

**IN THE MATTER OF THE ARBITRATION BETWEEN THE NATIONAL
TREASURY EMPLOYEES UNION, CHAPTER 164 AND U.S. CUSTOMS AND
BORDER PROTECTION**

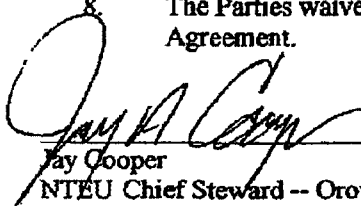
SETTLEMENT AGREEMENT

It is hereby agreed by U.S. Customs and Border Protection ("CBP" or the "Agency"), and the National Treasury Employees Union ("NTEU" or the "Union"), (collectively, "The Parties"), that this Settlement Agreement ("Agreement") constitutes the full and final resolution and settlement of all issues related to the Union's invocation of arbitration on January 5, 2011 regarding the Agency's alleged failure to notify NTEU of an operational or administrative procedural change in scheduling Regular Days Off ("RDO") and deviation from past practice by unilaterally changing RDO predicable rotation. The Parties, without admission of any fact in dispute between them and solely to amicably resolve this matter without further litigation, freely and voluntarily agree and stipulate as follows:

1. The Agency hereby agrees as follows:
 - a) to adhere to Article 34 of the National Collective Bargaining Agreement between the Parties when creating work schedules for bargaining unit employees;
 - b) to provide NTEU representatives and bargaining unit employees within the Area Port of Oroville with scheduling templates in use at the Ports of Oroville, Danville, and Frontier;
 - c) to provide NTEU representatives with an explanation of how bargaining unit employees will move through the scheduling template, with the expectation that, normally, an officer, once awarded a starting line on the scheduling template within their assigned shift, will move down one line on that template each pay period; the employee on the last line will move to the top. The schedule will normally rotate in this manner to allow officers to predict their RDOs for the Bid and Rotation period; and
 - d) to provide notice, as required in Article 34 of the national agreement, if changes to schedules will be made.

2. In consideration of the Agency's agreement to the paragraph, above, NTEU agrees as follows:
 - a) to withdraw, with prejudice, the above referenced grievance and arbitration invocation and any complaint thereto related to any facts arising from this matter;
 - b) to refrain from instituting any further complaint, grievance, challenge, or appeal, whether judicial or administrative, against the Agency or any of its officers or employees, in their personal or official capacity, concerning any of the facts or circumstances giving rise to the above-referenced grievance and arbitration invocation noted above.

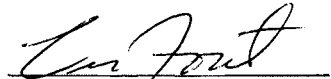
- 3. The Parties understand and agree that this Agreement is for their mutual benefit and will not establish any precedent, nor will this Agreement be used as a basis for any other person or group to seek or justify similar terms in any other case.
- 4. The arbitrator fee and cancellation fee, if any, incurred with respect to the arbitration of this matter, shall be shared equally by the Agency and the NTEU. All other costs arising from, or associated with, The Parties' preparations for the arbitration, including but not limited to attorney fees, are the responsibility of the party incurring the cost.
- 5. The terms of this Agreement constitute the sole consideration for this compromise and settlement. The Parties agree that there is sufficient consideration supporting this Agreement.
- 6. Facsimile copies of this Agreement may be executed for the convenience of The Parties, and each signature page shall be deemed to be a part of the original instrument. This Agreement shall be effective on the date it is signed by The Parties.
- 7. This Agreement constitutes a complete understanding between NTEU and CBP. No other promises or agreements shall be binding unless signed by The Parties.
- 8. The Parties waive any right to challenge or contest the validity of this Agreement.


 Jay Cooper
 NTEU Chief Steward -- Oroville

5/18/2011
 Date


 Dianna L. Anderson
 Assistant Counsel NTEU

5/18/2011
 Date


 Vernon Foret
 Executive Director, Operations (Acting)
 U.S. Customs and Border Protection
 Washington, D.C.

5/18/11
 Date