

**NTEU / FDIC  
Compensation  
Agreement  
( 2003 -  
2005 )**

**COMPENSATION AGREEMENT  
BETWEEN FDIC AND NTEU  
FOR THE YEARS 2003-2005**

**I. Effective Dates for Changes**

Unless otherwise noted, changes shall be effective the first full pay period in 2003. Unless otherwise noted, changes that are effective in 2004 and 2005 shall be implemented the first full pay period of each year, respectively.

**II. Annual Pay**

A. The EMPLOYER will continue the open salary ranges for Corporation Graded (CG) and Prevailing Rate (Wage) pay plans. Effective the first Pay Period of each year, the EMPLOYER will adjust the open range salary structures of CG and Wage pay plans as follows.

**B. Annual Pay Table (Structure) Adjustment  
Year 2003**

Effective 2003, the EMPLOYER will implement the new CG basic pay table (structure) identified below. In addition, the minimums and maximums of the Prevailing Rate (Wage) pay table (structure) will be increased by 3.0 percent. No automatic across-the-board increases will be paid as a result of these structure adjustments.

**2003 CG Basic Pay Table**

	<b>Minimum</b>	<b>Maximum</b>
CG-1	\$15,537	\$21,988
CG-2	\$17,680	\$25,022
CG-3	\$20,068	\$28,402
CG-4	\$22,784	\$32,245
CG-5	\$25,863	\$36,603
CG-6	\$29,362	\$41,555
CG-7	\$33,335	\$47,179
CG-8	\$37,846	\$53,563
CG-9	\$40,114	\$60,814
CG-10	\$45,545	\$69,047
CG-11	\$51,714	\$78,399
CG-12	\$58,721	\$89,022
CG-13	\$62,522	\$101,083
CG-14	\$70,996	\$114,784
CG-15	\$80,623	\$130,349

**Years 2004 and 2005**

Effective 2004 and 2005, the EMPLOYER will increase the minimums and maximums of the CG and Wage pay tables by 2.5 percent. No automatic across-the-board increases will be paid as a result of these adjustments.

C. **Annual Pay Adjustment**

**Year 2003**

Effective 2003, the EMPLOYER will provide an increase in basic pay of 3.2 percent for all employees who received a rating of "meets expectations" during the prior year's rating period. In addition, 2003 shall be a transition year for the Corporate Success Award, which is described below. For 2003, a basic pay adjustment of 1.2 percent shall also be made for all employees with a rating of "meets expectations" during the 2001-2002 rating period. This amount shall be included with the 2003 annual pay adjustment for a total adjustment of 4.4 percent in 2003, up to the maximum for the grade. (See, Section D.3, below, on lump sum payments.)

**Years 2004 and 2005**

Effective 2004 and in 2005, the EMPLOYER will provide an annual increase in basic pay of 3.2 percent for all employees who received a rating of "meets expectations" during the prior year's rating period, up to the maximum for the grade. (See, Section D.3, below, on lump sum payments.)

A Corporate Success Award (CSA) will be established which provides that an additional 3.0 percent increase be made in basic pay for those employees recognized as top contributors. The Chair man has sole discretion to set the percentage of bargaining unit employees who will be recognized as top contributors under the CSA program. However, the percentage of bargaining unit employees to receive the CSA shall be no less than 33 1/3 percent. These awards shall be made on an annual basis.

For example, if the Chairman sets the percentage of employees to receive the CSA in 2004 as 33 1/3 percent, then one-third of employees will receive a total adjustment of 6.2 percent (3.2 percent pay adjustment plus 3.0 percent CSA). Two-thirds of the employees will receive a total pay adjustment of 3.2 percent, so long as they are rated "meets expectations".

The EMPLOYER and the UNION will begin negotiations in January 2003 to establish the procedures for this Award program. If no agreement has been reached by March 1, 2003, the parties shall seek the assistance of FMCS and FSIP, as appropriate. The Union will cooperate and participate in the establishment of this Award program.

D. **Miscellaneous Pay Provisions**

1. Pay adjustments and CSA's for employees on a temporary promotion will be based on the basic pay received for the temporarily promoted grade.
2. No pay adjustments or CSA's will be paid to employees who receive a performance rating of "Does Not Meet Expectations," or who join the Corporation after the close of the rating period, except to bring basic pay to the minimum for the grade.

3. Pay adjustments and/or CSA's in excess of the salary grade maximum will be paid as 100 percent lump sum payments, including employees on "saved pay".

E. **Locality Pay**

The parties agree to continue locality pay and use it for the following benefits purposes: retirement, thrift/401(k), life insurance, premium pay, workers compensation, FDIC long-term disability, severance pay, availability pay, and lump sum for unused annual leave.

Pursuant to applicable law, for premium pay, employees exempt from the Fair Labor Standards Act (FLSA) will be capped at the GS adjusted hourly and biweekly maximum rates. The only exception will be employees located in Hawaii or Puerto Rico; these employees will be capped at the GS regular hourly/biweekly maximum rates (without locality). Any changes in locality pay will become effective at the same time as annual pay changes.

Updated pay comparability data issued by the U.S. Bureau of Labor Statistics (BLS) and implemented by the U.S. Office of Personnel Management, will be used in calculating FDIC "locality percentages", "locality adjustments" and "adjusted basic pay":

$$\text{Basic Pay} \times \text{Locality \%} = \text{Locality Adjustment}$$

$$\text{Basic Pay} + \text{Locality Adjustment} = \text{Adjusted Basic Pay}$$

The EMPLOYER will continue to pay those locality adjustments in place upon the effective date of this agreement, subject to the following:

1. The EMPLOYER will continue to use updated BLS data to compute the CG "target gap". Computation of the CG "target gap" will account for the difference between GS and CG locality pay levels.
2. For official duty stations with a locality gap, the EMPLOYER will close the remaining target gap computed for the years 2003-5 at the same rate as the General Schedule (GS) target gap for that locality pay area.
3. For locations at or above the CG target gap, if the CG target gap decreases in 2003, 2004 or 2005, the EMPLOYER will reduce its locality pay percentage by an equivalent percentage. For example, if the CG target gap decreases from 20 to 18 percent, the EMPLOYER will reduce the locality adjustment by 2 percent.
4. For locations where the CG locality pay percentage is higher than the CG target gap, the EMPLOYER will not increase locality pay until the CG target gap exceeds the current locality percentage.
5. If the Office of Personnel Management (OPM) implements significant changes to the locality pay program, other than changes in the rates, during this Agreement, either the EMPLOYER or the UNION may reopen negotiations to propose changes to the FDIC locality pay program.

**III. Pay Setting for Promotions**

- A. Employees who are at or below the maximum for their grade and who receive a promotion, will receive a 10 percent increase in basic pay or be placed at the minimum of the higher grade, whichever is greater.
- B. Employees on retained or “saved pay” will receive a promotion increase of at least 6 percent in basic pay above the maximum of the grade they are being promoted from, or their current basic pay, if greater.
- C. An employee temporarily promoted to a higher grade will have his/her pay set as described in subsection A or B, above. Upon permanent promotion to the same grade, basic pay will be set at the employee's temporarily promoted salary. Upon return to permanent grade, basic rate of pay will be set as follows:
  - 1. For an employee whose temporary promotion was for one year or more, basic pay will be set at the employee's temporarily promotion rate or the range maximum for the lower permanent grade, whichever is less.
  - 2. For an employee whose temporary promotion was less than one year, basic pay will be set at the rate received immediately prior to being temporarily promoted. As necessary, this rate will be adjusted to reflect any pay adjustment or CSA received while temporarily promoted. The same pay adjustment or CSA percentage received while temporarily promoted will be used to recompute the permanent basic rate of pay.
  - 3. A voluntary downgrade or change to lower grade may be requested by an employee. As a result of such action, basic pay will be set at the requesting employee's current rate or the grade maximum for the lower grade, whichever is less.

#### **IV. Rewards and Recognition Program**

##### **A. STAR Awards**

Effective 2003, the EMPLOYER will revise its STAR Award Program to eliminate the annual cap of \$500. In addition, the limit of one STAR award per quarter will also be eliminated. All other provisions of the STAR Awards Program will remain in effect.

##### **B. Service Awards**

Effective 2004, the EMPLOYER will initiate a new Service Recognition Award that will recognize total Federal service using gift certificates (or debit cards). Gift catalogues and mementos for Corporate service alone will be eliminated. All other provisions of the FDIC Service Recognition Awards will remain in effect.

##### **C. Other Award Programs**

The EMPLOYER will continue all other provisions of its existing Rewards and Recognition Program, consistent with this Agreement.

- D. All rewards and recognition will be granted and distributed in a fair and equitable manner.

## V. **Benefits**

### A. **FDIC Savings Plan**

The EMPLOYER will maintain current retirement programs, including the FDIC's Savings Plan. The EMPLOYER will continue to administer the FDIC Savings Plan and match employee contributions up to 5 percent of adjusted basic pay deferred into the Plan, to the extent allowed by law.

### B. **FDIC Short-Term Disability Insurance Program**

Effective 2003, the EMPLOYER will eliminate the EMPLOYER-paid short-term disability insurance. Individuals receiving benefits on December 31, 2002 will continue to receive the benefits until the termination date provided under the program in effect in 2002. Expenses for private short-term disability insurance premiums may be claimed for reimbursement under the life cycle account.

### C. **FDIC Flexible Cafeteria Benefits Plan (FDIC Choice)**

1. The EMPLOYER will continue to offer a Flexible Cafeteria Benefits Plan, FDIC Choice. The FDIC Choice benefits shall include the following:

a. Dental Insurance Options

- Standard,
- High (buy up),
- Low (buy down), or
- Waive coverage and receive Choice Credits

b. Vision Insurance Options

- Standard,
- High (buy up), or
- Waive coverage and receive Choice Credits

c. Life Insurance Options

- Basic, or
- Waive Basic and receive Choice Credits (if not enrolled in FEGLI or NTEU Universal Life Insurance)

d. Long-Term Disability (LTD) Insurance Options

- Standard (at 60%), or
- High (at 70%)

e. Flexible Spending Accounts (FSA)

- Health Care FSA up to an annual maximum of \$5000
- Dependent Care FSA up to the statutory maximum

2. **For 2003**, the EMPLOYER will continue to provide "Choice Credits".

- a. Employees may use these “credits” to “purchase” less expensive alternatives for one coverage (e.g. Low Option Dental) and receive a cash credit, which may be used to purchase alternatives (e.g. additional life insurance).
- b. Employees may purchase enhanced benefits using their own funds or receive a predetermined taxable cash payment in return for any “excess” credits.
- c. Employees enrolled in FEGLI or NTEU Universal Life Plan may elect the Existing FDIC Life Plan but will not receive any credits.
- d. Employees may “opt out” of all but the FDIC long-term disability program.
- e. Reduced credits will be provided to employees who opt out of a benefit, except as noted in paragraph (d) above.

3. **For 2004 and 2005**, the following changes will apply to the Flexible Cafeteria Benefit Plan:

- a. The EMPLOYER will pay 85% of the premium for dental and vision Standard and Low Option. For High Option, the EMPLOYER will pay an amount equal to 85 percent of the premium for Standard Option.
- b. The Lifetime limit for Class IV Dental Services (Orthodontics) for High Option Dental coverage will increase from \$1,500 to \$2,500, at the employee’s cost. Orthodontia services previously reimbursed or covered under the FDIC Choice Dental Plan shall be included in the new \$2,500 limit.
- c. Choice credits will no longer be available to employees who elect Low Option Dental coverage.

D. **FEHB Subsidy and Pre-Tax Deduction of Employee Premiums**

- 1. The EMPLOYER will continue to provide for the deduction of the employee portion of Federal Employee Health Benefits (FEHB) premiums on a pre-tax basis, to the extent permitted by law.
- 2. For the life of the Agreement, the EMPLOYER agrees to pay 85% of the total weighted average premium for all FEHBP plans as determined by OPM, but not to exceed 88.75% for any individual plan, for all eligible full-time and part-time employees enrolled in any FEHB plan.

E. **Other Benefits Programs**

- 1. **NTEU Universal Life Insurance Program:** In addition to the options of participating in either or both of the FEGLI or FDIC life insurance programs, each employee will have the option of participating in the NTEU Universal Life Insurance Program. Participants in the NTEU Universal Life Program who do not enroll in the FEGLI or FDIC programs will receive an equivalent EMPLOYER contribution to the NTEU Universal Life Program.

2. **Pre-Paid Legal Reimbursement:** The Pre-Paid Legal Reimbursement Program shall be eliminated as a program. Expenses for pre-paid legal plans may be claimed for reimbursement under the Life Cycle Account.
3. **Child Care:** Payments under the FDIC Child Care Program shall be eliminated. Expenses for child care may continue to be claimed for reimbursement under the Life Cycle Account.
4. **Life Cycle Account:** The EMPLOYER shall continue the EMPLOYER-funded Life Cycle Account to address work/life balance issues by providing reimbursements for expenses that are important to individuals at different life stages. The EMPLOYER will increase the annual funding for the Life Cycle Account to \$650 per employee.
  - a. All employees with appointments of more than one year are eligible to participate in this program. Employees with appointments of one year or less than one year are only eligible to participate in this program after completion of one year of service.
  - b. Employees may receive reimbursement of expenses for self and family members (as defined in the Corporate Leave Policy, including persons related by blood or affinity) for the following:
    - ?? Child care, physical exams, elder care, adoption, legal fees (including pre-paid legal plans), insurance premiums, and any unreimbursed medical expenses and equipment.
    - ?? Fitness/recreation: health club/sports facility expenses, fitness equipment.
  - c. Reimbursement will be made on a taxable basis once per year.
5. **FDIC Employee Assistance Program:** The EMPLOYER will continue to provide an EMPLOYER-paid employee assistance program.

## **VI. Effect of General Travel Regulations**

- A. **Introduction:** The parties agree that any provisions of the existing General Travel Regulations (GTR's) are superseded by this agreement to the extent they may be in conflict. All changes in Section VI shall be effective on January 1, 2003, unless otherwise noted.
- B. **Changes to Regular Duty Travel Program**
  1. **Frequent Flyer Miles and Travel Points:** The EMPLOYER will permit employees to earn frequent flyer miles, travel points, or other similar benefits related to travel on official business and to use such miles or points for personal use. The Travel Savings Award Program is discontinued.
  2. **Taxable Stay-outs:**
    - a. The current stay-out rules shall be amended to allow a taxable stay-out under the following conditions. An employee may lodge and claim per diem on a taxable basis when the temporary assignment is within the 30 air mile circle around the employee's residence, if the temporary assignment is both:

- ?? More than 1 ½ hours normal and reasonable travel time from the employee's residence, and
  - ?? More than 15 air miles from the employee's Official Station.
  - b. Any claim for lodging and per diem on a taxable stay-out shall be paid at 135% of the combined actual allowed or approved lodging expense and applicable per diem rate. This 135% payment is being done for the safety of examiners, and will not have any precedent for any other taxable travel payment, now or in the future.
3. **Travel Time:** The EMPLOYER will make the following changes in the rules and procedures regarding the use of official time for travel to and from temporary assignments:
- a. For uncompensated travel (i.e., where overtime and premium pay are not provided) on intervening weekends, employees will use up to 90 minutes of personal time for travel each way, to and from the assignment. The EMPLOYER will allow, with appropriate supervisory approval, any and all additional normal and reasonable remaining time spent in such travel to occur on duty time.
  - b. For travel on non-workdays to attend required training and meetings/official business of one week or less in duration, insofar as practicable, travel during non-duty hours shall not be required of an employee. When it is essential that travel on non-duty hours be required and the employee may not be paid overtime, the official concerned shall record the reasons for ordering travel at those hours and shall, upon request, furnish a copy of his/her statement to the employee concerned. Furthermore, to avoid having an employee travel outside his/her duty hours, an employee may shift from a compressed work schedule to a regular work schedule for the pay period(s) in which travel will occur if this provides greater latitude for the proper scheduling of travel.
4. **Frequent Traveler Lodging Stipend (FTLS) Program:** Effective the first pay period of 2004, the EMPLOYER will allow those employees, including examiners covered by the "transition rule," who never had the eligibility option to elect the FTLS Program, on a one-time basis, to enter the FTLS Program at a time and in a manner established by the FDIC after soliciting input from the NTEU. Employees who previously received an adjustment to pay under provisions VI.B.3.b and VI.B.3.e of the 2000-2002 Compensation Agreement may choose to enter the FTLS Program provided they agree to have their basic pay reduced by an amount equal to 113 percent of the prior pay adjustment. This adjustment will occur in the first full pay period of 2004 and will be made before any annual pay adjustment effective 2004. Examiners covered by the transition rule who elect to enter the FTLS Program will not be permitted to accrue nights for any assignment that is 15 air miles or fewer from the official station. In accordance with the existing rules of the FTLS Program, examiners who enter the FTLS Program under the terms of this 2003-2005 Agreement will be eligible to receive the stipend for every eligible night in regular duty travel status in excess of fifty (50) nights per calendar year beginning with travel on or after January 1, 2004.
5. **National Travel Agency:** Employees must use FDIC's national travel agency to book all transportation, lodging, and rental cars. Employees will not be required to stay at a specific hotel where other reasonable options are available, consistent with current FDIC guidelines and restrictions. An NTEU representative will be allowed to participate in quarterly feedback meetings or videoconferences.

6. **Family and Friends:** The EMPLOYER will continue to extend the \$25 reimbursement for lodging with family and friends to all eligible FDIC employees, who do not incur lodging costs while in travel status. The transportation expenses to and from the family and friends lodging, plus the \$25, shall not increase the cost to the FDIC above what it would have been to lodge at the temporary assignment location.

C. **Changes to Relocation Program**

1. **Miscellaneous Expense Allowance:** For Official Notification of Relocations dated on or after January 1, 2003, the EMPLOYER will decrease the Miscellaneous Expense Allowance for Group 1 and Group 2 relocating employees to six percent (6%) of base pay at the location of the new official station. Group 3 relocating employees' Miscellaneous Expense Allowance will be decreased to 2 percent of base pay at the location of the new official station.

2. **Relocation Lump Sum:** For Official Notification of Relocations with an effective date on or after January 1, 2003, the EMPLOYER will implement the Lump Sum Program as the core policy and will discontinue the Traditional Relocation Reimbursement Program. The EMPLOYER will continue to pay other benefits of the relocation program (Home Purchase Program, Household Goods, Car Shipment) as appropriate.

3. **Modify the Relocation House-hunting Policy:** The house-hunting policy shall be changed to include "employee plus one," no longer specifying employee and spouse as defined by the IRS.

4. **Establish Different Relocation Allowances for Renters and Homeowners :** For Official Notification of Relocations dated on or after January 1, 2003, the EMPLOYER agrees to make the following changes:

a. For Homeowners:

?? Temporary living days will remain at 51 days.

?? The number of house-hunting days will be increased to 9 days.

b. For Renters:

?? Authorized number of temporary living days will be decreased to 30 days.

?? The number of house-hunting days will remain at 5 days for renters.

?? Renters will not be eligible for reimbursement of home purchase expenses incurred at the new official location.

5. **Length of Time Allowed for Completing Relocations :** For Official Notification of Relocations dated on or after January 1, 2003, the EMPLOYER will reduce the authorized time for completing relocations from two years to one year.

6. **Modify the Home Purchase Program and Real Estate Sales:** For Official Notification of Relocations dated on or after January 1, 2003, the EMPLOYER agrees to the following changes:

a. Eliminate the Gross-Up Process for Sales that Close Outside the Home Purchase Program as follows:

- ?? The EMPLOYER will not pay any gross-up costs for sales that close outside the Home Purchase Program. (The EMPLOYER has implemented an Amended Value Program which should eliminate a tax liability for sales that close through the Home Purchase Program when following proper procedures.)
- ?? If an employee closes a sale outside this program, tax liability is created and would be the employee's sole responsibility, except when an employee-owned home is ineligible for the Home Purchase Program; for example, synthetic stucco homes.
- ?? The EMPLOYER will gross-up the applicable closing costs for an employee-owned home that is ineligible for the Home Purchase Program.

b. Eliminate the Incentive Bonus for the Home Purchase Program:

The EMPLOYER will discontinue the incentive bonus for the Home Purchase Program.

c. Provide Direct Reimbursement of Purchase for Residence: The EMPLOYER will provide for direct reimbursement of the employee's share of the closing costs associated with the purchase of a home when the FDIC's third party contractor pays all reimbursable closing costs on behalf of the employee obtaining the mortgage through the contractor. The contractor will subsequently bill the EMPLOYER.

## **VII. Public Transit Subsidy**

The EMPLOYER agrees to reimburse employees for costs of using public transportation for home-to-work travel through a Public Transit Subsidy Program. Employees will be reimbursed for actual costs each month in accordance with the Program, up to the Internal Revenue Service tax-free limit.

## **VIII. Professional Licenses**

Effective January 1, 2003, the EMPLOYER agrees to increase the reimbursement to employees for the cost of maintaining any professional license up to \$250 per year, where such license is required by the employee to qualify for and/or perform his/her position.

## **IX. Communications**

- A. In materials publicizing salary and benefits, the EMPLOYER agrees to note that any items provided by or referenced in this Agreement were the product of the negotiated agreement with NTEU. Copies of these materials will be provided to NTEU prior to distribution.
- B. Prior to the implementation of any significant changes related to this Agreement, the EMPLOYER agrees to publicize the changes. This may be accomplished in a variety of ways such as global e-mails, information on the FDICnet, brochures available at the work site and/or mailings to home addresses.
- C. The EMPLOYER agrees to grant reasonable official time for NTEU representatives to prepare and participate in-group and/or joint meetings conducted in connection with changes set forth in this Agreement. At each such meeting, the NTEU representative will be given at least twenty (20) minutes to discuss these benefits and other terms of this Agreement.

- D. A copy of this agreement will be distributed by the EMPLOYER to each employee.

**X. Resolution of Disputes**

- A. Any disputes over the application or interpretation of this Agreement may be grieved through an employee's collective bargaining agreement covering his or her unit. However, the parties will use the following process when they wish to file a national level grievance over an alleged violation of this Agreement.
- B. The moving party must file the national grievance within twenty (20) working days after the occurrence of the act which gave rise to the national grievance or twenty (20) working days after they became aware of the action which gave rise to the national grievance. The UNION shall submit national grievances to:

Assistant Director of Personnel  
HR Strategy and Labor Relations Section  
Federal Deposit Insurance Corporation  
550 17<sup>th</sup> Street, N.W., Room PA1730-5018  
Washington, D.C. 20429

The EMPLOYER shall submit national grievances to:

National President  
National Treasury Employees Union  
901 "E" Street, N.W., Suite 600  
Washington, D.C. 20004

- C. Each grievance filed pursuant to this provision must: include an account of the incident giving rise to the grievance; reference the appropriate contractual provision, law, rule, regulation or policy alleged to have been violated; and, include a statement of the remedy sought. A grievance will not be disposed of solely because of an incorrect citation.
- D. Upon receipt of the grievance, the parties' representatives (no more than three (3) representatives for each party unless mutually agreed otherwise) shall meet within ten (10) working days to discuss the grievance. A written decision will be provided to the moving party within ten (10) working days after the meeting. If the moving party is not satisfied with the decision, it may appeal the decision to arbitration, such appeal to be made within twenty-one (21) calendar days after receipt of the written decision.
- E. Thereafter, if the parties cannot mutually agree on an arbitrator to hear the issue, the moving party shall request a list of seven (7) arbitrators from the Federal Mediation and Conciliation Service (FMCS). Absent mutual agreement on one (1) of the listed arbitrators, the parties shall alternately strike one (1) name at a time from the FMCS list until one (1) name remains. A coin flip will determine which party strikes first. The one (1) name remaining after the alternate strike process shall be the designated arbitrator to hear the national issue.
- F. The parties will agree on a mutual date, time and location for the hearing. The EMPLOYER will pay associated travel and per diem expenses of any bargaining unit employees participating in the

grievance and/or arbitration proceeding as representatives, technical advisors, or witnesses, and approved by the arbitrator.

- G. If a party who has referred a grievance to arbitration does not actively pursue the grievance for a period of four (4) months, the other party may thereafter provide written notice of at least sixty (60) days of its intent to declare the grievance null and void. If no arbitration hearing has been held during the notice period, then the case will be considered closed. The parties agree to cooperate on the scheduling of arbitration hearings within any such notice period.

**XI. Miscellaneous Provision**

This Agreement will remain in effect until December 31, 2005. Between February 1, 2005, and February 28, 2005, either party may reopen this Agreement. Ground rules are to be submitted within two weeks of either side reopening this Agreement.

**XII. Right to Negotiate**

The UNION reserve the right to bargain over any issue related to salaries, benefits or other compensation or travel-related matters not expressly and specifically included under the terms of this agreement, or otherwise waived during the course of bargaining.

**XIII. Agency Head Review**

The head of the Agency reserves the right, pursuant to Section 7114 (c) of the Statute, to disapprove the agreement in whole or in part. Should the head of the Agency disapprove the entire contract, the Union may elect to reopen the entire agreement or portions thereof. Should the head of the Agency disapprove, or declare invalid a discrete provision(s) of the agreement, at the option of the UNION, the parties will 1) implement those portions of the Agreement which were not disapproved, or 2) reopen and/or renegotiate the Agreement as a whole or the specific provisions which were disapproved.

FOR THE FEDERAL DEPOSIT  
INSURANCE CORPORATION:

FOR THE NATIONAL  
TREASURY EMPLOYEES UNION:

\_\_\_\_\_/s/\_\_\_\_\_  
John F. Bovenzi  
Deputy to the Chairman and  
Chief Operating Officer

\_\_\_\_\_/s/\_\_\_\_\_  
Colleen M. Kelley  
National President

\_\_\_\_\_/12/3/02\_\_\_\_\_  
Date

\_\_\_\_\_/12/3/02\_\_\_\_\_  
Date

James Baird, Chief Negotiator  
Lois B. Cheney, DOA  
Russell J. Cherry, DOF  
Kevin J. Glueckert, DSC  
David C. Harrington, DOA  
James R. Lawrence, Legal

Frank D. Ferris, National V.P. and  
Bargaining Team Chair  
Stephen J. Keller, Chief  
Spokesperson  
Elizabeth A. Coll, Chapter 207  
Dawn M. Sleva, Chapter 242

Joyce Yamasaki, DOA

William J. Day, Jr., Chapter 244

Randy White, Chapter 260

Robert A. Hoshaw, Chapter 274

Robert B. Packard, Chapter 276

Gerald B. McAteer, Chapter 277

APPROVED at Washington, D.C. this \_\_\_\_\_ of December, 2002.

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Donald E. Powell, Chairman  
Federal Deposit Insurance  
Corporation