

**UNITED STATES OF AMERICA
FEDERAL MEDIATION AND CONCILLATION SERVICE
MATTER OF THE ARBITRATION BETWEEN**

AMERICAN FEDERATION OF	:	
GOVERNMENT EMPLOYEES,	:	
LOCAL 1637,	:	
	:	
Union,	:	
	:	
and	:	
	:	FMCS Case No. 13-52894-3
UNITED STATES	:	
DEPARTMENT OF JUSTICE,	:	
FEDERAL BUREAU OF PRISONS,	:	
FCI SEAGOVILLE,	:	
	:	
Agency.	:	

SETTLEMENT AGREEMENT

This Settlement Agreement ("Agreement") is made by and between the U.S. Department of Justice, Federal Bureau of Prisons, Federal Correctional Institution at Seagoville, Texas ("FCI Seagoville" or "Agency") and the American Federation of Government Employees ("AFGE") Local 1637 ("Union") in resolution of the grievance filed by the Union on October 23, 2012, concerning the Agency's alleged failure to pay overtime compensation pursuant to the Fair Labor Standards Act ("FLSA"). In full and complete settlement of the above-referenced case (FMCS Case No. 13-52894-3), the parties by and through their undersigned representatives, freely and voluntarily agree to the terms outlined in this Agreement.

1. Coverage.

The Grievant is AFGE Local 1637 ("Grievant" or "Union"). The Union is the certified representative of all bargaining unit employees represented by Local 1637. The Grievant warrants and represents that no other action or suit with respect to the claims that are set forth in

the grievance covered by this Agreement will be filed in, or submitted to, any court or any administrative forum including, but not limited to, the General Accounting Office or the Office of Personnel Management for the time period that this grievance covers (October 23, 2009 to the date that this Settlement Agreement is signed). By agreeing to accept payment under this Agreement, the Grievant agrees to waive any right or entitlement to pursue or collect payment for any current or former bargaining unit member for any overtime or FLSA claim asserted in this grievance for the time periods covered by this grievance. This Agreement resolves all FLSA claims asserted in the grievance for the time period covered by this grievance (October 23, 2009 through the date this Settlement Agreement is fully executed) for all bargaining unit employees assigned to FCI Seagoville.

2. Backpay.

The Union acknowledges that the bargaining unit employees are not entitled to backpay in association with the resolution of this matter.

3. Liquidated Damages and Attorneys' Fees.

The Agency shall make a lump sum payment of \$750,000.00 (SEVEN HUNDRED FIFTY THOUSAND DOLLARS), in liquidated damages and attorney fees to Ms. Lilliam Mendoza, Attorney for the Union, 2002 Baltimore Road B33, Rockville, Maryland 20851, by an electronic funds transfer made payable to "Lilliam Mendoza" on or before **December 31, 2014**. The electronic funds will be transferred to the following account: routing number 111000025; account number 4880 5194 5901; tax identification number 581250441. Although the

\$750,000.00 is reimbursement for liquidated damages and attorneys' fees only, this Settlement Agreement resolves all claims for liquidated damages, attorneys' fees and expenses.

Ms. Lilliam Mendoza, and/or an accountant designated by her and acting on her behalf and on behalf of the Grievant will be responsible for distributing to bargaining unit members their respective share of the liquidated damages lump sum amount. The parties agree that this Agreement does not determine the amount of any income tax or any other taxes for which the Grievant, bargaining unit members, or beneficiaries may be liable now or in the future as a result of this Agreement. Any and all tax liabilities which may be generated as a result of the monies paid in this Agreement are the responsibility of Grievant, bargaining unit members, or beneficiaries to whom distribution is made. After making any distribution to the Grievant, bargaining unit members, or other beneficiaries pursuant to this paragraph, all required forms will be submitted by Ms. Lilliam Mendoza and/or an accountant designated by her and acting on her behalf and on behalf of the Union to the Internal Revenue Service and to each bargaining unit member, or beneficiary, for the liquidated damages paid under this Agreement.

4. Interest.

In the event that the Agency fails to pay the amount as noted in paragraph 3 of \$750,000.00 on or before December 31, 2014, to Lilliam Mendoza, interest shall begin to accrue on the amount owed beginning on January 1, 2015. Interest will accrue in accordance with the formula prescribed under the Back Pay Act, 5 U.S.C. §5596(b)(2)(A), and by the Office of Personnel Management in FPM Letter 550-78. The interest shall be computed at the rate or rates

in effect under Section 6621(a)(1) of the Internal Revenue Code of 1986 and shall continue to accrue until the Agency transmits the lump sum amount to Ms. Lilliam Mendoza in accordance with paragraph 3 above.

5. Release From Claims Related to This Agreement.

The Union and the Agency understand and agree that in consideration for the payment made by the Agency and the Agency's compliance with the terms of this Agreement, the Grievant remises, releases, and forever irrevocably discharges the United States Government, the Federal Bureau of Prisons, the Agency and their officers, agents, and employees, each of them, separately and collectively, from the claims asserted in this grievance, from October 23, 2009, up to the date that this Agreement is fully executed.

6. Waiver.

In consideration for the payments made and the promises provided herein, the Grievant will not sponsor any arbitration or individual grievances seeking overtime or FLSA compensation for the claims asserted in the case covered by this Agreement for the time period from October 23, 2009 up to the date that this Agreement is fully executed.

7. Extensions.

Any of the deadlines set forth in this Agreement may be extended by mutual agreement of the Union and the Agency.

8. Precedent.

This Agreement is made solely for the purpose of settling and permitting entry of final

resolution of this case (FMCS Case No. 13-52894-3). The parties agree that this Agreement shall not be cited as precedent, and may not be cited, published, or referenced by either party as justification for their respective positions or referred to in any other proceeding, whether judicial or administrative, for any purpose other than to enforce the terms of this Agreement. The parties recognize that it is in their respective interests to resolve this dispute through this Agreement.

9. Completeness of Agreement.

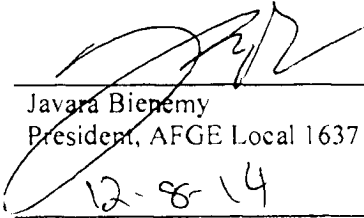
This document constitutes the complete terms of the Agreement and supersedes any and all prior oral or written representations, understanding, or agreements between the parties to this Agreement.

10. Authority of the Parties.

The parties agree that they have full authority to enter this Agreement and to make the promises, obligations and considerations contained herein. The Grievant's representative of record represents that he is authorized to enter into this Agreement on behalf of AFGE Local 1637, which has full authority to enter into this Agreement and to make the promises, obligations and considerations contained herein.

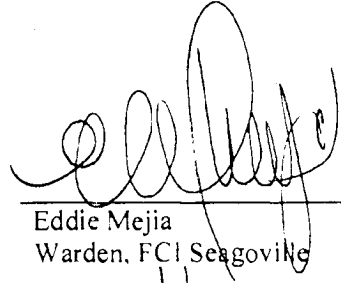
The Agency's representative of record represents that he is authorized to enter into this Agreement on behalf of the U.S. Department of Justice, Federal Bureau of Prisons, FCI Seagoville, which has full authority to enter into this Agreement and to make the promises, obligations and considerations contained herein.

Settlement Agreement
AFGE Local, 1637 and FCI Seagoville
FMCS Case No. 13-52894-3
Page 6 of 6



Javara Bienemy
President, AFGE Local 1637
12-8-14

Date



Eddie Mejia
Warden, FCI Seagoville
12/8/14

Date