

MEMORANDUM OF AGREEMENT

Neighborhood Legal Services, Inc. ["NLS"], and Buffalo Organization of Legal Services Workers ["Union"], have agreed to a successor collective bargaining agreement for the period **January 1, 2009 through December 31, 2012** by continuing all the terms of the current collective bargaining agreements for the Buffalo, Oak Orchard and Niagara Falls sites, except as set forth below. The terms of this agreement apply only to those people who were employees of any division of NLS on, or after, the date that the MOU is signed and through the term of the agreement. No benefits conferred by this MOU shall be paid to former employees of NLS.

1. Employees in Buffalo and Niagara Falls will receive a 3% salary increase for 2009. Employees of Oak Orchard will receive a 4% salary increase for 2009. Retroactive pay will be made within 30 days of signing the instant MOA.
2. Employees in Buffalo and Niagara Falls will receive a 2% bonus for 2010 pro-rated based on the number of anticipated payrolls of employment each individual is employed for in 2010. Employees in Oak Orchard will receive a 3% bonus for 2010 pro-rated based on the number of anticipated payrolls of employment each individual is employed for in 2010. Retroactive pay will be made within 30 days of signing the instant MOA.
3. NLS will cover health insurance cost increases in 2010, 2011 and 2012.
4. One step will be added to each scale effective January 1, 2010. Such retroactive payments on the step increase will be made within 30 days of signature of the MOA.
5. Employees will receive a 1% bonus in the first payroll period in January 2011.
6. The parties may re-open negotiations on or after January 1, 2012 regarding wages or a bonus for January 1, 2012 forward, and health insurance costs for January 1, 2012 forward, only. In the absence of a modification to the collective bargaining agreements executed by NLS and Union, the provisions of the collective bargaining agreements control for the terms of the collective bargaining agreements. Neither NLS nor the Union is required by this provision to agree to alter the collective bargaining agreements. Rather, all this provision requires is that NLS and Union bargain in good faith regarding wages or a bonus for January 1, 2012 forward, and health insurance costs for January 1, 2012 forward, only, considering, among other factors, the economic conditions and NLS status at the time, in any re-opened negotiations,
7. The parties agree to the attached proposed NLS Retiree Health Plan.

8. For the Niagara Falls site; employees may elect not to accept the medical insurance benefits offered by the Employer and receive a payment equal to \$1200 per year for those employees electing not to accept single coverage and a payment equal to \$2200 for those employees electing not to accept double coverage and \$2400 for those employees electing not to accept family coverage to be paid in equal installments in the employee's payroll check.
9. The OOLS staff will be added to the NCLAS Division defined contribution pension plan with equivalent benefits and contributions as the NCLAS staff. The pension plan will be modified to allow for the addition of these provisions by Board resolution.
10. The NLS sick bank is hereby abolished and all of the donated sick time therein is therefore eliminated.
11. NLS will purchase additional short term disability insurance of similar terms as the current long term disability insurance so that employees will receive at least 60% of their salary if they do not have enough sick days to cover an illness, pursuant to the terms of the insurance carrier. If employees have enough sick time accumulated the reimbursement goes to NLS.



NLS

8/10/10

Date

Walter W. P.

Union

8-10-10

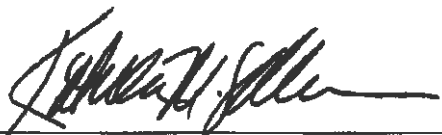
Date

**Attachment to MOU between Neighborhood Legal Services, Inc. and the Buffalo
Organization of Legal Services Workers**

Dated: 8/10/10

Proposed NLS Retiree Health Plan

1. The Retiree Health plan would be for NLS staff members who retire prior to eligibility for Medicare at age 65.
2. The plan would be available at the employee's expense at their first eligibility for Social Security Retirement benefits (now age 62) until they can join Medicare or obtain other insurance or decide to terminate their participation.
3. The plan would be put in place on the current plan renewal dates and would be eligible to all NLS employees on the current renewal dates for the respective plans. NLS Buffalo - February 1, 2011; Niagara County Legal Aid - December 1, 2010 and Oak Orchard LS - January 1, 2011.
4. The plan would not be available for part time employees. Employees who work at least 17.5 hours per week would have to join the current plans for health coverage. Employees who work less than 17.5 hours per week would not be eligible for coverage under any plan and could apply for COBRA coverage. Note: If an employee appears on the NYS form 45 tax report they cannot join the retiree plan- IHA rules.
5. Benefits for the new plan would not be the same as current plans and would have reduced benefits so that the monthly premiums could be more affordable. The benefit plan chosen would depend on plans available from Independent Health at the time the plan is to be put in place.

NLS:  Date: 8/10/10

Union:  Date: 8/10/10