

SUPPLEMENTAL SETTLEMENT AGREEMENT

This Supplemental Settlement Agreement (hereinafter "Agreement") is made by and among the Defense Contract Management Agency ("DCMA"), Defense Logistics Agency ("DLA") and the American Federation of Government Employees (AFGE) Locals identified below, in consideration of the mutual promises and representations contained herein in regard to the Fair Labor Standards Act (FLSA) grievances regarding claims for FLSA overtime compensation and classification. This Agreement pertains to FLSA grievances filed by the following AFGE Locals representing DCMA employees (hereinafter AFGE DCMA Locals):

AFGE Local 2136 (San Diego)
AFGE Local 2433 (Los Angeles)
AFGE Local 2144 (Milwaukee)
AFGE Local 3973 (Tucson)
AFGE Local 2265 (Minnesota)
AFGE Local 3540 (Colorado)
AFGE Local 2723 (San Francisco)
AFGE Local 1711 (St. Louis)
AFGE Local 2121 (Chicago and Indianapolis)
AFGE Local 2846 (Phoenix)
AFGE Local 2429 (L.A. Basin).

This Agreement also pertains to an FLSA grievance filed by AFGE Local 62 (Philadelphia), representing DLA employees (hereinafter "Local 62").

With respect to the above-referenced AFGE Locals, this Agreement resolves the issues identified in Paragraph 5 of the parties' July 14, 1999 Settlement Agreement and to resolve the grievances that were previously subsumed into the July 14, 1999 Settlement Agreement.

A. DCMA and the above-referenced AFGE DCMA Locals agree as follows:

1. The following positions within DCMA shall be retroactively reclassified from FLSA Exempt to FLSA Non-Exempt effective the first pay period of January 2004: GS-343-11; GS-1103-11; GS-1150-11; GS-2210-11; GS-1101-11; GS-1102-11; GS-1910-11.

2. The following positions within DCMA shall remain FLSA Exempt in the future: GS-1103-12; GS-1150-12.

3. No additional FLSA back wages will be paid for periods prior to the effective date in paragraph A(1), above as a result of this Agreement.

B. DLA and AFGE Local 62 agree as follows:

1. The following positions within DLA shall be reclassified from FLSA Exempt to FLSA Non-Exempt effective no later than the first pay period of April 2004: GS-343-11; GS-1150-11; GS-1101-11; GS-1102-11; GS-1910-11; GS-2010-11; and GS-2210-11.

2. The following position within DLA shall remain FLSA Exempt in the future: GS-1150-12.

3. No additional FLSA back wages will be paid as a result of this Agreement.

C. Attorneys' Fees

1. DCMA and DLA jointly agree to pay \$117,000 as reimbursement of attorneys' fees incurred to date by the unions in pursuing the above-referenced FLSA grievances. The \$117,000 in attorneys' fees shall be forwarded to the unions' counsel, Woodley & McGillivray, at Suite 400, 1125 15th St., N.W., Washington, D.C. 20005 by electronic funds transfer or by a single check made payable to Woodley & McGillivray no later than March 31, 2004.

D. Additional Terms

1. In the unlikely event that there is a dispute over the terms set forth in this Agreement, the parties agree to select an arbitrator to resolve any such disputes. The arbitrator shall be selected by requesting a list of five (5) arbitrators from the FMCS, and alternately striking names until a single arbitrator is selected.

2. The parties agree that they have full authority to enter this Agreement and to make the promises, obligations and considerations contained herein. The parties may sign this Agreement in counterpart.

For DCMA:

Carolyn J. Perry
Senior Associate General Counsel
Defense Contract Management Agency

Date: _____

James T. Abbott
Senior Associate District Counsel
Defense Contract Management
Agency West

Date: _____

For DLA:

Walter Thomas
Associate General Counsel
Defense Logistics Agency

Date: _____

Judith Robbins
Associate Counsel
Defense Supply Center Philadelphia

Date: _____

Michael Dean, Local 1711

Date: _____

Tom Maahs, Local 2121

Date: _____

Lucia Weiss, Local 2136

Date: _____

Maribeth Witkowski, Local 2144

Date: _____

Wayde Howard, Local 2265

Date: _____

Jennifer Grigsby, Local 2429

Date: _____

Virginia Hemingway, Local 2433

Date: _____

Jack Meiss, Local 2723

Date: _____

Rose Hardt, Local 2846

Date: _____

Joe Gabardi, Local 3540

Date: _____

Richard Hillman, Local 3973

Date: _____

Brunson Edwards, Local 62

Date: _____