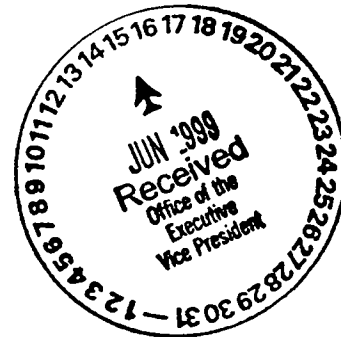




June 10, 1999

Mr. William Burrus
Executive Vice President
American Postal Workers
Union, AFL-CIO
1300 L Street, NW
Washington, DC 20005-4128



Dear Bill:

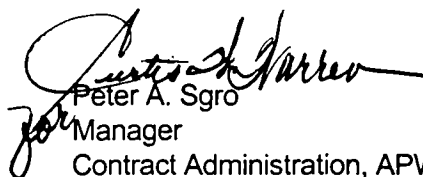
This letter is in response to your correspondence dated May 13, 1999 to Anthony J. Vegliante, Vice President, Labor Relations. In your correspondence, you questioned the issuance of payment demands to employees for fixed account shortages, even though the employees had initiated grievances contesting the action.

If the employees had filed timely grievances regarding their shortages and advanced those grievances through the grievance-arbitration procedure, collection of those debts should have been delayed until disposition of the grievances. However, if the employees failed to file timely grievances or have their grievances advanced through the grievance-arbitration procedure, collection of the debts should not be delayed.

If you have specific instances where grievances were timely filed on a fixed credit shortage and a demand was still issued for payment, please provide such documentation for review.

If there are any questions concerning this matter, please contact Curtis Warren of my staff at (202) 268-5359.

Sincerely,


Peter A. Sgro
Manager
Contract Administration, APWU



American Postal Workers Union, AFL-CIO

1300 L Street, NW, Washington, DC 20005

William Burrus
Executive Vice President
(202) 842-4246

May 13, 1999

Dear Tony:

The enclosed letter is being forwarded to employees who have been charged with a fixed account shortage even though the employees have initiated grievances contesting the charge. The contractual terms prohibit the collection of debts until disposition of a grievance, if filed.

National Executive Board
Moe Biller
President

William Burrus
Executive Vice President

Robert L. Tunstall
Secretary-Treasurer

Cliff Bell
Labor Relations Director

"Cliff" Guffey
Director, Clerk Division

James W. Lingberg
Director, Maintenance Division

Robert C. Pritchard
Director, MVS Division

This notice represents a demand for payment with the threat of legal action and is in contravention to the terms of the National Agreement and the Debt Collection Act.

This is to request that you review the policy supporting the initiation of this form and require compliance with the provisions of the Agreement. Please inform my office of your decision.

Thank you for your attention to this matter.

Regional Coordinators

Leo F. Persalls
Central Region

Jim Burke
Eastern Region

Elizabeth "Liz" Powell
Northeast Region

Terry Stapleton
Southern Region

Raydell R. Moore
Western Region

Sincerely,

William Burrus

Executive Vice President

Mr. Anthony J. Vegliante
Vice President
Labor Relations
475 L'Enfant Plaza, SW
Washington, DC 20260

WB:rb

United States Postal Service

Statement

Please send payments to:
 USPS DISBURSING OFFICER
 ACCOUNTING SERVICE CENTER
 2825 LONE OAK PKWY
 EAGAN MN 55121-9640

Please send any correspondence to:
 ATTN: RECEIVABLE SECTION
 ACCOUNTING SERVICE CENTER
 2825 LONE OAK PKWY
 EAGAN MN 55121-9612



To:

STATEMENT DATE:05-MAY-99

CUSTOMER NO

AMOUNT REMITTED _____

INVOICE NO	TRANSACTION DATE	TRANSACTION	DUE DATE	REFERENCE	TRANSACTION AMOUNT	AMOUNT DUE
	20-Apr-99	Invoice	20-May-99	PRO INVOICE:	304.67	304.67

NOTE: Inactive past due accounts are subject to collection agency and/or Internal Revenue Service referral. Any fees assessed by these agencies will be the responsibility of the debtor.

Current	1-30 Days	31-60 Days	61-90 Days	Over 90 Days	FINANCE CHARGES	TOTAL AMOUNT DUE
304.67	0.00	0.00	0.00	0.00	0.00 USD	304.67
		PAST DUE				

Past due items are subject to Finance CHARGE of .00% per month which is an ANNUAL RATE of .00%
 INITIAL INQUIRIES MUST BE MADE TO YOUR
 OFFICE OF EMPLOYMENT. FOR ADDITIONAL
 ASSISTANCE CALL (651) 681-1404.
 For proper credit please write customer number on your remittance. Mail your
 remittance and a copy of this statement to above Disbursing office address.