2017-2019 COMPENSATION AGREEMENT

I. EFFECTIVE DATE FOR CHANGES

Unless otherwise noted, changes shall be effective in pay period 1 in 2017. Unless otherwise noted, changes that are indicated to be made in subsequent years shall become effective in the first full pay period of the specified year.

II. ANNUAL PAY

A. Annual Structure Adjustment

1. Adjustments to the Corporate Grade (CG) basic pay minimums and basic pay maximums continue to be linked to the Federal General Schedule (GS) pay scale. Effective January 8 of 2017, the EMPLOYER will increase the CG basic pay maximums by 1.75%. In years 2018 and 2019, the CG basic pay maximums will increase at least 1.0% or by the increase to the GS rate, whichever is higher.

2. Adjustments to the Wage Grade (WG) basic pay minimums and basic pay maximums will be linked to the Federal General Schedule (GS) pay scale. Effective January 8 of 2017, the EMPLOYER will increase the WG basic pay maximums by 1.75%. In years 2018 and 2019, the WG basic pay maximums will increase at least 1.0% or by the increase to the GS rate, whichever is higher.

3. The EMPLOYER will delete the Printer (XP) wage schedules and move all XP employees into the corresponding WG hourly schedule effective pay period 1 in 2017. If the maximum wage of the corresponding WG hourly schedule is lower than the XP maximum wage scale, the employee will be placed in retained grade status until their WG maximum meets or exceeds their former XP wage scale maximum.

B. Annual Base Pay Adjustment

The Agreement reached by the parties on the Performance Management and Recognition (PMR) program shall remain in effect, and it shall continue to be posted on the FDIC intranet. Any negotiated revisions in that program shall be similarly posted on the FDIC intranet. Portions of that Agreement are excerpted below.

1. All employees (except as provided under subsection 4, below) shall receive total compensation payouts based upon which of the five groups they are assigned

for the prior year's performance assessment conducted pursuant to the terms of the Memorandum of Understanding on the PMR Program (January 23, 2009). Such assessments shall be completed in a fair, objective and equitable manner. Pay adjustments will be provided to each employee as follows:

Group	Shares to Basic Pay
V	6 shares
IV	5 shares
III	4 shares
II	0 shares
I	0 shares

Any pay in excess of the salary grade maximum will be paid as 100 percent lump sum payment, including employees on "saved pay." The applicable locality rate will be applied to any over salary range maximum lump sum payment.

2. Pay pools will be established, and funding for share-based increases for each pool will be set at 3.4% of the basic pay of the employees in that pool. The value of each share (expressed as a percentage of salary) will be determined by dividing the 3.4% funding by the number of shares earned by employees in that pool.

3. Total Budget: The total budget amount allocated for each pay pool in 2017, 2018, and 2019, for the pay out, described above, shall be 3.4% of basic pay. This amount is added to basic pay according to the value of each share in the appropriate pay pool.

4. Financial Institution Specialist (FIS): Those employees in the Corporate Employee Program, working as a FIS, shall receive pay raises on their anniversary date during 2017, 2018, and 2019 of 3.4%, provided their most recent PMR rating was a "pass" under the CEP PMR system. The current agreements on their career progression, and bonus at the completion of three years, will otherwise remain the same.

5. Data: Within a reasonable time after the completion of pay determinations, the EMPLOYER will provide the UNION with an electronic file identifying employee placement in each of the various pay groups that will provide the following fields: division/office, position title, pay plan, job series, grade, region, duty station, gender, race/national origin, age (DOB), average job standards rating and rating on each of the four behavioral standards; if there is some technical reason why the data cannot be provided in an electronic file, then the parties shall discuss in what form the information will be provided.

6. Grievances: Any grievance concerning matters covered by the PMR program will be filed under the collective bargaining agreement. The regular grievance procedures of that agreement will apply, except that the grievance will be filed

at the Step Two level. The time period for filing a grievance does not begin to run until the UNION has been provided with all information identified in subsection 5, above.

7. PMR Program: The PMR Design Team (DT) shall continue to use its consensus-based approach to discuss, review and/or negotiate (as appropriate) changes to the PMR program. The DT shall work to help improve the PMR program by meeting and discussing at least the following items:

- The impact of the behavioral standards component on the overall rating;
- Simplifying the system, including a reduction in the number of performance levels:

8. Pay Pools: The pay pools shall be defined as the bargaining unit employees in each of the following groups.

Small Offices Consolidated
Corporate University
Division of Administration
DCP and RMS - Atlanta Region
DCP and RMS - Chicago Region
DCP and RMS - Dallas Region
DCP and RMS - Kansas City Region
DCP and RMS - New York Region
DCP and RMS - San Francisco Region
DCP - Washington, DC Headquarters
Division of Finance
Chief Information Officer Organization, including the Division of Information Technology and the Information Security and Privacy Staff
Division of Insurance and Research
Division of Resolutions and Receivership (DRR) - Dallas Region
DRR - Washington, DC Headquarters
RMS - Washington, DC Headquarters
Legal Division
Office of Complex Financial Institutions

C. Locality Pay

1. Overview

a. The parties agree to continue a locality pay program as an adjustment to basic pay called the Locality Pay Index (LPI). Cost of labor differences will be the foundation for the locality pay system, but adjustments to the cost of labor index will then be made, as described below, for localities where cost of living differences are significantly greater than cost of labor differences.

b. The Locality Rates for 2017, and the 2016 to 2017 increases, for each location are contained in Attachment A.

c. The methodology used to calculate these new locality pay rates for all years of this agreement is described in subsection 2, below. The funding to be applied to this methodology for those years will be 0.6%, with a cap on any location of 1.3% for each year.

2. Methodology for Calculating Locality Pay Rates: The FDIC will use the methodology set forth below to update annually the LPI used to determine locality pay adjustments for all FDIC locations (all calculations will be made to the nearest four decimal places).

a. Using data from the National Compensation Survey ("NCS") published annually by the Bureau of Labor Statistics on the target gap for the Federal Government's " Rest of U.S." ("RUS") locality pay area, calculate a three-year average NCS RUS target gap from the official published results for the three most recent NCS annual surveys available (for 2010, the surveys covering the GS locality pay for 2009-2011). Determine the percentage change between this new three-year average NCS RUS target gap and the three-year average NCS RUS target gap from the three NCS annual surveys last used as the basis for calculating the FDIC's LPI, using the following formula (to update the LPI for 2010, use the three-year average NCS RUS target gap from the official published results from the 2005 through 2007 NS surveys):

(1 + most recent three-year average NCS RUS target gap) ÷ (1 + 2005-2007 average NCS RUS target gap) =
Percentage Change from Previous Three-Year Average NCS RUS Target Gap

2010 EXAMPLE (using 2009-2011 NCS data):

$1.2277 \div 1.1641 = 1.0546$

b. Multiply the current FDIC RUS target gap (for 2010, use the 3.0 percent target gap previously established by the FDIC and NTEU as the basis for calculating the FDIC's 2007- 2009 LPI) by the percentage calculated in a., above, to determine a new three-year average FDIC RUS target gap to be used as the basis for the annual LPI update, using the following formula:

Quotient from Step a. × (1 + current FDIC RUS target gap)= New FDIC RUS Target Gap

2010 EXAMPLE (using 2009-2011 NCS data):

1.0300 x 1.0546 = 1.0862

c. For each of the Federal Government's non-RUS locality pay areas in which the FDIC currently has an office, calculate three-year average NCS target gaps using the official published results from the three most recent NCS annual surveys available (for 2010, this is expected to be the 2009-2011 surveys). Determine the ratio of the three-year average NCS target gaps for each of those locality pay areas to the three-year average NCS RUS target gap calculated in Step a., using the following formula:

(1 + Three-Year NCS Average Target Gap for Individual Non-RUS Locality Pay Area) ÷ (1 + Most Recent Three-Year Average RUS Target Gap)=Ratio (NCS Target Gap for Individual Non-RUS Location to NCS RUS Target Gap)

2010 EXAMPLE (Washington, DC):

1.5724 ÷ 1.2277 = 1.2808

d. For each of the Federal Government's non-RUS locality pay areas in which the FDIC currently has an office, multiply the ratio calculated in Step c., above, by the new FDIC RUS Target Gap calculated in Step b., above, to determine a new FDIC target gap for each non-RUS FDIC locality pay area, using the following formula:

(Ratio of the NCS Target Gap for Individual Non-RUS Location to the NCS RUS Target Gap) x New FDIC RUS Target Gap= New FDIC Target Gap for Individual Non-RUS Locality Pay Area

2010 EXAMPLE (Washington, DC):

1.2808 x 1.0862 = 1.3912

1.3912 – 1 = .3912 or 39.12%

e. Cost of Living Adjustment

Upward adjustments shall be made to the Initial LPI for localities where the cost of living differences are significantly higher than the cost of labor differences reflected in the Initial LPI. (No downward adjustments shall be made for locations where the cost of living is significantly lower than the cost of labor.) Upward adjustments shall be made in accordance with the following methodology:

Compare the Runzheimer cost-of-living percentage variance from "Standard City" for each FDIC location to the new three-year average FDIC target gap for each non-RUS location. If the Runzheimer percentage variance from "Standard City" exceeds the new three-year average FDIC non-RUS target gap by more than 10 percent, increase the FDIC non-RUS target gap by 50 percent of the difference to determine an adjusted new FDIC target gap for that locality pay area, using the following methodology:

(Runzheimer Cost of Living Index for Individual Non-RUS Locality Pay Area
- 100) – New FDIC Target Gap for Individual Non-RUS Locality Pay Area=
X

If X > 10.50:

New FDIC Target Gap for Individual Non-RUS Locality Pay Area
+ ((Runzheimer Cost of Living Index for Individual Non-RUS Locality Pay Area - 100)/2) =
Adjusted New FDIC Target Gap for Individual Non-RUS Locality Pay Area

2010 EXAMPLE (Washington, DC): (123.9 – 100) – 28.09 =
(4.18)

Since the difference (negative 4.18) is less than 10, Washington does not receive a cost of living-based adjustment to its target gap.

2010 EXAMPLE (San Francisco, CA):

(160.7 – 100) – 30.32 = 30.38. 30.38/2 + 41.56 = 56.75

3. Communications

The EMPLOYER shall post an electronic copy of the locality rates for each location on the FDIC internal website on the Compensation (Pay, Performance and Recognition) page.

III. PAY SETTING FOR PROMOTIONS

A. Employees who receive a promotion, and are at or below the maximum of their grade, will normally receive a 10% increase in basic pay or be placed at the minimum of the higher grade, whichever is greater. However, with respect to employees who are currently serving, or who previously served on a temporary promotion, the following provisions apply, pursuant to the terms of the MOU signed on July 22, 2013:

1. An employee in a temporary promotion, who is selected for a consecutive temporary or permanent promotion into a position at the same grade as the current temporary grade, will be paid the same base salary that he/she makes in the current temporary promotion.

2. An employee in a temporary promotion, who is selected for a consecutive temporary or permanent promotion into a position at a higher grade than the current temporary grade, will receive a 10 percent increase to base pay in the new temporary promotion.

3. If a non-consecutive promotion is at the same grade level as a previous temporary promotion or any intervening grade and meets <u>all</u> of the following conditions:

- The employee was in the previous temporary promotion for a year or more;
- the employee did not retain his or her temporary promotion increase (employees who were temporarily promoted before May 12, 2010 and were in their positions for a year or more retained pay when returning to their position of record if it fell within the salary range); and
- the employee was not returned to a lower graded position of record for reasons of conduct or poor performance.

Then base pay will be set at the highest of:

a) A 10 percent increase to base salary,
b) employee's FDIC highest previous rate (HPR) (base salary) in a related field, or
c) the minimum of the new grade.

4. If the subsequent non-consecutive promotion meets all the conditions in number three, above, and is at a grade higher than previous temporary promotion(s) during the current appointment, base salary will be set at the highest of:

a) 10 percent increase to current base salary;
b) 10 percent above FDIC HPR (base salary) in a related field during current appointment, or
c) the minimum of the new grade.

5. FDIC will not consider higher graded positions or higher base salaries that an employee earned outside of FDIC, or that were earned working at FDIC in a prior appointment, if the employee had a break in service of more than three days.

6. Highest Previous Rate (HPR) is defined as the highest rate of basic pay earned in a grade held in a permanent position or an assignment lasting one year or more in a non-permanent position.

7. New base salary will not be set higher than the maximum of the grade range.

B. An employee may request a voluntary downgrade or change to lower grade.

1. If the employee has been in the higher graded position for a year or more, basic pay will be set at the lesser of the employee's current rate or the maximum of the lower grade. However, when an employee requests a change to a lower grade solely for personal reasons, and not for any benefit to the Corporation, then the employee's basic pay will be set at the rate immediately prior to the promotion, or the new range maximum, whichever is lower. As necessary, this rate will be adjusted to reflect any pay adjustment(s) received in the higher graded job. The same pay adjustment percentage(s) will be used to re-compute the permanent basic rate of pay as long as the resulting rate does not exceed the new range maximum.

2. If the employee has been in the higher graded position for less than one year, basic pay will be set at the rate immediately prior to the promotion, or the new range maximum, whichever is lower. This rate will be adjusted to reflect any pay adjustment(s) received in the higher graded job. The same pay adjustment percentage(s) will be used to re-compute the permanent basic rate of pay as long as the resulting rate does not exceed the new range maximum.

C. Employees on retained or "saved pay" as a result of a downgrade from a higher graded position who have been in their lower grade for more than 24 months and are being re-promoted to a grade previously held, or to an intervening grade, shall receive a promotion increase of 6 percent of the basic salary range maximum of the grade from which they are being promoted, or will retain their current basic pay, if greater.

D. Nothing in this Agreement will prevent the EMPLOYER from proposing changes to the Pay Administration Directive, Circular 2220.1 or the July 22, 2013 MOU with notice to NTEU and the opportunity to bargain.

IV. REWARDS AND RECOGNITION PROGRAM

The EMPLOYER will continue all provisions of its existing Rewards and Recognition

Program, consistent with this Agreement.

V. BENEFITS

A. FDIC Savings Plan

The EMPLOYER will maintain current retirement programs, including the FDIC's Savings Plan.

As soon as administratively practicable, but no later than pay period 7 of 2017, beginning on April 2, 2017, the EMPLOYER will match employee contributions up to 4 percent of adjusted basic pay deferred into the Plan, to the extent allowed by law. The EMPLOYER will contribute an amount equal to 1 percent of adjusted basic pay for all eligible employees regardless of their participation in the FDIC Savings Plan.

NTEU will continue to appoint a representative to serve on the FDIC Savings Plan Committee.

B. FDIC Flexible Cafeteria Benefits Plan (FDIC Choice)

1. The EMPLOYER will continue to offer a Flexible Cafeteria Benefits Plan, FDIC Choice. The EMPLOYER will pay 80 percent of the premium for dental and vision Standard Option. For High Option, the EMPLOYER will pay an amount equal to 80 percent of the premium for Standard Option. The FDIC Choice benefits available during the annual open enrollment period 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 the statutory maximum
Dependent Care FSA up to the statutory maximum

2. The EMPLOYER will continue to provide "Choice Credits."

a. Employees may use these "credits" to "purchase" less expensive alternatives for one coverage and receive a cash credit, which may be used to purchase alternatives (e.g. additional life insurance). However, choice credits are not available to employees who elect Low Option Dental coverage.

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.

f. The annual limit on Dental Services (Class I, II and III) will be $3000 on low/standard, and $4000 on high option.

g. The Lifetime limit for Class IV Dental Services (Orthodontics) for low/standard option is $2000, and for High Option Dental coverage is $4,000.

h. Prior to December 31st of the final year of this Agreement, the EMPLOYER may contract to extend the cafeteria benefits applicable at that time through December 31st of the following year.

C. 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 will continue 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.

D. Other Benefits Programs

1. FDIC Employee Life Insurance

The EMPLOYER will continue existing coverage and practices under the FDIC Life Insurance Program.

2. Flexible Spending Account (FSA)

The EMPLOYER will continue to provide Flexible Spending Accounts (FSA) to employees in accordance with IRS guidelines, including the "grace period" provisions that permit contributions from the preceding Plan Year to reimburse eligible expenses incurred for services that occur in the 2 ½ months following the end of the Plan Year.

3. Domestic Partner Program

The FDIC shall continue to offer Domestic Partner enrollment as agreed in a separate MOU, with the following enhancement: employees will be able to enroll under the Domestic Partner Program benefits at any time on or after the date that domestic partnership meets the eligibility conditions for participation under the program for the Health Insurance Premium Reimbursement, FDIC Relocation Program and FDIC Travel Accident Insurance. Employees would still have to wait until the next open enrollment period to change their status under the rules that apply to all employees for FEHB, FDIC Dental, Vision and Life Insurance.

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 January 1, 2017, unless otherwise noted.

B. Changes to Regular Duty Travel

1. Frequent Traveler Lodging Stipend (FTLSP)

Effective the first pay period of 2017, all employees currently ineligible to participate in the Frequent Traveler Lodging Stipend Program (FTLSP) will be allowed to participate. As a result, all employees will now be eligible to participate. In accordance with the existing rules of the FTLSP, employees who enter the FTLSP under the terms of this Agreement will be eligible to receive the $40 per night stipend for each night spent in regular duty travel from the 51st to 70th night, and $50 for each night spent in regular duty travel status in excess of 70 nights, with no limit on the number of nights. This provision applies to regular duty travel conducted on or after January 1, 2017. Employees who are currently eligible for benefits under the "Transition Rule" will have to elect to either retain their transition rule benefits or exchange those benefits for FTLSP benefits. An employee will not be allowed to claim benefits under both programs. Once an employee decides to move from transition rule benefits to FTLSP benefits, the employee may not return to claiming transition rule benefits.

2. Allowance for Alternative Lodging Arrangements

The payment rate for employees who stay-out under alternative lodging arrangements with friends or family (formerly referred to as "friends and family lodging allowance") and do not incur a lodging expense will be increased to $45 per night. The payment will continue to be taxable. The allowance for alternative lodging arrangements is not provided to employees who stay out at his/her primary residence. A per diem or other temporary duty travel allowance payment is not authorized for the time during which an employee stays out at his/her primary residence.

3. Travel Time for RMS/DCP field employees

An employee eligible for compensatory time for travel who is on "home-based" telework may, subject to supervisory approval, establish his/her normal commute time based on his/her average commuting time to temporary assignments within the DCA around the employee's residence and his/her official duty station not eligible for lodging (stay-out), as well as trips to the official duty station, to the extent applicable.

4. Travel to Puerto Rico and Alaska

Travel to Puerto Rico and Alaska is covered by the 90 minute rule and by the same weekend travel rules as assignments within the continental U.S.

5. **Comparative Cost Travel**

Clarify the GTR regarding comparative cost reimbursement for travel performed before the beginning or after the end of a temporary assignment as follows:

If a traveler, for personal convenience, chooses to travel by an indirect route or interrupts travel to/from a temporary assignment, reimbursement of transportation costs and of lodging, per diem and other travel costs will be as follows:

1) The cost of transportation to/from a location other than the assignment's location is reimbursed up to the authorized cost of transportation to the assignment.

2) Per Diem, lodging and other travel expenses are reimbursed only for days spent travelling directly to the assignment or directly home from the assignment.

6. **Taxable and Non-taxable Travel**

Revise GTR Section 5.C.2.C to state:
Reimbursable items that are considered taxable events are limited to the following:

...

11) Reimbursement for certain services provided to families of employees who die while in regular duty travel status.

7. **Additional FAQs**

The attached FAQs (Attachment B) on emergency travel, rental cars, and sharing of rental cars will be posted to the FDIC's intranet.

C. Changes to Relocation Program

1. Miscellaneous Expense Allowance

The MEA will be $3000 for Tier 1, 2 and eligible Tier 3 employees.

2. Time Frame to Complete Relocation

The time allowed for relocating to the new duty station is one year from the effective date of the relocation.

3. Relocation Within 60 miles of New Duty Station

When the employee's regular work assignments are normally performed at the official duty station and the employee is not routinely in travel status on temporary assignments, the employee must establish a residence within the local commuting area. The "local commuting area" is defined as the area covered by the applicable locality pay rate associated with the given duty station. If the associated duty station does not have a specified locality rate (the new duty station is covered by the "rest of the United States (RUS) locality rate), then the employee must relocate within 60 miles of the new duty station to be eligible for relocation benefits.

4. Home Sale Program (HSP)

Clarify that properties eligible for purchase under the provisions of the HSP may not exceed 5 acres.

D. Travel Committee

No later than June 30, 2017, the parties agree to establish a joint labor-management travel committee which will remain in effect for the duration of this Agreement. The committee shall meet by telephone conference call or through use of other remote technology to review and seek to resolve issues that arise relating to:

- Clarification or revisions to Frequently Asked Questions (FAQs) relating to comparative cost travel
- Inconsistent or alleged improper interpretation of the GTRs; and
- Inconsistent or alleged improper application of the GTRs.

Any resolution of issues by the committee will be made by consensus only. Consensus resolutions by the Committee shall satisfy any bargaining obligation between the parties. The committee will not have the authority to negotiate substantive changes to the GTRs, absent mutual agreement of the parties.

E. Miscellaneous Travel Provisions

1. NTEU will be provided advance notice of all revisions and changes to the GTRs, and the opportunity to bargain to the extent required by law. Notice to the Committee will satisfy the notice requirement.

2. The FDIC will provide employee training materials on travel and answers to questions (Frequently Asked Questions (FAQs)) posted on the Division of Finance (DOF) travel website to the Travel Committee (or NTEU). These materials will be provided in advance of posting to the DOF travel website.

VII. PUBLIC TRANSIT SUBSIDY

The EMPLOYER agrees to continue 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. PRE-TAX PARKING

The EMPLOYER agrees to continue to permit employees to pay for parking at agency office locations on a pre-tax basis, to the maximum extent permitted under IRS rules.

IX. PROFESSIONAL LICENSES

The EMPLOYER agrees to continue to reimburse employees for the cost of maintaining professional licenses, certifications or memberships that are required for the employee to qualify for and/or retain his/her position or that the EMPLOYER determines would materially enhance the employee's performance of his/her assigned duties and responsibilities. The total reimbursement may not exceed $400.

X. COMMUNICATIONS

A. In materials publicizing salary and benefits, the EMPLOYER agrees to note that any items provided by or referenced in the 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. The EMPLOYER shall post an electronic copy of this Agreement on the FDIC internal website on the Compensation (Pay, Performance and Recognition) page.

XI. RESOLUTION OF DISPUTES

A. Any disputes over the application or interpretation of this Agreement may be grieved through the Collective Bargaining Agreement. 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:

Chief, Labor and Employee Relations
Human Resources Branch
Federal Deposit Insurance Corporation
3501 Fairfax Drive
Arlington, VA 22226

The EMPLOYER shall submit national grievances to:

National President
National Treasury Employees Union
1750 H Street, N.W.
Washington, D.C. 20006

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 parties shall utilize the next arbitrator on the HQ arbitration panel.

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.

XII. DURATION/REOPENER

This Agreement shall remain in effect until December 31, 2019. Between May 1 and May 31 in 2019, or any subsequent year that this Agreement remains in effect, either party may reopen this Agreement. Ground rules are to be submitted by the party reopening the Agreement within two weeks of that party reopening this Agreement. If neither side reopens during the May window, then the Compensation Agreement shall automatically roll-over until December 31 of the following year. If there is not an agreed-upon successor agreement by the expiration date, then this Agreement will continue to be in effect until such a successor agreement is in effect or until December 31st of the year in which the Agreement is reopened, whichever comes first.

XIII. RIGHT TO NEGOTIATE

The UNION reserves 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.

XIV. 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:

Steven O. App

Steven O. App
Deputy to the Chairman and
Chief Financial Officer

11/10/2016
Date

Harrel M. Pettway, Chief Negotiator
Ira W. Kitmacher, DOA
Mark G. Buck, DOA
Nathan M. Heizer, RMS
Robert M. Macrae, DCP
Stephen T. O'Neill, DOF
Randy K. Taylor, DRR

FOR THE NATIONAL TREASURY EMPLOYEES UNION:

Anthony M. Reardon

Anthony M. Reardon
National President

11/7/2016
Date

Stephen J. Keller, Chief Negotiator
Sean G. Bartholomew, Chapter 244
Robert B. Packard, Chapter 276
John W. Peer, Chapter 241
Dawn M. Sleva, Chapter 242
Martha Solt, Chapter 207
Jeffrey R. Talley, Chapter 274

APPROVED at Washington, D.C. this 6 day of December 2016.

Martin J. Gruenberg

Martin J. Gruenberg, Chairman
Federal Deposit Insurance Corporation

Locality Rates and Year to Year Increases

FDIC OFFICE LOCATION	2016 FDIC Locality Rates	2017 Locality Rate Increases	2017 FDIC Locality Rates
ALBUQUERQUE, NM	6.39%	0.34%	6.73%
ATLANTA, GA	16.02%	0.27%	16.29%
AUSTIN, TX	6.87%	0.86%	7.73%
BRAINTREE, MA	28.06%	0.36%	28.42%
CONCORD, NH	28.06%	0.36%	28.42%
FOXBORO, MA	28.06%	0.36%	28.42%
LEXINGTON, MA	28.06%	0.36%	28.42%
CHARLOTTE, NC	6.62%	0.59%	7.21%
CHICAGO, IL	19.58%	0.58%	20.16%
DOWNERS GROVE, IL	19.58%	0.58%	20.16%
PRINCETON, IL	19.58%	0.58%	20.16%
CINCINNATI, OH	8.94%	0.28%	9.22%
COLUMBUS, OH	9.03%	0.46%	9.49%
DALLAS, TX	17.41%	0.71%	18.12%
DENVER, CO	16.89%	0.92%	17.81%
LIVONIA, MI	16.51%	0.58%	17.09%
HARRISBURG, PA	6.66%	0.58%	7.24%
ROCKY HILL, CT	24.77%	0.42%	25.19%
SPRINGFIELD, MA	24.77%	0.42%	25.19%
HOUSTON, TX	20.85%	0.98%	21.83%
INDIANAPOLIS, IN	7.32%	0.32%	7.64%
KANSAS CITY, MO	6.55%	0.50%	7.05%
LOS ANGELES, CA	25.13%	0.97%	26.10%
ORANGE, CA	25.13%	0.97%	26.10%
SUNRISE, FL	14.67%	0.37%	15.04%
BROOKFIELD, WI	11.35%	0.52%	11.87%
MINNEAPOLIS, MN	16.95%	0.57%	17.52%
MONROE, NJ	34.33%	0.59%	34.92%
NEW YORK CITY, NY	34.33%	0.59%	34.92%
BLUE BELL, PA	17.83%	0.79%	18.62%
WILMINGTON, DE	17.83%	0.79%	18.62%
PHOENIX, AZ	11.63%	0.61%	12.24%
SEVEN FIELDS, PA	9.44%	0.53%	9.97%
PORTLAND, OR	14.08%	0.58%	14.66%
RALEIGH, NC	10.09%	0.50%	10.59%
RICHMOND, VA	8.87%	0.68%	9.55%
ALBANY, GA	6.24%	0.17%	6.41%
APPLETON, WI	6.24%	0.17%	6.41%
BATON ROUGE, LA	6.24%	0.17%	6.41%
BILLINGS, MT	6.24%	0.17%	6.41%
CEDAR RAPIDS, IA	6.24%	0.17%	6.41%
CHAMPAIGN, IL	6.24%	0.17%	6.41%
COLUMBIA, MO	6.24%	0.17%	6.41%
COLUMBIA, SC	6.24%	0.17%	6.41%

Locality Rates and Year to Year Increases

FDIC OFFICE LOCATION	2016 FDIC Locality Rates	2017 Locality Rate Increases	2017 FDIC Locality Rates
DES MOINES, IA	6.24%	0.17%	6.41%
EAU CLAIRE, WI	6.24%	0.17%	6.41%
ELIZABETHTOWN, KY	6.24%	0.17%	6.41%
FARGO, ND	6.24%	0.17%	6.41%
GAINESVILLE, FL	6.24%	0.17%	6.41%
GRAND FORKS, ND	6.24%	0.17%	6.41%
GRAND ISLAND, NE	6.24%	0.17%	6.41%
GRAND RAPIDS, MI	6.24%	0.17%	6.41%
HAYS, KS	6.24%	0.17%	6.41%
HOOVER, AL	6.24%	0.17%	6.41%
HOPKINSVILLE, KY	6.24%	0.17%	6.41%
JACKSON, MS	6.24%	0.17%	6.41%
KNOXVILLE, TN	6.24%	0.17%	6.41%
LEXINGTON, KY	6.24%	0.17%	6.41%
LITTLE ROCK, AR	6.24%	0.17%	6.41%
LUBBOCK, TX	6.24%	0.17%	6.41%
MADISON, WI	6.24%	0.17%	6.41%
MANKATO, MN	6.24%	0.17%	6.41%
MEMPHIS, TN	6.24%	0.17%	6.41%
MONTGOMERY, AL	6.24%	0.17%	6.41%
MOUNT VERNON, IL	6.24%	0.17%	6.41%
NASHVILLE, TN	6.24%	0.17%	6.41%
OKLAHOMA CITY, OK	6.24%	0.17%	6.41%
OMAHA, NE	6.24%	0.17%	6.41%
PENSACOLA, FL	6.24%	0.17%	6.41%
SALT LAKE CITY, UT	6.24%	0.17%	6.41%
SAN JUAN, PR	13.01%	0.22%	13.23%
SAVANNAH, GA	6.24%	0.17%	6.41%
SCOTT DEPOT, WV	6.24%	0.17%	6.41%
SHREVEPORT, LA	6.24%	0.17%	6.41%
SIOUX CITY, IA	6.24%	0.17%	6.41%
SIOUX FALLS, SD	6.24%	0.17%	6.41%
SPRINGFIELD, IL	6.24%	0.17%	6.41%
SPRINGFIELD, MO	6.24%	0.17%	6.41%
SYRACUSE, NY	6.24%	0.17%	6.41%
TAMPA, FL	6.24%	0.17%	6.41%
TULSA, OK	6.24%	0.17%	6.41%
WICHITA, KS	6.24%	0.17%	6.41%
SACRAMENTO, CA	19.81%	0.65%	20.46%
SAN FRANCISCO, CA	43.90%	0.80%	44.70%
SEATTLE, WA	19.49%	0.94%	20.43%
ST. LOUIS, MO	6.77%	0.73%	7.50%
COLUMBIA, MD	23.31%	1.27%	24.58%
WASHINGTON, DC	23.31%	1.27%	24.58%

Attachment B – FAQs

What size/class rental car am I required to use when I'm on a temporary assignment?

In accordance with the FDIC General Travel Regulations Sections 4.E.2, 4.E.17 and 4.E.18, employees must select the most cost-effective type of transportation that will meet official business needs, including a selection of a rental vehicle. When selecting rental vehicles, employees should take into account the size (height/weight) and number of the traveler(s) who will be using the vehicle and expected weather conditions, but should also be mindful of public perception (e.g., to avoid selecting vehicles that are too extravagant). In most cases for a single traveler, a mid-sized car should be appropriate. Supervisors have the discretion to approve larger vehicles as appropriate.

The request for a rental vehicle must be included in the employee(s) travel authorization and is subject to management approval.

When several FDIC employees travel to the same temporary assignment, is each employee allowed to obtain a rental vehicle, or must employees share a rental vehicle? If sharing rental cars is required, how many employees must be included in each rental vehicle?

There is no requirement which identifies a specific number of employees to share a given rental vehicle, but travelers are required to act prudently when incurring official travel costs. In situations where a group of employees will be staying in the same general location and will be traveling to the same assignment, it is generally expected that they share the rental vehicle(s) when consistent with space needs (associated with baggage/equipment) and arrival/departure schedules. Supervisors will exercise reasonable judgment in determining the number of employees who may share a vehicle.

If I have to leave a temporary assignment due to a personal emergency, will the FDIC reimburse me for my travel expenses?

If you must leave a temporary assignment due to a personal emergency, you will need to prepare a statement explaining the emergency and obtain your supervisor's prior approval (see FDIC General Travel Regulations Section 6.G.3 for details).

The FDIC will reimburse you for the normal travel expenses that you incur to return to your official duty station. When returning to your official duty station, you would be allowed to use government contract airfares and no cost comparison would be required.

If the emergency requires you to travel to a location other than your official duty station, you will be reimbursed for the normal travel expenses up to the amount that it would cost for you to return to your official duty station. In this situation, you should prepare a two-way cost comparison. Please note that you would not be authorized to use government contract airfare under this scenario.