

MEMORANDUM OF UNDERSTANDING  
BETWEEN THE  
UNITED STATES POSTAL SERVICE  
AND THE  
AMERICAN POSTAL WORKERS UNION, AFL-CIO

Whereas, the United States Postal Service (herein called the Employer) and the American Postal Workers Union, AFL-CIO (herein called the Union) are parties to a collective bargaining agreement known as the 1984 National Agreement, entered into December 24, 1984; and

Whereas, the Union has provided, through the APWU Voluntary Benefits Program (APWU/VBP), individual insurance and benefits coverage for members of the Union who are employees of the Employer and has appointed as the agent for the Union the Bank of Boston - Connecticut, 81 West Main Street, Waterbury, Connecticut 06702 (Agent).

Now, in furtherance of the spirit of the 1984 National Agreement and for other good and valuable consideration and mutual promises, the Employer and the Union hereby agree as follows:

1. The Employer's obligations under this Memorandum of Understanding shall terminate

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- a. upon the Employer's receipt of written notice given by the Union, or
  - b. upon the Union's receipt of written notice given by the Employer, or
  - c. upon such date as the parties mutually agree to terminate this Memorandum of Understanding.
2. Eligible Employees may enroll in both the Travelers Auto Insurance Plan and APWU/VBP. Where an Employee is concurrently enrolled in the Travelers Automobile Insurance Plan and APWU/VBP, the priority of premium withholdings for APWU/VBP will be second to Travelers.
3. Each pay period the Union, through its Agent, shall furnish the Employer a magnetic tape in a prescribed format of Employees authorizing premium withholdings from earnings. The tape will also contain changes to the existing premium withholding amounts.

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4. The Employer shall notify the Agent of any Employees carrying insurance who terminate employment with the Employer or who, because of illness, vacations or other reasons, do not have sufficient earnings from which the proper premium amounts can be withheld.
5. The Union, through its Agent, shall notify the Employer as in 3 above, of insured Employees' cancellations of their written authorizations to deduct premiums.
6. For each pay period, the Employer shall remit to the Agent the premiums for all Employees enrolled for benefits. A magnetic tape and related print-out will be furnished to the Agent.
7. In consideration of the action of the Employer in making payroll deductions for Employees to be forwarded to the Agent pursuant to the provisions of paragraph 6 of this Memorandum of Understanding, the Union hereby agrees to indemnify and save the Employer free and harmless against any and all claims, demands, suits, losses, damages, costs, expenses, and attorneys' fees,

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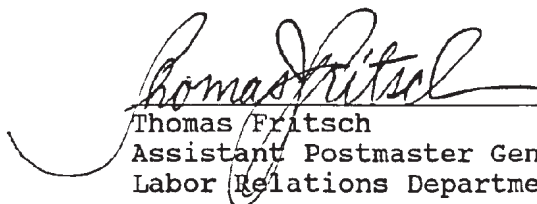
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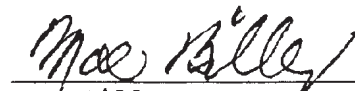
of whatever kind or nature, or any form of liability that shall arise out of, or by reason of, action taken or not taken by the Employer in reliance on any list, computer tape, notice, assignment or any other data furnished to them pursuant to this Memorandum of Understanding.

IN WITNESS WHEREOF, the parties have caused the Agreement to be executed at Washington, D.C., the 30<sup>th</sup> day of September, 1986.

FOR THE U.S. POSTAL SERVICE

FOR THE AMERICAN POSTAL  
WORKERS UNION, AFL-CIO

  
Thomas Fritsch  
Assistant Postmaster General  
Labor Relations Department

  
Moe Biller  
President