

1 **SECTION 1**
2 **RECOGNITION, SCOPE AND SUCCESSORSHIP**

3
4 ~~Definition~~Definitions:

5
6 **6. AFFILIATE**

7 The term “**Affiliate**” refers to ~~(a) any entity that Controls the Company or any;~~

8
9 (a) any Entity that Controls another Entity or any Entity that is Controlled by another
10 Entity, and/or

11 (b) entity that that Company Controls, and/or (b) any other corporate subsidiary, parent,
12 or Entity Controlled by or that Controls any Entity referred to in (a) above.

13 ~~parent, or entity Controlled by or that Controls any entity referred to in~~
14 ~~(a) above. The term~~As of the effective date of the Agreement, the term “Affiliate” for

15 the Company shall include, but not be limited to, FedEx Corporation,
16 FedEx Custom Critical, Inc., FedEx Dataworks, Inc., FedEx Logistics, Inc., and

17 FedEx Office and FedEx Ground Package System, Inc., FedEx Custom Critical, Inc.,
18 ~~FedEx Trade Networks, Inc., FedEx Freight Corporation, FedEx Kinko’s Office and~~

19 ~~Print Services, Inc., and FedEx Corporate Services, Inc.~~
20

21 “Control” by Entity A of Entity B exists if Entity A, directly or indirectly through the Control
22 of one or more other Entities:

23
24 (a) Owns securities that constitute and/or are exchangeable into, exercisable for, or
25 convertible into (i) more than 50% of the outstanding common or capital stock of
26 Entity B, or (ii) voting securities representing more than 50% of the total voting power
27 of outstanding securities than entitled to vote generally in the election of Entity B’s
28 board of directors or other governing body; or

29 (b) Has the power or right to manage or direct the management of Entity B.
30

31 The term “Entity” means a natural person, corporation, association, partnership, trust
32 or any other form for conducting business, and any combination or concert of any of
33 the foregoing.
34

35
36 The phrase “not operationally feasible” (or variants of this phrase where for instance
37 other words exist between the words “not”, “operationally” and/or “feasible”, see, e.g.
38 Section 1.B.7.d.) means that there exist operational restrictions or contingencies (such
39 as airport size/condition, slot availability, service requirements, or security concerns)
40 which make it impractical for the Company to provide freight transportation service with
41 Company Aircraft or Pilots on the route involved. Should the basis (for not being
42 operationally feasible) be related to security issues, FedEx Security shall provide
43 briefings to the ALPA Security Chair on a quarterly basis to review those concerns.
44

45 [Scope Penalty Rate \(SPR\): the highest combined hourly rate for a one \(1\) Captain,](#)
46 [two \(2\) First Officer crew with maximum years of pay longevity, including international](#)
47 [override.](#)

48
49
50 **A. Recognition**

- 51 1. In accordance with the National Mediation Board’s certification in case number R-
52 6450 dated October 29, 1996, as transferred from the Fedex Pilots Association to
53 the Air Line Pilots Association (“the Association”) in File No. C-6762/Case No. R-
54 6450, 29 NMB 320 dated May 29, 2002, the Company recognizes the Association
55 as the duly authorized representative for the specific craft or class of flight deck
56 crew members (hereinafter referred to as “~~pilots~~[Pilots](#)”) of the Company covered
57 by the Railway Labor Act (“the RLA”).
- 58 2. The Company further recognizes that included in the craft or class represented by
59 the Association in conformity with the RLA are those crewmembers on Foreign
60 Duty Assignment (“FDA”), Special International Bid Award (“SIBA”) and/or any
61 other international assignment, domicile or location manned by ~~pilots~~[Pilots](#) on the
62 Federal Express Master Seniority List.

63 **B. Scope, Operation of Company Aircraft**

64 The Company’s revenue flights (including Company revenue charter flights),
65 conducted with aircraft owned, leased, or operated within the domestic or international
66 operations described below, conducted with aircraft over 60,000 lbs. MTOGW, shall
67 be flown only by ~~pilots~~[Pilots](#) whose names appear on the Federal Express Master
68 Seniority List in accordance with the terms of the Agreement.

- 69 1. “Domestic flights” are all those Company flights wherein all flight legs within a
70 single pairing originate and terminate at cities located solely within the contiguous
71 48 states.
- 72 2. “International flights” are all Company flights which originate from, terminate in or
73 transit the U.S. or its territories via a location outside the contiguous 48 states.
74 International flights also include all flights conducted by any ~~pilots~~[Pilots](#) on the
75 Federal Express Master Seniority List assigned to Foreign Duty Assignment
76 (“FDA”), or Special International Bid Award (“SIBA”).
- 77 3. All Domestic and International revenue flights conducted with aircraft that are
78 owned, leased, or operated by the Company, having a MTOGW of greater than
79 60,000 lbs., and operated pursuant to the Company’s Airline Operating Certificate,
80 or any additional Part 121 Airline Operating Certificate obtained by the Company,
81 shall be operated by ~~pilots~~[Pilots](#) on the Federal Express Master Seniority List in
82 accordance with the terms of the Agreement. Flying conducted with aircraft at or
83 under 60,000 lbs. MTOGW (commonly referred to as “feeder flying”) shall not be
84 substituted for Federal Express trunk flying (over 60,000 lbs. MTOGW) so as to
85 cause a furlough of any Federal Express pilot. However, if and to the extent that
86 and for such period of time that the furlough is the result of an act beyond the
87 control of the Company (e.g., FAA grounding of a fleet, etc.), feeder/wet lease

88 flying may be used to replace lost trunk flying. The Company shall not deploy
89 multiple feeder flying in the domestic system to effect an elimination/reduction of
90 the overall flying of an affected aircraft type; however, the Company may use
91 multiple feeders to assume some existing trunk flying when aircraft or lift shortages
92 exist during high volume periods. If feeder flying is substituted for Federal Express
93 trunk flying, any ~~pilots~~Pilots who are assigned a crew position as a result of such
94 substitution (and not due to changes in fleet deployment or composition unrelated
95 to feeder flying such as retirement/replacement of, ~~e.g., B727~~ an aircraft type),
96 shall not have their hourly rate of pay reduced. This hourly rate protection shall
97 end if a junior pilot is activated into a higher paying crew position that the senior
98 pilot could have bid upon and been awarded, but elected not to do so.

- 99 4. Notwithstanding any other provision of the Agreement, the Company may continue
100 to interline, co-load, code-share, part charter and enter into block space
101 agreements with other carriers to move freight and service in International (outside
102 the contiguous 48 states) markets as required. Within the Domestic system (the
103 contiguous 48 United States) the use of the above shall be done only: (1) when
104 necessary to expedite or (2) when economically necessary, unless otherwise
105 agreed to by the parties.
- 106 5. At any time during the year should severe damage or destruction to a hull(s) occur
107 the Company may utilize wet lease on a one for one basis until the lost aircraft is
108 actually replaced in the fleet or for a period of one year, whichever is earlier.
- 109 6. The Company may also wet lease aircraft above 60,000 lbs. MTOGW to perform
110 flights covered by this Agreement subject to the following progressive penalty
111 schedule, which is based on the number of block hours flown by any wet leased
112 aircraft under this Paragraph (i.e., Section 1.B.6.) as a percentage of total revenue
113 block hours flown by FedEx Express trunk aircraft in the prior fiscal year:
114

<u>Prior Calendar Year Net Aircraft Difference</u>		<u>Penalty per Block Hour</u>
<u>Negative</u>	<u>Non-Negative</u>	
<u>0 - 1.00%</u>	<u>0 - 1.25%</u>	<u>None</u>
<u>>1.00 - 1.50%</u>	<u>>1.250 - 1.75%</u>	<u>SPR</u>
<u>>1.50%</u>	<u>>1.75%</u>	<u>2x SPR</u>

115
116 [Note: Prior Calendar Year Net Aircraft Difference (PCYNAD) shall be determined
117 pursuant to the PCYNAD Methodology document 07apr26 ALPA TA document-
118 net.method.]

119 Example: FedEx trunk aircraft operated 100,000 revenue block hours in
120 FY2027. The following fiscal year it wet leases aircraft. SPR equals \$1,000
121 in 2028.

[Assumption: FY 2027 begins January 1, 2027 and ends December 31, 2027.]

If the fleet size remained the same in FY2027 and the wet leased aircraft operated 1250 block hours in FY2028, no penalty would apply.

If the total fleet size reduced in FY2027 and the wet leased aircraft operated 1250 block hours, the penalty owed would be \$250,000 (i.e., (1250-1,000) x \$1,000).

If the Company added 5 new aircraft in FY2027 and the wet leased aircraft operated 2250 block hours, the penalty owed would be \$1,500,000 (i.e., ((1,750-1,250) x \$1,000) + (2,250-1,750) x \$2,000).

Prior to the first business day of each February bid period, the Company shall notify the Association, in writing, of the total revenue block hours flown by Company aircraft operated by Pilots on the Federal Express Master Seniority List in the prior year and the permissible number of wet lease block hours allowed by Section 1.B.6. In making this calculation, the Company shall round down to the nearest whole number.

~~6. The Company may also wet lease a minimum of two aircraft above 60,000 lbs. MTOGW for up to four (4) bid periods per calendar year. At least three (3) of those bid periods shall be consecutive. The Company may elect to divide the fourth bid period of wet leasing into four 7-day parts to use over the course of the year. The Company shall provide a minimum of at least 30 days' written notice to the Association of any such wet lease(s). The following conditions shall apply to such wet lease arrangements: (measured from the date the wet lease agreement is executed), except when the Company is unable to provide 30 days' notice due to the nature of the situation that results in the use of wet leased aircraft. In such a case, the Company shall give as much advance notice as is possible under the circumstances.~~

~~a. Should a wet lease operation assume flying regularly and historically performed by FedEx crewmembers, as evidenced by the FedEx bid packs, for more than two (2) bid periods in a calendar year, the Company shall pay the Association a sum of money for the period of the wet lease in excess of two (2) bid periods calculated as follows: The average pay for a Federal Express crew complement times the number of regular bid pack credit hours that would have been earned by Federal Express pilots but for the wet lease. This sum shall be calculated after the expiration of the wet lease and shall be distributed to pilots in the manner identified by the Association. Wet leases done in support of charter flying during this four month period shall not be subject to this penalty.~~

If the Company enters into a wet lease under this provision, which is anticipated to exceed 26 weeks in a calendar year, it will consult with the Association on an expedited basis. At a minimum, the Company will provide information regarding the reason for the wet lease, its planned duration, and any anticipated impact to Pilots.

165 ~~b. Except for the minimum two aircraft wet leasing referred to above, during the~~
166 ~~bid periods described in this paragraph, the Company shall not wet lease more~~
167 ~~than the net gain of trunk aircraft scheduled to be added and brought into service~~
168 ~~in any calendar year.~~ Should a wet lease actually extend beyond an aggregate total
169 of 26 weeks in a calendar year, a penalty of 2 SPR will be incurred for each block
170 hour flown pursuant to that wet lease beyond those 26 aggregate weeks, in
171 addition to any other penalties due. Should, at the end of the calendar year, the
172 Company ~~actually bring into service fewer trunk aircraft than were scheduled and~~
173 ~~based on the schedule, the Company wet leased more aircraft than would have~~
174 ~~been permitted if the scheduled additions were the same as the actual deliveries,~~
175 ~~then the Company shall pay to the Association the same monies it would have paid~~
176 ~~the Association as calculated under Section 1.B.6.a.~~ have a net Master Seniority
177 List growth of at least one Pilot, the penalty described in this paragraph shall be
178 waived for the calendar year.

179 ~~c. Should the Company violate the four bid period restriction, the Company shall~~
180 ~~pay to the Association the following for each wet lease conducted the greater~~
181 ~~of the number of block hours scheduled or flown, times 2.0, times the highest~~
182 ~~hourly rate for a three (3) man crew with fifteen (15) years of pay longevity, in~~
183 ~~addition to the international override, if any.~~

184 [Note: A week is a seven (7) day period running from a Sunday through the
185 following Saturday, with the day based on the Memphis local base day (01:30
186 through 01:29, see Sections 2.38, 2.82, and 25.A.2.). A week is counted as part of
187 wet lease operations if any wet lease block hours are flown in that week.]

188 Penalty payments due under this provision shall be distributed to Pilots in the
189 manner determined by the Association before the end of the first quarter of each
190 year.

191 [Note: The penalties in Section 1.B.6. will go into effect on the first day of the
192 January bid period following the effective date of the Agreement. Legacy
193 methodology shall be used until that date.]

194 7. The Company may enter into wet lease and other agreements with other carriers
195 at any time without penalty or payment to any pilot or the Association in order to
196 deliver freight to cities that cannot be served by Federal Express trunk aircraft
197 because:

198 a. The Company does not possess all the requisite regulatory authority (or what
199 authority it does possess is in dispute with any government or any agency
200 ~~therete~~thereof), all traffic authority and foreign government approvals/authority,
201 as are necessary to fly the scheduled or required route. Should the Company
202 not possess the requisite regulatory authority at the time of the wet lease, it
203 shall make a good faith effort to acquire that authority.

204 [Note: The Association shall withdraw Grievance 24-01]

205 b. Foreign government or foreign authorities' action restricts the use of ~~pilots~~Pilots
206 on the Master Seniority List so as to render the use of FedEx ~~pilots not~~Pilots
207 not operationally or economically feasible; ~~or.~~

- 208 c. An ~~emergency~~Emergency (as defined by Section 2.53) exists that precludes
209 the Company from utilizing Company aircraft. In the event the Company wet
210 leases aircraft under this provision, the Vice President, Flight Operations, shall
211 notify the Association and crew force through an FCIF as soon as practicable.
212 Routine maintenance problems shall not constitute an ~~emergency~~Emergency.
- 213 d. The utilization of ~~pilots~~Pilots on the Master Seniority List is not, or does not
214 continue to be, economically or operationally feasible given the low freight
215 volume, treaty or regulatory restrictions on the right of the Company to move
216 freight through or beyond certain countries or cities, or remoteness or isolation
217 of the served city to the existing Federal Express international route structure.
- 218 8. Should the configuration of a given shipment (certain satellites, aircraft,
219 helicopters, etc.) preclude the Company from using one of its own aircraft, then the
220 Company may enlist the services of another carrier to handle that shipment on a
221 sub-contract basis.

222 9. Company Scope Reporting & Meeting Obligations

- 223 a. 9.—The Company shall notify the Association quarterly concerning all ~~wet-~~
224 ~~leasing~~wet leasing done during the preceding three bid periods pursuant to
225 Section 1.B.5., B.6., B.7. or B.8. The Company shall identify the operator of the
226 wet lease ~~operator~~(s), the trip(s) flown by same, weight of cargo flown on the
227 wet lease, and the reason and effect on Federal Express crewmembers.
- 228 b. If the Company wet leases pursuant to Section 1.B.7.b. or d. during the
229 preceding three bid periods, the Company will, at the Association's request,
230 provide the Association with supporting information.
- 231 c. Upon reasonable request, the Company will provide the Association with
232 information necessary to enable the Association to verify compliance by the
233 Company with the terms of this Section. Requests from the Association
234 regarding Section 1.B.4., B.6., and B.7. movements shall be based on specific
235 instances and shall not be unduly burdensome.
- 236 d. The Company shall ~~also~~ meet with the Association on a quarterly basis to
237 discuss wet leasing, fleet acquisition and disposal plans and to share with the
238 Association the additional Federal Express trunk route additions/deletions it
239 anticipates over the next quarter. Upon Association request regarding Section
240 1.B.4. operations, the Company will, at the quarterly meeting, provide the
241 requested information (e.g., supporting information regarding Section 1.B.4.
242 operations between SJU-CLT). A standing committee consisting of an equal
243 number of Association and Company representatives shall meet within fifteen
244 (15) days following the end of the calendar quarter to review and discuss these
245 matters. If the Company invokes Section 1.B.7.a. for operations during the
246 preceding three bid periods because it did not possess all the requisite
247 regulatory authority as necessary to fly a scheduled or required route with
248 FedEx aircraft, it will at the quarterly meeting provide the Association with
249 supporting information related to the Company's good faith efforts to acquire
250 the requisite regulatory authority.

251 [Note: Beginning in calendar year 2026, and subject to a non-disclosure
252 agreement, the Company will provide the Association with aggregate data
253 regarding movements covered by Section 1.B.4. for the purpose of ascertaining
254 business and operational trends]

255 e. Proprietary, sensitive or confidential information provided under this Section
256 will, at the Company's request, be reviewed by Association representatives
257 under confidentiality agreements.

258 10. No pilot shall be involuntarily furloughed while the Company wet leases any aircraft
259 pursuant to Section 1.B.6.

260 11. Penalties and Requirements in the Event of a Furlough

261 a. Should the Company have any Pilot on a non-voluntary furlough pursuant to
262 Section 23.A., all Section 1.B.6. wet leases shall be subject to a penalty of one
263 SPR for every wet lease block hour flown thereafter until all Pilots have reported
264 for duty from a recall notice (or declined recall) or the last furloughed pilot
265 ceases to accrue seniority as provided in Section 23.A.4., whichever is earlier.
266 This penalty is in addition to any penalty required by Section 1.B.6., however,
267 in no event shall the total penalty exceed 2.5x SPR per wet lease block hours
268 flown. Before the end of the first quarter of each fiscal year, penalty payments
269 due under this provision shall be distributed on a per capita basis to Pilots who
270 were on furlough when the penalty accrued.

271 b. In addition, in the event the Company enters into a Section 1.B.6. wet lease
272 while a Pilot is on a non-voluntary furlough pursuant to Section 23.A., the
273 Company shall recall a number of pilots equivalent to the staffing needs for the
274 flight schedules operated by the wet leased aircraft.

275 **C. Parent~~and~~, Affiliates, and Alter-Ego Prohibition**

276 1. Should the Company or parent of the Company (FedEx Corp.) or any subsidiary
277 or Affiliate directly or indirectly ~~controlled~~Controlled by the Company or parent of
278 the Company acquire with the intention of retaining and operating a U.S.
279 certificated air carrier or air operation operating aircraft of over 60,000 lbs.
280 MTOGW, then the acquired carrier's routes and operation of aircraft above the
281 MTOGW of 60,000 lbs. shall be assumed by the ~~pilots~~Pilots on the FedEx Master
282 Seniority List. If the acquired airline is to be sold in the normal course of business,
283 these seniority-merger provisions do not apply. If FedEx Corp., its subsidiaries or
284 Affiliates retain and operate the acquired airline, the assumption of the acquired
285 flying by Federal Express Master Seniority List ~~pilots~~Pilots shall take place as soon
286 as reasonably practical after either the merger of the acquired carrier's appropriate
287 pilots (those flying aircraft over 60,000 lbs.) into the Federal Express Master
288 Seniority List in the manner set forth in Section 1.D.1. and 3., or in the event the
289 pilots from the acquired carrier are not intended to be retained, then upon the final
290 regulatory confirmation and transfer of the operating certificates to Federal
291 Express and/or FedEx Corp.

292 2. Neither FedEx Corp., the Company, nor any Affiliate of FedEx Corp. will create,
293 acquire, or maintain an "alter-ego" airline operating aircraft over 60,000 lbs.

294 MTOGW. Should FedEx Corp. or any of its Affiliates create or acquire an RLA
295 carrier operating aircraft over 60,000 lbs. MTOGW, it shall be housed within the
296 Company (i.e., Federal Express Corporation) and will operate under the terms of
297 this Agreement (if FedEx Corp. or any of its Affiliates creates an RLA carrier) or in
298 accordance with Sections 1.C.1., 1.D.3. and D.4. (if FedEx Corp. or any of its
299 Affiliates acquires an RLA carrier). FedEx Corp. agrees to be bound by Sections
300 1.C.1., 1.D.2., and 1.E., should there be a dispute under this Section 1.C.2.

301 **D. Acquisition and Successorship**

302 1. If ~~another~~an Entity that is a U.S. certificated airline or U.S. certificated air cargo
303 operation or is Affiliated with such an airline or operation, acquires Control of the
304 Company or its parent or acquires all or a substantial portion of the Company's air
305 operations and as a result ~~pilots~~Pilots on the Federal Express Master Seniority List
306 are to be integrated with ~~pilots~~Pilots on seniority lists at that airline or air cargo
307 operation, the integration of pilot seniority lists shall be governed by the
308 Association's Merger Policy if the Association represents the airline's ~~pilots~~Pilots
309 as well as the Federal Express ~~pilots~~Pilots and otherwise ~~by~~under the McCaskill-
310 Bond Amendment and Section 3 and Section 13 of the Allegheny-Mohawk Labor
311 Protective Provisions [as specified in 59 CAB 22 (1972)].

312 2. This agreement shall be binding upon any ~~successor~~Successor of the Company
313 or its parent, including without limitation, any assignee, purchaser, transferee,
314 administrator, receiver, executor, and/or trustee of the Company or its parent or
315 any Entity that acquires Control of the Company, or the Company's parent, or
316 acquires all or a substantial portion of the Company's air operations (hereinafter
317 referred to as a "Successor" to the Company). Neither the Company nor its
318 ~~Affiliates~~parent shall consummate a Successor transaction unless the Successor
319 agrees in writing, in advance of executing an agreement to consummate such
320 transaction and as an irrevocable condition of the Successorship transaction, to
321 assume and be bound by the Agreement, to recognize the Association as the
322 representative of the Federal Express ~~pilots~~Pilots and to guarantee that the
323 ~~pilots~~Pilots on the Federal Express Pilots' Master Seniority List will be employed
324 by the Successor in accordance with the provisions of this Agreement. The
325 Successor shall continue to recognize the Association in accordance with Section
326 1.A. unless and until the National Mediation Board transfers or extinguishes the
327 Association's certification following an operational merger. The Successor shall
328 continue to be bound by the Agreement until the terms of the Agreement are
329 modified in accordance with applicable law.

330 3. Should the Company (or a Company Affiliate including the Company's parent)
331 acquire, merge, or operate another U.S. certificated airline or U.S. certificated air
332 operation that employs pilots who operate aircraft with a MTOGW of greater than
333 60,000 lbs., then such pilots operating aircraft above 60,000 lbs. MTOGW
334 scheduled to be retained, if any, shall be integrated into the Federal Express
335 Master Seniority List- in accordance with the process described in Section 1.D.1.

336

337 4. If the acquired carrier will be retained under Section 1.C.1. or 1.D.3., or if there is
338 a Successor that is an air carrier or has an air carrier Affiliate, and as a result
339 FedEx Pilots are to be integrated with the pilots on the seniority lists at the other
340 airline or air cargo operation, then:

341 a. The Company and the other air carrier will, upon receipt of the Association's
342 written request and within a reasonable period of time, begin negotiations with
343 the Association and the pilots employed by the other air carrier through their
344 collective bargaining representative, if any, for a joint collective bargaining
345 agreement for the pilots of the merged carrier.

346 b. ~~4.~~ While the ~~integration of the~~ completion and implementation of an integrated
347 pilot seniority ~~lists~~list and a joint collective bargaining agreement is pending or
348 in process ~~the Company agrees not to:~~

349 i. the pilots and flight operations of the Company and the other air carrier will
350 remain separated (and pilots and aircraft will not be transferred between
351 carriers, except aircraft may be exchanged between the carriers to deal with
352 unforeseen operational circumstances), with pilots employed by each air
353 carrier operating under the terms of their respective collective bargaining
354 agreements and employment policies (if the pilots of the other air carrier did
355 not have a collective bargaining agreement); and

356 ii. the Company and/or Successor agree not to divert active and existing flying
357 done by Federal Express ~~pilots to the acquired airline or air cargo operation.~~
358 ~~This restriction~~ Pilots to the other air carrier. The restrictions in Sections
359 1.D.4.b.i. and ii. shall not preclude the Company or Successor, if not
360 otherwise prohibited by Section 1, from:

361 (a) acting to eliminate redundancies, overlaps of routes/services or similar
362 services/routes provided by both carriers.;

363 (b) coordinating operations, insofar as not specifically prohibited;

364 (c) exchanging assets (except as specifically prohibited);

365 (d) code sharing with each other;

366 (e) combining livery and marketing;

367 (f) integrating systems;

368 (g) undertaking other steps to obtain a single operating certificate, insofar
369 as not specifically prohibited.

370 The Company or Successor, as applicable, shall, however, not cause
371 Federal Express ~~pilots~~ Pilots to be furloughed, assigned, or downgraded as
372 a direct result of the elimination of these redundancies, or the
373 discontinuance of the overlaps of route/services, or the similar
374 service/routes, and the elimination or discontinuance of redundancies,
375 overlaps or similar service/routes shall, to the extent operationally and
376 economically practical, be accomplished without an elimination of or a
377 reduction in flights operated by ~~pilots~~ Pilots on the Master Seniority List.

378 5. Following the execution of any agreement that will result in an acquisition of the
379 Company (or its parent) or the acquisition by the Company (or a Company Affiliate,
380 including its parent) of a U.S. certificated airline that operates aircraft with a
381 MTOGW of greater than 60,000 lbs., the Company will, at the Association's
382 request, meet with the Association to discuss the impact of the proposed
383 transaction upon the Pilots.

384 **E. Expedited Grievance and Arbitration Procedures**

385 Any grievance alleging a violation of the provisions of Section 1 shall be filed in writing
386 with the Vice-President, Labor Relations, within ~~40~~20 days following the date on which
387 the pilot acquired knowledge or reasonably should have acquired knowledge, of the
388 fact(s) or event(s) giving rise to the grievance. The grievance shall be considered and
389 a decision rendered in accordance with the provisions of Section 20 of this Agreement.
390 The hearing before the Vice-President, Labor Relations shall be conducted within 5
391 business days following receipt of the grievance, and a decision shall be rendered
392 within 5 business days of the conclusion of the hearing. If the decision of the Vice-
393 President, Labor Relations is not satisfactory to the pilot or the Association, such
394 decision may be appealed to the System Board in the manner set forth in Section 21.
395 The System Board hearing shall be commenced within 30 days after the Vice
396 President's decision, or on the earliest available date offered by the neutral arbitrator
397 selected by the parties. The parties shall attempt to use ~~Robert Harris~~John LaRocco
398 as the neutral arbitrator. If Mr. ~~Harris~~LaRocco is unavailable, the parties shall select
399 the neutral arbitrator from the panel of arbitrators empowered to hear administrative
400 grievances under Section 20. The parties shall make known to the selected arbitrator
401 the expeditious nature of this arbitration and request a decision in the matter as soon
402 as possible.

403 **F. Disruption of Company Business**

404 The Company shall not lock out ~~pilots~~Pilots and ~~pilots~~Pilots shall not engage in, cause
405 or support any strike or work stoppage at the Company. In the event of an existing or
406 impending labor dispute involving other represented employees, which is or has the
407 capability of disrupting Company flight operations, the MEC Chairman and the Vice
408 President, Flight Operations or the System Chief Pilot shall consult about what
409 measures, if any, were or would be appropriate for Federal Express to take in light of
410 the situation. The Vice President, Flight Operations or the System Chief Pilot will
411 share the result of those conversations in an FCIF to the crewforce and outline what
412 action(s), if any, the Company will take (or has taken) concerning the possible labor
413 dispute.

414
415 In the event of a work stoppage legally authorized under the Railway Labor Act,
416 involving other U.S. employees of the Company, the Vice President, Flight Operations
417 or the System Chief Pilot shall consult with the MEC Chairman concerning the nature
418 of any possible disruptions and the expectations the Company has in light of those
419 anticipated disruptions. Pilots shall not be required to perform work customarily done
420 by the ~~pilots~~Pilots of another U.S. certificated air cargo operation who are engaged in
421 a lawful strike against their employer unless the Company has historically performed
422 and provided such services on that airline's behalf. In cases where the Company has

423 contracted to conduct training for another carrier's ~~pilots~~Pilots, Federal Express
424 ~~pilots~~Pilots may refuse to train the other carrier's ~~pilots~~Pilots if those ~~pilots~~Pilots are
425 strike replacements. Strike replacement ~~pilots~~Pilots are those ~~pilots~~Pilots who are
426 being trained to replace the carrier's current striking ~~pilots~~Pilots or those ~~pilots~~Pilots
427 (from the other carrier) in training for a new seat position when an imminent pilot strike
428 is threatened. Nothing in this section shall preclude the Association from engaging in
429 self-help activities after the procedures provided by the Railway Labor Act, as
430 amended, for changing the terms of this comprehensive collective bargaining
431 agreement have been exhausted.

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