded as a result of DUO should apply for lateral reassignment to vacant duty assignments at their saved grade/level within their commuting areas.
- During the two-year saved grade period Postmasters and station managers downgraded as a result of DUO may be reassigned involuntarily to vacant assignments at their saved grade/level within their commuting areas. Salary protection for affected Postmasters and station managers who decline such involuntary reassignment will terminate at the beginning of the pay period following such refusal.
- If no lateral opportunity becomes available during the two-year saved grade period, affected Postmasters and station managers receive indefinite saved salary.
- These provisions apply only to Postmasters and station managers impacted by DUO.

Sincerely,

A handwritten signature in black ink, appearing to read "D. Tulino".

Doug A. Tulino