

SETTLEMENT AGREEMENT

The Defense Logistics Agency (Agency) and the American Federation of Government Employees Council 169 (Union), without admission of any fact in dispute between them and solely to amicably resolve the Union's Request for Arbitration in relation to Arbitration Case No. 040513-54629-3, Denial Of Official Time under Article 3, Sections 3 of the October 2003 Master Labor Agreement (MLA), without further arbitration or litigation, freely agree and stipulate as follows:

1. The parties agree and understand that the Agency does not pay for Lobbying Congress on pending or desired legislation to include the use of official time. But for training purposes only, the parties agree to the following:

a. Article 42, Section 1 of the MLA is amended to read: "The Annual AFGE Legislative Conference is considered to be training for purposes of this Section, except for those portions of the conference that involve lobbying Congress on pending legislation or specific bills the AFGE is seeking to have a Representative or Senator introduce. A reasonable amount of official time to attend the Annual Legislative Conference will be granted to up to 18 union representatives. Requests to attend the Annual AFGE Legislative Conference will be consolidated by the Council 169 Executive Board and forwarded to the Staff Director for Labor and Employee Relations, DLA Headquarters, J-13 at least 30 days prior to the conference.

b. The Agency agrees to convert to official time any annual leave charged to DLA employees who (1) requested official time for the 2004 and/or 2005 Annual Legislative Conferences and (2) attended one or both conferences, provided such time is consistent with Article 42, Section 1, as amended.

2. The parties agree that this Agreement does not constitute an admission of guilt, fault, wrongdoing, or violation of any law, rule or regulation by either party.

3. There are no terms or conditions other than those specified herein. This Agreement is intended to settle all issues concerning the Union's Request for Arbitration in relation to Arbitration Case No. 040513-54629-3 pertaining to the Denial of Official Time under Article 3, Sections 3 of the MLA.

6. This represents the full and complete Agreement of the parties effective as of June , 2005. In agreement thereto, the parties affix their signatures.

DATE: 6-28-05

[Signature] (UNION)

DATE: 6-28-05

[Signature] (AGENCY)