

**Re: Case # 041006-00114-7
NFFE Local 1998, Federal District 1, IAMAW and
U.S. Department of State, Passport Services**

SETTLEMENT AGREEMENT

This Settlement Agreement is entered into by and between the United States Department of State, Passport Services (“Agency”) and the National Federation of Federal Employees, Local 1998 (“Union”), collectively referred to as the “Parties.” On July 25, 2003, the Union filed a Grievance between the Parties with the Agency regarding changes made to the September 5, 2001 Seattle Work Schedule Agreement concerning three of the eight compressed work schedules and other work schedules at the Seattle Passport Agency. Since the filing of the grievance, the Parties have engaged in three days of arbitration; an additional three days of arbitration have been scheduled. The Parties now wish to fully and finally resolve this grievance, without the need for further litigation and to guide their future conduct regarding alternate work schedules in an amicable and mutually satisfactory manner.

Now Therefore, the Parties Mutually Agree as Follows:

1. The Agency will honor the November 17, 2004 Seattle Work Schedule Agreement (attached), including the 6:45 AM arrival times, that was negotiated between the Seattle Passport Agency Management and the Union.
2. The Agency agrees to pay the costs of the arbitration in the above-captioned grievance. The costs of this arbitration will be attributed to the 12-month period that ended on July 3, 2004, for purposes of Article 22, section 4 of the Agreement between Passport Services and NFFE Local 1998 dated July 3, 2001.
3. The Agency reaffirms that, unless there is a future agreement between the Agency and the Union on the subject at the national level, any future proposals to change the compressed work schedules of bargaining unit employees at the Seattle Passport Agency will be made and implemented in accordance with the applicable provisions of the Agreement between Passport Services and NFFE Local 1998 dated July 3, 2001, the November 17, 2004 Seattle Work Schedule Agreement, the Work Schedules Act of 1982 (5 U.S.C. §§ 6120 – 6133), and relevant decisions of the Federal Labor Relations Authority. The Agency acknowledges that it did not appeal the ruling of the FLRA in 60 FLRA No. 34, which states in part:

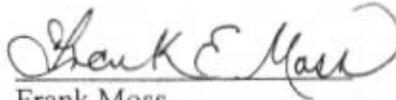
In this case, the parties bargained and entered into a collective bargaining agreement providing for the use of a compressed work schedule and establishing several different compressed work schedules. The Agency terminated three of the eight schedules, which prompted the Union to submit its proposals seeking either to retain all of the existing schedules or negotiate several alternatives.

4. The Union will withdraw the above-captioned grievance.

Executed this 29th day of November, 2004.



Colin Patrick Walle
Union President
IAMAW FD1 NFFE FL 1998



Frank Moss
Deputy Assistant Secretary for Passport Services
U.S. Department of State



Rob Arnold
Union Vice President – Seattle
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