

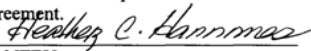
MEMORANDUM OF UNDERSTANDING
Between
THE NATIONAL CREDIT UNION ADMINISTRATION (NCUA)
And
THE NATIONAL TREASURY EMPLOYEES UNION (UNION)

The parties shall open negotiations over the phase-in from COLA to Locality Pay for the employees assigned to duty stations in non-foreign areas (Alaska, Hawaii and United States territories and possessions, e.g. Puerto Rico, Guam, Commonwealth of the Northern Mariana Islands, U.S. Virgin Islands and American Samoa) upon mutual agreement by the parties, or no later than upon expiration of the Collective Bargaining Agreement on January 11, 2011. In the interim period the parties agree to the following:

1. The Agency will have GSA (the Agency payroll provider) implement the locality phase-in beginning with the January 3, 2010 pay period using the formula prescribed in Subtitle B, of the National Defense Authorization Act for FY 2010, the Non-Foreign Area Retirement Equity Assurance Act (P.L. 111-84) effective October 27, 2009 and the GS RUS locality rate.
2. Negotiations for any alternative Locality/COLA formula and/or rates will be prospective and not retroactive.
3. The Agency will not require the affected employees to repay any funds received during this interim period using the calculations in 1, above.
4. The agency shall counsel (in writing) any affected employees contemplating retirement regarding the retirement alternatives provided in this legislation.
5. Should the Agency hire any bargaining unit members who live in a locality that is covered by this legislation after this agreement is reached those employees pay shall be determined using the same formulas discussed above.

Duration

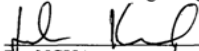
This MOU is effective upon the signatures of all parties and will expire on the effective date of a new Compensations and Benefit Article in the Collective Bargaining Agreement.



For NTEU

1/14/2010

Date



For NCUA

01/13/2010

Date