



LETTER OF AGREEMENT
Between
FEDERAL EXPRESS CORPORATION
and
THE AIR LINE PILOTS
in the service of
FEDERAL EXPRESS CORPORATION
as represented by
THE AIR LINE PILOTS ASSOCIATION, INTERNATIONAL

Implementation and Transition

This Letter of Agreement is made and entered into in accordance with the provisions of Title II of the Railway Labor Act, as amended, by and between FEDERAL EXPRESS CORPORATION (hereinafter referred to as the “Company”) and the pilots in the service of FEDERAL EXPRESS CORPORATION, as represented by the AIR LINE PILOTS ASSOCIATION, INTERNATIONAL (hereinafter referred to as the “Association”).

WHEREAS, the Company and the Association wish to provide for orderly implementation of the basic Agreement.

NOW, THEREFORE, the Company and the Association agree as follows:

The basic Agreement shall have a general effective date of June 29, 2026. The Association and the Company shall work together to develop provisions for transitioning from the current provisions to the basic Agreement.

Items described in the attached Appendix A shall be implemented and automated on the schedule set forth therein, unless otherwise agreed to by the parties.

This LOA is effective on June 29, 2026, and shall remain in full force and effect concurrent with the basic Agreement.

IN WITNESS WHEREOF, the parties hereto have signed this Implementation and Transition Letter of Agreement.

Appendix A Implementation/Automation Appendix

This Appendix sets out the timeline upon which each of the identified changes in the Tentative Agreement will be implemented and automated following ratification.

The timeline is divided into four phases. The parties have attempted to list all the required changes, recognizing that the Agreement itself is the “full and complete agreement between the parties.” The date listed for each phase is a date beyond which the Company would be in violation of the Agreement if it has not implemented and automated the change.

Yellow highlighted items will be implemented at DOS (Phase 1) but applied manually until automation is complete. The applicable date in the “Phase column” will be the implementation date of the automation.

Phase 1-DOS – Effective date of the Agreement, June 29, 2026.

Phase 2 –Implementation of these items will be effective the first day of the December 2026 bid period.

Phase 3 – Implementation of these items will be effective the first day of the August 2027 bid period.

Phase 4 – Implementation of these items will be effective the first day of the October 2027 bid period.

Implementation LOA & Appendix (2026)

Section	Reference	Summary	Phase	Notes
1	1.A.; B. flush; B.3		1	
1	1.B.6.	Wet lease formula & PCYNAD Methodology document	1	Jan bid period following DOS; PCYNAD as stated
1	1.B.7.		1	
1	1.B.9.	Scope Reporting and Meeting Obligations	1	
1	1.B.10.	No furlough provision	1	
1	1.B.11.	Wet lease penalty during furlough	1	
1	1.C.	Parent, Affiliates, and Alter Ego Prohibition	1	
1	1.D.	Acquisition and Successorship	1	
1	1.E. and F.	Expedited Grievance; Disruption of Company Business	1	
1		Holding Company Letter agreement	1	
2	2.6	Definition of Affiliate in Section 1	1	
2	new	Definition of BPO pilot in Section 7	1	
2	new	Definitions of Cockpit Voice Recorder, Flight Data, and Flight Data Recorder in Section 26	1	
2	new	Definition of Control in Section 1	1	
2	new	Definition of Entity in Section 1	1	
2	new	Definition of "not operationally feasible" in Section 1	1	
2	new	Definition of Scope Penalty Rate (SPR) in Section 1	1	
2	new	Definition of Sunrise Sort Duty Period in Section 25 Appendix A (also in Section 12)	1	
3	3.A.	New hire paid 2.25 CH per day	1	
3	3.C.	Increased Pay Rates	1	
3	3.C.7.	FDA 70% NBFO, Y2	1	
3	3.E.1.a.i.	new hire check	1	
3	3.E.1.b.	new hire check	1	
4	4.A.2.b. and c.; A.6.	Deletion	1	
4	4.F.2.b. and d.	MPDP and Duty Rigs	1	
4	4.I.4.a.i.	End delay in FDA phase-in pay deduction (FDA LOA S)	1	
4	4.I.6.c.	Formula for pay maintaining currency	1	Pay affected pilots 17-13 within 120 days of DOS
4	4.O.1.	Base standby pay: trip rig/R-day value	1	current practice
4	4.O.4.	Overrage based on trip from BHS	1	current practice
4	4.T.	PNP for bid period + 1	2	
4	4.W.	New Disruption Pay triggers	2	pay log submission until 2
4	4.W.1.	Add PRO, PNP, SMU, RSV (for R-24 pilots)	2	pay log submission until 2
4	4.W.1.a.	Landing disruption: each extra landing pays 1:30 CH	2	pay log submission until 2
4	4.W.1.b.	DH deleted Int'l trip: 3 CH	2	pay log submission until 2
4	4.W.1.c.	Layover disruption: 1 CH/1.5 CH/3 CH tier	2	pay log submission until 2
4	4.W.1.g.	New Day to Critical disruption: 1:30 CH per trip	2	pay log submission until 2
4	4.W.3.	Include DH deleted at beginning of trip	2	pay log submission until 2
4	4.Y.1.	Add PRO, PNP, SMU, RSV (for R-24 pilots)	2	pay log submission until 2
4	4.Y.2.	same as 4.W.3.	2	pay log submission until 2
4	4.GG.2.	Include GSO and LGG in exceptions	4	GSO current practice
5	5.A.1	\$2.85/\$3.00	1	DOS/DOS+24
5	5.A.2.	\$3.85/\$4.05	1	DOS/DOS+24
5	5.A.7.	Expense report notification system	3	
5	5.B.1.h.	Include IND for Day period sleep room	2	
5	5.B.2.f.	private space for expressing	1	In compliance for domestic ops
5	5.B.3.a.	create Joint Hotel Criteria List	2	
5	5.B.3.a.i.	implement new "safe" and "quiet" parameter	1	
5	5.B.3.a.v.	implement new "environmental controls" parameter	1	
5	5.B.3.b.	"Approved Hotel List" and hotel dispute resolution process	2	
5	5.B.3.d.ii.	Timeline for Company decision	2	
5	5.B.4.	no receipt or folio with expense report	1	
5	5.B.5.	Company provided electronic availability of Approved Hotel List w/ hotel of concern designation	2	
7	7.G.1.	Ability to waive 24hr int'l duty buffer on front end	2	
7	7.G.5.a.	"by more than 6 hours" increased to 7	2	
7	7.G.6.	Vacation buyback limits	1	

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7	7.I.1.	4.A.1. prohibition	1	
7	7.I.2.a.	Voluntary cancelation done in seniority order	1	current practice
7	7.I.2.b.	24 CH formula for voluntary cancelations	3	
7	7.I.3.	required 2 vol. request prior to invol.	1	
7	7.I.3.a.	Involuntary cancelation done in reverse seniority order	1	current practice
7	7.I.3.b.	30 days notice from bid period	1	
7	7.I.3.c.	new 36 CH additional compensation	1	
7	7.I.4.	BPO Pilot: 7.I.2.b. only for vol.; 7.I.3.b.-f. only for invol.	1	
8	8.A.3.b.	AACL and dispute process	1	
8	8.A.5.a.	Company must book economy class tickets with an opportunity for seat selection when its available on a commercial flight	1	current practice
8	8.A.5.d.	Incorporation of 18-05 settlement	1	current practice
8	8.C.2.a.ii.	Three additional bid periods, then 50% deduction into HACB	2	
8	8.C.2.h	Increase in cancelations and increase in HACB limits	2	
8	8.C.3.a.iii.	Seat selection fees to \$100 and eliminate distinction flight/sequence	2	Insite submission until 2
8	8.C.3.b.ii.	Rental car (surface transportation) add to deviation expense	1	
8	8.C.3.d.iv.	Hotel room over SUB Window as allowable/reimbursable expense	3	Insite submission until 3
8	8.C.5.b.	Receipt required limit increased to \$75	2	Insite submission until 2
8	8.C.5.c.	Improv DBA balance access	3	
12	12.A.8.	Extension limits and specific flight clarification	2	
12	12.A.9.b.iii.	Fatigue call: "well" after 24 hours from removal	2	
12	12.A.12.	Study pairing pay	1	
12	12.B.1.a.	Notification to revised showtime and GT	3	
12	12.B.3.a.iii.	Launched base airport standby subject to operational limits	2	
12	12.B.3.b.ix.	Launched BHS limit 30/72 hours	2	
12	12.C.2.b.	8-in-24 (scheduled to exceed): Min rest of 9 hours to 9:30	2	
12	12.C.2.c.ii.(a)	Minimum of 8 hours increased to 9 if not receive rest b/c headwinds, ATC delays, etc	2	
12	12.C.2.d.i.(c); 12.C.6.b.ii.	Exception pairing: operational rest 12 to 11	2	
12	12.C.2.d.i.(c); 12.C.6.b.ii.	Exception Pairing: SIG may approve scheduled rest of at least 12	2	
12	12.C.2.d.iii	Exception pairings: designated in bid pack and VIPS	2	
12	12.C.3.a.	Layover min: 8 to 8:30 preceding DH	2	
12	12.C.3.d.	SIG approval exception for SDDH	2	
12	12.C.6.a.	Domestic Rest scheduled: 9 increased to 9:30	2	
12	12.C.6.a.	Domestic Rest operational: 8 increased to 9	2	
12	12.C.6.a.	Domestic Rest scheduled (DH only): 8 increased to 8:30	2	
12	12.C.6.a.	Domestic Rest operational (DH only)	2	
12	12.C.6.b.i.	8-in-24: if exceed, operational rest not less than 11	2	
12	12.D.1.d.i.	no 24hr buffer for 12.D.1.c.i. trips	2	
12	12.D.1.f.	Crew augmentation 3 or 4	3	
12	12.D.1.j.	Sleep kits for augmented crews	1	
15	15.B.1.	FAA expenses: from \$300 to \$400, and DOS+3 to \$450	1	
21	Mediation LOA		1	
23	23.A.1.	New process and requirements	1	
23	23.A.8.	Changes corresponding to 23.A.1.	1	
25	25.A.7.b.i.(c)	open time admin system pause due to operational disruption and notification obligations	2	
25	25.A.7.c.	Trip versions available for at least 365 days	3	
25	25.B.3.	No printed bid packs at bases	1	
25	25.C.4.	New closing times/dates for monthly bid	2	
25	25.C.11.	New dates/times for published bid awards	2	
25	25.C.13.	Student Lines	4	
25	25.D.3.e.	Minimum of 20% R-24 lines; minimum of 20% of non R-24 lines in MEM and IND will use R-3 callout	3	
25	25.E.1.a.	all-in-one for waiver of min days off for phase-in and recurrent	2	
25	25.E.1.b	ability to opt out of student lines	4	
25	25.E.2.	new time for beginning Conflict Input Window	2	
25	25.E.4.a.	add SMU bids in View/Add	4	
25	25.E.6.	SWW 115hrs & begins at 1700 day following posting View/Add results	2	

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25	25.F.6.a.	Phase-in conflict with R-day: block dropped made available in open time and View/Add	1	
25	25.G.1.	Delete last sentence	1	
25	25.G.2.a.	Open time release required base airport standbys	1	
25	25.G.2.c.	3 hour open time requirement	2	
25	25.G.2.c.	R-24 assignment no earlier than 168 prior to showtime (after 3 hour)	1	
25	25.G.3.b.iii.	Add SMU	4	
25	25.H.4.	hotel reimbursable/allowable expense during SUB window	3	Insite submission until 3
25	25.H.12.a.	SUB in SMU status: reject SUB-revert to SMU	4	
25	25.H.12.b.	SUB in SMU status: if forfeit trip guarantee-makeup as SMU original trip guarantee less SUB guarantee	4	
25	25.L.1.a.	Real time trip trading	3	
25	25.L.1.h.	No drop, trade, or proffer of trips assigned as PMU	2	
25	25.L.2.c.	If Company adds BHS to address reserve staffing, not considered in Max Open formula or Reserve Forecast	1	
25	25.L.4.d. and 5.c.	Increase the "by more than 6 CH" to 7 CH	2	
25	25.L.5.d.	dropped PNP reverts to general makeup	1	current practice
25	25.L.6.b.vii.	Add SMU to processing order	4	
25	25.L.6.e.	Increase the "by more than 6 CH" to 7 CH	2	
25	25.L.9.a.ii.	Processing trip trades at least 1 hour prior to showtime	2	
25	25.L.6.f.	If a SMU trip is dropped as provided in Section 25.L.3.a., those CH revert to general make up (M/U).	4	
25	25.L.8.a.	Increase the "by more than 12 CH" to 13 CH	2	
25	25.L.9.c.	Pilots ability to trade a block of R-Days with another pilot's trips	2	
25	25.L.14.b.i.	Add SMU	4	
25	25.L.16.	Open trip notification system	3	
25	25.M.1.b.	Added "including any assignment from a standby period" to reserve pilot limit	1	
25	25.M.3.a.vii.	R-24 to base hotel standby limited to once per bid period; any add with pilot consent 3 CH	1	
25	25.M.3.e.	R-24 assignment limits	2	
25	25.M.4.	First Fly: preference for a specific activity or a general submission regardless of current availability	2	
25	25.M.5.c.v.; 25.M.6.a.ii	multiple report statuses: leveling and other treatment	2	
25	25.M.6.a.	Reserve assignment 60 TAFB or less: First Fly first	2	
25	25.M.6.b.	Reserve assignment more than 60 TAFB: First Fly considered first	2	current practice
25	25.M.6.c.	Elimination of 75% limit on first fly	2	
25	25.N.4.b.	New AVA days and required approval	1	
25	25.N.4.c.	AVA: Restriction on obtaining AVA on a day(s) formerly covered by a trip removed via 25.L.3.a. and d., L.8.	4	
25	25.O.1.	DRF: receive text and/or crew notifications	3	parties will meet within 60 days of DOS to begin to discuss and agree to specifics regarding information given and pilot response methodology
25	25.O.2.	DRF: more 4hrs showtime; 15 min response; assigned by least DRF in prior 180 days	3	
25	25.O.3.	DRF: less 4hrs showtime; process in order received	3	
25	25.S.2.	add SMU, PRO, RSV (for R-24 pilots) to disruption eligible	2	pay log submission until 2
25	25.S.2.a.	Landing disruption	2	pay log submission until 2
25	25.S.2.b.ii	DP Disruption: New trigger for a deadhead deleted at the beginning of the trip	2	pay log submission until 2
25	25.S.2.b.iii.	Duty period disruption-standby prior to DH automation	2	not new, automation needed; pay log submission until 2
25	25.S.2.b.iv.	Maintenance and weather exceptions further limited	2	prior needs automation as well; pay log submission until 2
25	25.S.2.c.	New Layover Disruption triggers	2	pay log submission until 2
25	25.S.2.g.	New Day to Critical Disruption	2	pay log submission until 2
25	25.V.	Extra DP: add SMU, PRO, and RSV (for R-24 pilots) to eligibility	2	
25	25.V.3.	Hotel standby that exists b/w legal rest periods counts	1	current practice
25	25.Y.1.	Jury Duty: Provide Company notice of jury duty no later than 3 business days pilot acquires knowledge	4	
25	25.Y.3.	call-in converted to in-person, pilot shall promptly notify the PAC	4	
25	25.Y.4.	If released, pilot shall notify PAC within next business day	4	
25	25.Y.5.	December Jury Duty: the pilot may be required to make a good faith attempt to defer or establish an alternate date(s)	4	
25	25.AA.6.b.	Increase the "by more than 6 CH" to 7 CH	2	

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26	26.A.1.	Flight Data protections	1	
26	26.A.2.	Flight Data in Training protections	1	
26	26.A.3.	Third Party Release and protections	1	no 3rd party release until new NDA
26	26.A.3.b.ii.	Agreed-upon non-disclosure agreement	see note	prior to any third party vendor release
26	26.A.4.	No video recordings in flight deck	1	
26	26.A.5.	New program/device protections/procedures	1	
26	26.D.	Electronic bulletin board	4	
26	26.H.	Gender Neutral pronouns	1	
26	26.J.2.	BP4 status from anywhere to base for trip or other activity	1	
26	26.J.2.a.	13:30 includes ticketed commercial air travel (TCAT)	1	
26	26.J.2.b.	1:30 between block in and showtime changed to 1:00	1	
26	26.J.2.d.	No harm/ no foul includes the TCAT with back up plan	1	
26	26.K.4.b.v.	add "scheduled base airport standbys"	1	
26	26.M.1.	Company notification 210 days for passport to pilots	2	
26	26.M.2.	Pilot validate within 180 days from passport expiration	2	
26	26.M.4.	Company may require 2 passports for a particular fleet	1	
26	26.N.4.	The Company shall not use a pilot's log-in credentials (e.g., Apple ID) to access information not already resident on any company-issued device (e.g., iPad)	1	
26	26.Q.3.	Pilot must elect printed CBA within 120 FCIF notice; electronic only for pilots hired after EDA	1	
26	26.Y.7.	add Section 15	1	
26	26.CC.	Medical Freedom provisions	1	
28			1	1 unless otherwise provided in section
31	31.A.	update list of agreements	1	
31	31.C.	effective date, opener, renewal, and 117 re-opener language	1	
Amendable Recovery Payments LOA			1	1 unless otherwise provided in LOA
28 LOA			1	1 unless otherwise provided in LOA