



Paragraph	2015 CBA	2026 TA
Definitions	<p>The term “Affiliate” refers to (a) any entity that Controls the Company or any entity that that Company Controls, and/or (b) any other corporate subsidiary, parent, or entity Controlled by or that Controls any entity referred to in (a) above. The term shall include, but not be limited to, FedEx Corporation, FedEx Ground Package System, Inc., FedEx Custom Critical, Inc., FedEx Trade Networks, Inc., FedEx Freight Corporation, FedEx Kinko’s Office and Print Services, Inc., and FedEx Corporate Services, Inc.</p>	<p>The term “Affiliate” refers to:</p> <ul style="list-style-type: none"> (a) any Entity that Controls another Entity or any Entity that is Controlled by another Entity, and/or (b) any other corporate subsidiary, parent, or Entity Controlled by or that Controls any Entity referred to in (a) above. (c) As of the effective date of the Agreement, the term “Affiliate” for the Company shall include, but not be limited to, FedEx Corporation, FedEx Custom Critical, Inc., FedEx Dataworks, Inc., FedEx Logistics, Inc., and FedEx Office and Print Services, Inc.
Definitions	<p>N/A</p>	<p>New Definition Added:</p> <p>“Control” by Entity A of Entity B exists if Entity A, directly or indirectly through the Control of one or more other Entities:</p> <ul style="list-style-type: none"> (a) Owns securities that constitute and/or are exchangeable into, exercisable for, or convertible into (i) more than 50% of the outstanding common or capital stock of Entity B, or (ii) voting securities representing more than 50% of the total voting power of outstanding securities than entitled to vote generally in the election of Entity B’s board of directors or other governing body; or (b) Has the power or right to manage or direct the management of Entity B.
Definitions	<p>N/A</p>	<p>New Definition Added:</p> <p>The term “Entity” means a natural person, corporation, association, partnership, trust or any other form for conducting business, and any combination or concert of any of the foregoing.</p>



Paragraph	2015 CBA	2026 TA
Definitions	N/A	<p>New Definition Added:</p> <p><u>Not Operationally Feasible</u></p> <p>The phrase “not operationally feasible” (or variants of this phrase where for instance other words exist between the words “not”, “operationally” and/or “feasible”, see, e.g. Section 1.B.7.d.) means that there exist operational restrictions or contingencies (such as airport size/condition, slot availability, service requirements, or security concerns) which make it impractical for the Company to provide freight transportation service with Company Aircraft or Pilots on the route involved. Should the basis (for not being operationally feasible) be related to security issues, FedEx Security shall provide briefings to the ALPA Security Chair on a quarterly basis to review those concerns.</p>
Definitions	N/A	<p>New Definition Added:</p> <p><u>Scope Penalty Rate (SPR)</u></p> <p>The highest combined hourly rate for a one (1) Captain, two (2) First Officer crew with maximum years of pay longevity, including international override.</p>



Wet Leasing

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1.B.6.	<p>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 30 days' written notice to the Association of any such wet lease(s). The following conditions shall apply to such wet lease arrangements:</p> <ol style="list-style-type: none">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.b. Except for the minimum two aircraft wet leasing referred to above, during the bid periods described in this paragraph, the Company shall not wet lease more than the net gain of trunk aircraft scheduled to be added and brought into service in any calendar year. Should, at the end of the calendar year, the Company actually bring into service fewer trunk aircraft than were scheduled and based on the schedule, the Company wet leased more aircraft than would have been permitted if the scheduled additions were the same as the actual deliveries, then the Company shall pay to the Association the same monies it would have paid the Association as calculated under Section 1.B.6.a.c. Should the Company violate the four bid period restriction, the Company shall pay to the Association the following for each wet lease conducted the greater of the number of block hours scheduled or flown, times 2.0, times the highest hourly rate for a three (3) man crew with fifteen (15) years of pay longevity, in addition to the international override, if any.



Wet Leasing

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1.B.6.	<p>The Company may also wet lease aircraft above 60,000 lbs. MTOGW to perform flights covered by this Agreement subject to the following progressive penalty schedule, which is based on the number of block hours flown by any wet leased aircraft under this Paragraph (i.e., Section 1.B.6.) as a percentage of total revenue block hours flown by FedEx Express trunk aircraft in the prior fiscal year.</p> <table border="1" style="margin: 10px auto; border-collapse: collapse; text-align: center;"> <thead> <tr style="background-color: #c6c8fa;"> <th colspan="2">Prior Calendar Year Net Aircraft Difference</th> <th rowspan="2">Penalty per Block Hour</th> </tr> <tr style="background-color: #c6c8fa;"> <th>Negative</th> <th>Non-Negative</th> </tr> </thead> <tbody> <tr> <td>0 - 1.00%</td> <td>0 - 1.25%</td> <td>None</td> </tr> <tr> <td>>1.00 - 1.50%</td> <td>>1.250 - 1.75%</td> <td>SPR</td> </tr> <tr> <td>>1.50%</td> <td>>1.75%</td> <td>2x SPR</td> </tr> </tbody> </table> <p>Note: Prior Calendar Year Net Aircraft Difference (PCYNAD) shall be determined pursuant to the PCYNAD Methodology document</p> <p>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.</p> <p>The Company shall provide at least 30 days’ written notice to the Association of any such wet lease(s) (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.</p> <p>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.</p> <p>Should a wet lease actually extend beyond an aggregate total of 26 weeks in a calendar year, a penalty of 2 SPR will be incurred for each block hour flown pursuant to that wet lease beyond those 26 aggregate weeks in addition to any other penalties due. Should, at the end of the calendar year, the Company have a net Master Seniority List growth of at least one Pilot, the penalty described in this paragraph shall be waived for the calendar year.</p> <p>[Note: A week is a seven (7) day period running from a Sunday through the following Saturday, with the day based on the Memphis local base day (01:30 through 01:29, see Sections 2.38, 2.82, and 25.A.2.). A week is counted as part of wet lease operations if any wet lease block hours are flown in that week.]</p> <p>Penalty payments due under this provision shall be distributed to Pilots in the manner determined by the Association before the end of the first quarter of each year.</p> <p>[Note: The penalties in Section 1.B.6. will go into effect on the first day of the January bid period following the effective date of the Agreement. Legacy methodology shall be used until that date.]</p>	Prior Calendar Year Net Aircraft Difference		Penalty per Block Hour	Negative	Non-Negative	0 - 1.00%	0 - 1.25%	None	>1.00 - 1.50%	>1.250 - 1.75%	SPR	>1.50%	>1.75%	2x SPR
Prior Calendar Year Net Aircraft Difference		Penalty per Block Hour													
Negative	Non-Negative														
0 - 1.00%	0 - 1.25%	None													
>1.00 - 1.50%	>1.250 - 1.75%	SPR													
>1.50%	>1.75%	2x SPR													



No Penalty Wet Leasing

Paragraph	2015 CBA	2026 TA
1.B.7.	<p>The Company may enter into wet lease and other agreements with other carriers at any time without penalty or payment to any pilot or the Association in order to deliver freight to cities that cannot be served by Federal Express trunk aircraft because:</p> <ul style="list-style-type: none"> a. The Company does not possess all the requisite regulatory authority (or what authority it does possess is in dispute with any government or any agency thereto), all traffic authority and foreign government approvals/authority, as are necessary to fly the scheduled or required route. Should the Company not possess the requisite regulatory authority at the time of the wet lease, it shall make a good faith effort to acquire that authority. b. Foreign government or foreign authorities’ action restricts the use of pilots on the Master Seniority List so as to render the use of FedEx pilots not economically feasible; or c. An emergency exists that precludes the Company from utilizing Company aircraft. In the event the Company wet leases aircraft under this provision, the Vice President, Flight Operations, shall notify the Association and crew force through an FCIF as soon as practicable. Routine maintenance problems shall not constitute an emergency. d. The utilization of pilots on the Master Seniority List is not, or does not continue to be, economically or operationally feasible given the low freight volume, treaty or regulatory restrictions on the right of the Company to move freight through or beyond certain countries or cities, or remoteness or isolation of the served city to the existing Federal Express international route structure. 	<ul style="list-style-type: none"> a. The Company does not possess all the requisite regulatory authority (or what authority it does possess is in dispute with any government or any agency thereof), all traffic authority and foreign government approvals/authority, as are necessary to fly the scheduled or required route. Should the Company not possess the requisite regulatory authority at the time of the wet lease, it shall make a good faith effort to acquire that authority. [Note: The Association shall withdraw Grievance 24-01] b. Foreign government or foreign authorities’ action restricts the use of Pilots on the Master Seniority List so as to render the use of FedEx Pilots not operationally or economically feasible. c. An Emergency (as defined by Section 2.53) exists that precludes the Company from utilizing Company aircraft. In the event the Company wet leases aircraft under this provision, the Vice President, Flight Operations, shall notify the Association and crew force through an FCIF as soon as practicable. Routine maintenance problems shall not constitute an Emergency.



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<p>1.B.9.</p>	<p>The Company shall notify the Association quarterly concerning all wet-leasing done during the preceding three bid periods. The Company shall identify the wet lease operator, the trip(s) flown by same, and the reason and effect on Federal Express crewmembers.</p> <p>The Company shall also meet with the Association on a quarterly basis to discuss wet leasing, fleet acquisition and disposal plans and to share with the Association the additional Federal Express trunk route additions/deletions it anticipates over the next quarter. A standing committee consisting of an equal number of Association and Company representatives shall meet within fifteen (15) days following the end of the calendar quarter to review and discuss these matters.</p>	<p>Company Scope Reporting & Meeting Obligations</p> <ol style="list-style-type: none"> a. The Company shall notify the Association quarterly concerning all wet leasing done during the preceding three bid periods pursuant to Section 1.B.5., B.6., B.7. or B.8. The Company shall identify the operator of the wet lease(s), the trip(s) flown by same, weight of cargo flown on the wet lease, and the reason and effect on Federal Express crewmembers b. If the Company wet leases pursuant to Section 1.B.7.b. or d. during the preceding three bid periods, the Company will, at the Association’s request, provide the Association with supporting information. c. Upon reasonable request, the Company will provide the Association with information necessary to enable the Association to verify compliance by the Company with the terms of this Section. Requests from the Association regarding Section 1.B.4., B.6., and B.7. movements shall be based on specific instances and shall not be unduly burdensome. d. The Company shall meet with the Association on a quarterly basis to discuss wet leasing, fleet acquisition and disposal plans and to share with the Association the additional Federal Express trunk route additions/deletions it anticipates over the next quarter. Upon Association request regarding Section 1.B.4. operations, the Company will, at the quarterly meeting, provide the requested information (e.g., supporting information regarding Section 1.B.4. operations between SJU-CLT). A standing committee consisting of an equal number of Association and Company representatives shall meet within fifteen (15) days following the end of the calendar quarter to review and discuss these matters. If the Company invokes Section 1.B.7.a. for operations during the preceding three bid periods because it did not possess all the requisite regulatory authority as necessary to fly a scheduled or required route with FedEx aircraft, it will at the quarterly meeting provide the Association with supporting information related to the Company’s good faith efforts to acquire the requisite regulatory authority. [Note: Beginning in calendar year 2026, and subject to a non-disclosure agreement, the Company will provide the Association with aggregate data regarding movements covered by Section 1.B.4. for the purpose of ascertaining business and operational trends] e. Proprietary, sensitive or confidential information provided under this Section will, at the Company’s request, be reviewed by Association representatives under confidentiality agreements.



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1.B.10	N/A	No pilot shall be involuntarily furloughed while the Company wet leases any aircraft pursuant to Section 1.B.6.
1.B.11.	N/A	<p data-bbox="867 453 1430 485"><u>Penalties and Requirements in the Event of a Furlough</u></p> <p data-bbox="867 516 1495 1098">a. Should the Company have any Pilot on a non-voluntary furlough pursuant to Section 23.A., all Section 1.B.6. wet leases shall be subject to a penalty of one SPR for every wet lease block hour flown thereafter until all Pilots have reported for duty from a recall notice (or declined recall) or the last furloughed pilot ceases to accrue seniority as provided in Section 23.A.4., whichever is earlier. This penalty is in addition to any penalty required by Section 1.B.6., however, in no event shall the total penalty exceed 2.5x SPR per wet lease block hours flown. Before the end of the first quarter of each fiscal year, penalty payments due under this provision shall be distributed on a per capita basis to Pilots who were on furlough when the penalty accrued.</p> <p data-bbox="867 1129 1495 1371">b. In addition, in the event the Company enters into a Section 1.B.6. wet lease while a Pilot is on a non-voluntary furlough pursuant to Section 23.A., the Company shall recall a number of pilots equivalent to the staffing needs for the flight schedules operated by the wet leased aircraft</p>



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1.C.	<p><u>Parent and Affiliates</u></p> <p>Should the parent of the Company (FedEx Corp.) or any subsidiary or Affiliate directly or indirectly controlled by the parent of the Company acquire with the intention of retaining and operating a U.S. certificated air carrier or air operation operating aircraft of over 60,000 lbs. MTOGW, then the acquired carrier's routes and operation of aircraft above the MTOGW of 60,000 lbs. shall be assumed by the pilots on the FedEx Master Seniority List. If the acquired airline is to be sold in the normal course of business, these seniority-merger provisions do not apply. If FedEx Corp., its subsidiaries or Affiliates retain and operate the acquired airline, the assumption of the acquired flying by Federal Express Master Seniority List pilots shall take place as soon as reasonably practical after either the merger of the acquired carrier's appropriate pilots (those flying aircraft over 60,000 lbs.) into the Federal Express Master Seniority List in the manner set forth in Section 1.D.3., or in the event the pilots from the acquired carrier are not intended to be retained, then upon the final regulatory confirmation and transfer of the operating certificates to Federal Express and/or FedEx Corp.</p>	<p><u>Parent, Affiliates, and Alter-Ego Prohibition</u></p> <ol style="list-style-type: none">1. Should the Company or parent of the Company (FedEx Corp.) or any subsidiary or Affiliate directly or indirectly Controlled by the Company or parent of the Company acquire with the intention of retaining and operating a U.S. certificated air carrier or air operation operating aircraft of over 60,000 lbs. MTOGW, then the acquired carrier's routes and operation of aircraft above the MTOGW of 60,000 lbs. shall be assumed by the Pilots on the FedEx Master Seniority List. If the acquired airline is to be sold in the normal course of business, these seniority-merger provisions do not apply. If FedEx Corp., its subsidiaries or Affiliates retain and operate the acquired airline, the assumption of the acquired flying by Federal Express Master Seniority List Pilots shall take place as soon as reasonably practical after either the merger of the acquired carrier's appropriate pilots (those flying aircraft over 60,000 lbs.) into the Federal Express Master Seniority List in the manner set forth in Section 1.D.1. and 3., or in the event the pilots from the acquired carrier are not intended to be retained, then upon the final regulatory confirmation and transfer of the operating certificates to Federal Express and/or FedEx Corp.2. Neither FedEx Corp., the Company, nor any Affiliate of FedEx Corp. will create, acquire, or maintain an "alter-ego" airline operating aircraft over 60,000 lbs. MTOGW. Should FedEx Corp. or any of its Affiliates create or acquire an RLA carrier operating aircraft over 60,000 lbs. MTOGW, it shall be housed within the Company (i.e., Federal Express Corporation) and will operate under the terms of this Agreement (if FedEx Corp. or any of its Affiliates creates an RLA carrier) or in accordance with Sections 1.C.1., 1.D.3. and D.4. (if FedEx Corp. or any of its Affiliates acquires an RLA carrier). FedEx Corp. agrees to be bound by Sections 1.C.1., 1.D.2., and 1.E., should there be a dispute under this Section 1.C.2.



Paragraph	2015 CBA	2026 TA
1.D.	<u>Successorship</u>	<u>Acquisition and Successorship</u>
1.D.1.	<p>If another U.S. certificated airline or U.S. certificated air cargo operation acquires all or a substantial portion of the Company’s air operations and as a result pilots on the Federal Express Master Seniority List are to be integrated with pilots on seniority lists at that airline or air cargo operation, the integration of pilot seniority lists shall be governed by the Association’s Merger Policy if the Association represents the airline’s pilots as well as the Federal Express pilots and otherwise by Section 3 and Section 13 of the Allegheny-Mohawk Labor Protective Provisions [as specified in 59 CAB 22 (1972)].</p>	<p>If an Entity that is a U.S. certificated airline or U.S. certificated air cargo operation or is Affiliated with such an airline or operation, acquires Control of the Company or its parent or acquires all or a substantial portion of the Company’s air operations and as a result Pilots on the Federal Express Master Seniority List are to be integrated with Pilots on seniority lists at that airline or air cargo operation, the integration of pilot seniority lists shall be governed by the Association’s Merger Policy if the Association represents the airline’s Pilots as well as the Federal Express Pilots and otherwise under the McCaskill-Bond Amendment and Section 3 and Section 13 of the Allegheny-Mohawk Labor Protective Provisions [as specified in 59 CAB 22 (1972)].</p>
1.D.2.	<p>This agreement shall be binding upon any successor, including without limitation, any assignee, purchaser, transferee, administrator, receiver, executor, and/or trustee of the Company (hereinafter referred to as a “Successor” to the Company). Neither the Company nor its Affiliates shall consummate a Successor transaction unless the Successor agrees in writing, in advance of executing an agreement to consummate such transaction and as an irrevocable condition of the Successorship transaction, to assume and be bound by the Agreement, to recognize the Association as the representative of the Federal Express pilots and to guarantee that the pilots on the Federal Express Pilots’ Master Seniority List will be employed by the Successor in accordance with the provisions of this Agreement. The Successor shall continue to recognize the Association in accordance with Section 1.A. unless and until the National Mediation Board transfers or extinguishes the Association’s certification following an operational merger. The Successor shall continue to be bound by the Agreement until the terms of the Agreement are modified in accordance with applicable law.</p>	<p>This agreement shall be binding upon any Successor of the Company or its parent, including without limitation, any assignee, purchaser, transferee, administrator, receiver, executor, and/or trustee of the Company or its parent or any Entity that acquires Control of the Company, or the Company’s parent, or acquires all or a substantial portion of the Company’s air operations (hereinafter referred to as a “Successor” to the Company). Neither the Company nor its parent shall consummate a Successor transaction unless the Successor agrees in writing, in advance of executing an agreement to consummate such transaction and as an irrevocable condition of the Successorship transaction, to assume and be bound by the Agreement, to recognize the Association as the representative of the Federal Express Pilots and to guarantee that the Pilots on the Federal Express Pilots’ Master Seniority List will be employed by the Successor in accordance with the provisions of this Agreement. The Successor shall continue to recognize the Association in accordance with Section 1.A. unless and until the National Mediation Board transfers or extinguishes the Association’s certification following an operational merger. The Successor shall continue to be bound by the Agreement until the terms of the Agreement are modified in accordance with applicable law.</p>



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1.D.3.	Should the Company acquire, merge, or operate another U.S. certificated airline or U.S. certificated air operation that employs pilots who operate aircraft with a MTOGW of greater than 60,000 lbs., then such pilots operating aircraft above 60,000 lbs. MTOGW scheduled to be retained, if any, shall be integrated into the Federal Express Master Seniority List.	Should the Company (or a Company Affiliate including the Company's parent) acquire, merge, or operate another U.S. certificated airline or U.S. certificated air operation that employs pilots who operate aircraft with a MTOGW of greater than 60,000 lbs., then such pilots operating aircraft above 60,000 lbs. MTOGW scheduled to be retained, if any, shall be integrated into the Federal Express Master Seniority List in accordance with the process described in Section 1.D.1.
1.D.4.	See next page	See next page
1.D.5.	N/A	Following the execution of any agreement that will result in an acquisition of the Company (or its parent) or the acquisition by the Company (or a Company Affiliate, including its parent) of a U.S. certificated airline that operates aircraft with a MTOGW of greater than 60,000 lbs., the Company will, at the Association's request, meet with the Association to discuss the impact of the proposed transaction upon the Pilots
1.E.	The parties shall attempt to use Robert Harris as the neutral arbitrator.	The parties shall attempt to use John LaRocco as the neutral arbitrator.
Holding Company Letter		New Holding Company letter



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1.D.4.	<p>While the integration of the pilot seniority lists is pending or in process the Company agrees not to divert active and existing flying done by Federal Express pilots to the acquired airline or air cargo operation. This restriction shall not preclude the Company from acting to eliminate redundancies, overlaps of routes/services or similar services/routes provided by both carriers. The Company shall, however, not cause Federal Express pilots to be furloughed, assigned, or downgraded as a direct result of the elimination of these redundancies, or the discontinuance of the overlaps of route/services, or the similar service/routes, and the elimination or discontinuance of redundancies, overlaps or similar service/routes shall, to the extent operationally and economically practical, be accomplished without an elimination of or a reduction in flights operated by pilots on the Master Seniority List.</p>	<p>If the acquired carrier will be retained under Section 1.C.1. or 1.D.3., or if there is a Successor that is an air carrier or has an air carrier Affiliate, and as a result FedEx Pilots are to be integrated with the pilots on the seniority lists at the other airline or air cargo operation, then:</p> <ul style="list-style-type: none">a. The Company and the other air carrier will, upon receipt of the Association’s written request and within a reasonable period of time, begin negotiations with the Association and the pilots employed by the other air carrier through their collective bargaining representative, if any, for a joint collective bargaining agreement for the pilots of the merged carrier.b. While the completion and implementation of an integrated pilot seniority list and a joint collective bargaining agreement is pending or in process:<ul style="list-style-type: none">i. the pilots and flight operations of the Company and the other air carrier will remain separated (and pilots and aircraft will not be transferred between carriers, except aircraft may be exchanged between the carriers to deal with unforeseen operational circumstances), with pilots employed by each air carrier operating under the terms of their respective collective bargaining agreements and employment policies (if the pilots of the other air carrier did not have a collective bargaining agreement); andii. the Company and/or Successor agree not to divert active and existing flying done by Federal Express Pilots to the other air carrier. The restrictions in Sections 1.D.4.b.i. and ii. shall not preclude the Company or Successor, if not otherwise prohibited by Section 1, from:<ul style="list-style-type: none">(a) acting to eliminate redundancies, overlaps of routes/services or similar services/routes provided by both carriers;(b) coordinating operations, insofar as not specifically prohibited;(c) exchanging assets (except as specifically prohibited);(d) code sharing with each other;(e) combining livery and marketing;(f) integrating systems;(g) undertaking other steps to obtain a single operating certificate, insofar as not specifically prohibited. <p>The Company or Successor, as applicable, shall, however, not cause Federal Express Pilots to be furloughed, assigned, or downgraded as a direct result of the elimination of these redundancies, or the discontinuance of the overlaps of route/services, or the similar service/routes, and the elimination or discontinuance of redundancies, overlaps or similar service/routes shall, to the extent operationally and economically practical, be accomplished without an elimination of or a reduction in flights operated by Pilots on the Master Seniority List.</p>