

1 **SECTION 28**  
2 **RETIREMENT (Pension Benefits)**

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4 **A. General**

- 5 1. The Company shall continue to provide retirement and related benefits  
6 through the Retirement Plans<sup>1</sup> and under the terms and conditions of the  
7 Retirement Plans, as in effect as of the date of signing of this Agreement,  
8 except as specifically provided herein. The terms and conditions of the  
9 Retirement Plans, insofar as they affect pilots, shall not be changed, except  
10 as provided in this Agreement or by the written agreement of the  
11 Association. The Pilot Benefit Book ("PBB") shall be updated in accordance  
12 with Section 28.A.7. to reflect changes made by this Agreement and any  
13 other changes made pursuant to Section 28.A.5.
- 14 2. Except as otherwise provided in this Section 28, the Company shall be  
15 responsible for the establishment, control, management, administration and  
16 attendant expenses of the Retirement Plans and all disputes concerning  
17 those claims for benefits shall be settled as described in Section 28.A.4.
- 18 3. In order that the Association may have the most current information  
19 regarding the Retirement Plans, the Company shall provide the Association  
20 with the following documents:
- 21 a. Actuarial Valuation Report for Funding Purposes for Pension Plan and  
22 MBCBP<sup>2</sup>, along with accompanying Data, Assumptions, Methods and  
23 Provisions, annually, on or about April 30;
  - 24 b. PRSP ~~and PMPPP~~ Financial Reports, quarterly;
  - 25 c. 408(b)(2) Reports for ~~PMPPP and~~ PRSP ~~(Vanguard All-In-Fee~~  
26 ~~Disclosure)~~, annually, on or about August 31;
  - 27 d. Notice of Qualified Default Investment Alternative for the PRSP ~~and~~  
28 ~~PMPPP~~, annually, on or about November 30;
  - 29 e. Annual Funding Notice, annually, on or about September 30;
  - 30 f. Participant Fee Disclosure, annually, on or about ~~July 31~~ November 30;
  - 31 g. Summary Annual Reports, annually; and
  - 32 h. AFTAP Certification for Pension Plan and MBCBP, annually, on or  
33 about March 31.

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<sup>1</sup> The following Retirement Plans are in effect as of ~~November 2~~ June 29, 2015 ~~2026~~.

- (a) The FedEx Corporation Employees' Pension Plan;
- (b) The Federal Express Corporation Pilots' Retirement Savings Plan;
- (c) The Flying Tiger Line Inc. Variable Annuity Pension Plan for Pilots;
- ~~(d) The Federal Express Corporation Pilots' Money Purchase Pension Plan;~~
- (d) ~~(e)~~ The Federal Express Corporation Non-Qualified Pension Plan for Pilots; and
- ~~(f)~~ The Federal Express Corporation Non-Qualified Section 415 Excess Pension Plan for Pilots.

<sup>2</sup> The Federal Express Corporation Pilots' Market Based Cash Balance Plan, effective January 1, 2028.

34 i. After the establishment of the MBCBP, the Company shall provide the  
35 Association with the PBGC 4010 filings, if applicable.

36 The distribution schedule may be modified as agreed upon by the parties.  
37 The Association, and its designees, shall keep this information confidential,  
38 in accordance with the parties' Confidentiality Agreement.

39 4. Review of benefit denials shall be as described in this Agreement, the  
40 Retirement Plans and the PBB. Benefit denials shall be reviewed by the  
41 FedEx Corporation Retirement Appeals Committee ("RAC") or the  
42 appropriate claims-paying administrator. If the pilot is not satisfied with the  
43 decision regarding a Retirement Plan benefit, the pilot may seek review of  
44 the decision in accordance with the provisions of Section 28.G. within 120  
45 days of the RAC's decision.

46 5. All of the Retirement Plans' terms and conditions shall remain unchanged  
47 insofar as they affect pilots, except as specifically provided for herein or  
48 except as required by law. If an amendment to the Retirement Plans or the  
49 PBB is required by law, if there is more than one alternative available under  
50 the law with respect to such required amendment(s), and if the effectuation  
51 of either alternative would result in similar cost to the Company, the consent  
52 of the Association to one of the alternatives shall be required for such plan  
53 amendment. Such consent shall not be unreasonably withheld. The  
54 Association's consent shall not be required for any amendment described  
55 in this paragraph if more than one alternative is available under the law but  
56 the effectuation of one or more of the alternatives would result in increased  
57 cost to the Company over the other available alternatives.

58 6. ~~The~~Except as provided in Section 28.C.12., the Company reserves the right  
59 to select the trustees, recordkeepers and other vendors it believes  
60 necessary to administer the Retirement Plans. The Company shall first  
61 notify and consult with the Association before changing a recordkeeper.

62 7. The Company shall promptly provide the Association with proposed  
63 updates to the PBB reflecting changes made by this Agreement. The  
64 Association shall promptly meet with the Company and provide comments.  
65 As soon as practicable thereafter, a PBB that is mutually satisfactory to the  
66 Company and the Association shall be distributed to the pilots. The  
67 Association's approval shall not be unreasonably withheld. The foregoing  
68 to the contrary notwithstanding, the failure of the Association to timely  
69 approve such updates shall not prevent the Company from distributing the  
70 updates to the pilots in accordance with the provisions of 29 U.S.C.  
71 §1024(b).

72 With respect to any future updates to the PBB, the Company shall prepare  
73 and distribute to the pilots updates to the PBB, as required by 29 U.S.C.  
74 §1024(b). The Association shall be given the opportunity to review and  
75 approve such updates; the Association's approval of such updates shall not  
76 be unreasonably withheld. The foregoing to the contrary notwithstanding,  
77 the failure of the Association to timely approve such updates shall not

78 prevent the Company from distributing the updates to the pilots in  
79 accordance with the provisions of 29 U.S.C. §1024(b).

80 8. The Company shall maintain records for a sufficient time and in sufficient  
81 detail to be able to confirm all data necessary for the calculation of any  
82 benefit payable under the Retirement Plans.

83 **B. Pension Plan**

84 1. The terms and conditions of the FedEx Corporation Employees' Pension  
85 Plan ("Pension Plan") affecting pilots, the Federal Express Corporation  
86 Non-Qualified Pension Plan for Pilots ("Compensation Limit Plan"), and the  
87 Federal Express Corporation Non-Qualified Section 415 Excess Pension  
88 Plan for Pilots ("415 Limit Plan") shall be as provided in the Pension Plan,  
89 the Compensation Limit Plan, and the 415 Limit Plan except as provided in  
90 this Agreement.

91 2. A pilot's retirement benefit at the pilot's normal retirement date (the "Pension  
92 Plan Formula") shall be equal to the greatest of: (i) the pilot's final average  
93 earnings x 2% x credited years of service with the Company (Max. 25 years)  
94 for benefit accrual, (ii) the benefit described in Section 28.B.4. , or (iii) a flat  
95 dollar benefit based upon a pilot's flight hours, equipment flown, and seat  
96 position during a plan year. The accrued benefit for a pilot who, prior to the  
97 merger of The Flying Tiger Line, Inc. ("FTL") with the Company, was a  
98 participant in any of the FTL pension plans which were merged into the  
99 Pension Plan is determined as provided under the terms of the Pension  
100 Plan.

101 [\[Note: the flat dollar formula in effect prior to April 8, 2026 shall be adjusted](#)  
102 [in accordance with Section 28.B.3.\]](#)

103 3. Final average earnings will be defined as the average of the highest five  
104 calendar years of compensation while working for the Company. In no  
105 event shall total final average earnings taken into account under the  
106 Pension Plan, the Compensation Limit Plan and the 415 Limit Plan exceed  
107 ~~\$260,000~~;

108 [a. \\$340,000 for pilots retiring on or after June 29, 2026 through the end of](#)  
109 [the election period \(which shall end no later than May 30, 2027\) or who](#)  
110 [do not elect \(or are deemed to have not elected\) during the election](#)  
111 [period to transition to the MBCBP or the enhanced Pilots' Retirement](#)  
112 [Savings Plan benefit; or](#)

113 [b. \\$290,000 for pilots retiring after the end of the election period who](#)  
114 [elected to transition to the MBCBP; or](#)

115 [c. \\$290,000 for pilots retiring after the end of the election period who](#)  
116 [elected to transition to the enhanced Pilots' Retirement Savings Plan](#)  
117 [Benefit.](#)

118 4. With respect to any pilot having a Master Seniority List number as of  
119 October 30, 2006, the benefit set forth in Section 28.B.2(ii) of the Agreement

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shall be the sum of the amounts derived under the computations set forth in Section 28.B.4.a., b., and c.:

- a. For a pilot who had a Master Seniority List number as of June 1, 1999, and who also had a Master Seniority List number as of October 30, 2006, such pilot's final average earnings shall be multiplied by past years of credited service with the Company as of June 1, 1999 (not to exceed a maximum of twenty-five years), multiplied by a multiplier from the following table based on such pilot's years of vesting service with the Company:

Years of Vesting Service as of June 1, 1999	Multiplier
less than 10	2.00%
10	2.05%
11	2.06%
12	2.07%
13	2.08%
14	2.09%
15	2.10%
16	2.11%
17	2.12%
18	2.13%
19	2.14%
20	2.15%
21	2.16%
22	2.17%
23	2.18%
24	2.19%
25 or more	2.20%

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With respect to pilots who performed years of service with The Flying Tiger Line Inc. ("FTL") prior to August 7, 1989, such pilot's years of service with FTL shall be taken into account solely for purposes of determining the multiplier described herein, but shall not be taken into account for purposes of determining past years of credited service with the Company as of June 1, 1999.

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The multiplier described above shall be added to the amount described below with respect to any pilot having a Master Seniority List number as of October 30, 2006, who, as of June 1, 1999 had attained age 50 and completed fifteen (15) years of vesting service with the Company, (including such pilot's years of service with FTL):

Age at 6/1/99	Increase
59 and above	0.12%
58	0.11%
57	0.10%
56	0.09%
55	0.08%
54	0.07%
53	0.06%
52	0.05%
51	0.04%
50	0.02%

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- b. The Pension Plan Formula shall multiply final average earnings by 2% for all years of credited service completed by such pilots on or after June 1, 1999 (which, when added to years of credited service completed prior to June 1, 1999, shall not exceed a maximum of twenty-five (25) years of credited service for benefit accrual).

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A pilot's final average earnings shall be multiplied by 2% and by years of credited service (maximum of 25 years) for benefit accrual for pilots who had a Master Seniority List number as of October 30, 2006, but did not have a Master Seniority List number as of June 1, 1999.

152 c. For pilots who, as of October 30, 2006, have a Master Seniority List  
153 number, have attained age 50, and who have completed ten (10) or  
154 more years of vesting service with the Company, such pilots' final  
155 average earnings shall be multiplied by past years of credited service  
156 with the Company as of October 30, 2006 (not to exceed a maximum of  
157 twenty-five years), multiplied by a multiplier from the following table  
158 based on such pilot's age and years of vesting service with the Company  
159 on October 30, 2006:

<b>Additional Benefit Percentage based on Age/Service</b>										
<b>Years of Vesting Service as of October 30, 2006</b>	<b>Age</b>									
	<b>50</b>	<b>51</b>	<b>52</b>	<b>53</b>	<b>54</b>	<b>55</b>	<b>56</b>	<b>57</b>	<b>58</b>	<b>59 or older</b>
<b>Less than 10</b>	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
<b>10</b>	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%
<b>11</b>	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%
<b>12</b>	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%
<b>13</b>	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%
<b>14</b>	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%
<b>15</b>	0.02%	0.02%	0.02%	0.02%	0.02%	0.03%	0.03%	0.03%	0.03%	0.03%
<b>16</b>	0.02%	0.02%	0.02%	0.02%	0.03%	0.03%	0.03%	0.03%	0.03%	0.03%
<b>17</b>	0.02%	0.02%	0.02%	0.03%	0.03%	0.03%	0.03%	0.03%	0.03%	0.04%
<b>18</b>	0.02%	0.02%	0.03%	0.03%	0.03%	0.03%	0.03%	0.03%	0.04%	0.04%

<b>19</b>	0.02%	0.03%	0.03%	0.03%	0.03%	0.03%	0.03%	0.04%	0.04%	0.04%
<b>20</b>	0.02%	0.03%	0.03%	0.03%	0.03%	0.03%	0.04%	0.04%	0.04%	0.04%
<b>21</b>	0.03%	0.03%	0.03%	0.03%	0.03%	0.04%	0.04%	0.04%	0.04%	0.04%
<b>22</b>	0.03%	0.03%	0.03%	0.03%	0.04%	0.04%	0.04%	0.04%	0.04%	0.04%
<b>23</b>	0.03%	0.03%	0.03%	0.04%	0.04%	0.04%	0.04%	0.04%	0.04%	0.05%
<b>24</b>	0.03%	0.03%	0.04%	0.04%	0.04%	0.04%	0.04%	0.04%	0.05%	0.05%
<b>25 or more</b>	0.03%	0.04%	0.04%	0.04%	0.04%	0.04%	0.04%	0.05%	0.05%	0.05%

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With respect to pilots who performed years of service with The Flying Tiger Line Inc. (“FTL”) prior to August 7, 1989, such pilot’s years of service with FTL shall be taken into account solely for purposes of determining the multiplier described herein, but shall not be taken into account for purposes of determining past years of credited service with the Company as of October 30, 2006.

- d. The Pension Plan was amended to incorporate the provisions of Section 28.B.4.a., Section 28.B.4.b. and Section 28.B.4.c. The parties agree that the provisions of Section 28.B.4.a., Section 28.B.4.b. and Section 28.B.4.c. were one-time amendments to the Pension Plan and those provisions applied only to the pilots entitled to a benefit under such provisions as of October 30, 2006. Notwithstanding any other provision of this Agreement, including the duration provisions contained in Section 31, Section 28.B.4.d. became effective on October 30, 2006 and has permanent duration, and neither the provisions of Section 28.B.4.d. nor the related provisions of the Pension Plan referenced herein may be altered without the written consent of both parties.
- 5. A pilot shall receive credited service for benefit accrual while on disability and while eligible for benefits, including Pilot Supplemental Disability benefits, pursuant to the terms of the [Federal Express Corporation Long Term Disability Plan for Pilots \(“LTD Plan”\)](#).
- 6. ~~For benefit commencement dates occurring on or after February 1, 2016, the following~~The actuarially equivalent optional forms of benefit distributions ~~shall also be~~ available under the Pension Plan:— shall include 50% Joint and Survivor Pop-Up Annuity; 75% Joint and Survivor Pop-Up Annuity; and 100% Joint and Survivor Pop-Up Annuity.

- 186 7. The Pension Plan shall ~~be amended effective no later than February 1,~~  
187 ~~2016, to~~ allow a participant to elect different forms of benefit payment for  
188 the pilot's FTL benefit and for the remainder of the pilot's benefit under the  
189 Pension Plan.
- 190 8. The Pension Plan shall be amended effective ~~no later than~~  
191 ~~February~~January 1, ~~2016~~2027, to provide that if:
- 192 a. prior to the pilot's death, a pilot has retired and submitted a valid  
193 unexpired election to commence retirement benefits (within ~~90~~180 days  
194 of the benefit commencement date ("BCD")) as of the first day of any of  
195 the ~~month~~6 months following the pilot's retirement, and
- 196 b. the pilot fails to survive until the pilot's elected BCD, then the pilot shall  
197 be deemed to have survived until the pilot's elected BCD and benefits  
198 shall commence on the elected BCD, in the form elected by the pilot,  
199 provided, however that the first benefit payment shall be paid to the  
200 pilot's joint annuitant, beneficiary or estate, as applicable, pursuant to  
201 the form elected by the pilot. An election shall be determined to have  
202 been submitted prior to the pilot's death, if there is proof that the election  
203 confirmation was mailed, emailed, faxed, posted, or received by the  
204 administrator prior to the pilot's death.

205 Example 1:

- 206 • ~~9. The~~Pilot retires on December 31, 2027, and defers  
207 commencing his Pension Plan ~~shall be amended effective~~  
208 ~~November 2, 2015, to~~benefit.
- 209 • In April 2028, the pilot submits a valid election to commence his  
210 Pension Plan benefit on June 1, 2028, with a payment option of  
211 100% Joint & Survivor.
- 212 • Pilot dies on May 15, 2028.
- 213 • The Pension Plan benefit shall commence on June 1, 2028, in  
214 the form elected by the pilot, 100% Joint & Survivor.

215 Example 2:

- 216 • Pilot retires on December 31, 2027, and defers commencing his  
217 Pension Plan benefit.
- 218 • In April 2028, the married pilot submits a valid election to  
219 commence his Pension Plan benefit on June 1, 2028, with a  
220 payment option of a Straight Life Annuity.
- 221 • Pilot dies on May 15, 2028.
- 222 • There is no benefit paid to a survivor since the pilot elected the  
223 Straight Life Annuity.

- 224 9. The Pension Plan shall provide that spousal consent is not required if the  
225 participant is legally separated from the spouse as evidenced by a court  
226 decree.

227 10. ~~C. Pilots' Money Purchase~~The Company shall consult with the  
228 Association prior to the purchase of annuities from a qualified life insurance  
229 company to provide benefits to retiree participants otherwise payable under  
230 the Pension Plan.

231 11. The Pension Plan shall be closed to pilots with a Date of Hire (DOH) on or  
232 after June 29, 2026.

233 12. Pilots with a DOH before June 29, 2026, will have a choice among (1) the  
234 Pension Plan (2) the MBCBP, or (3) the enhanced Pilots' Retirement  
235 Savings Plan Benefit as described in the MBCBP/Enhanced Pilots'  
236 Retirement Savings Plan Implementation Letter of Agreement.

237 13. For pilots with a DOH before June 29, 2026 who elect (or are deemed to  
238 have elected) to transition to the MBCBP or the enhanced Pilots' Retirement  
239 Savings Plan benefit, for the purposes of benefit accrual but not for vesting,  
240 Years of Service under the Pension Plan will be frozen as of December 31,  
241 2027 and the Pension Plan accrual for the period June 1, 2027 to May 31,  
242 2028 will be pro-rated 7/12ths.

### 243 C. Market Based Cash Balance Plan

244 1. The Company shall establish the MBCBP effective January 1, 2028, which  
245 will have a January 1 to December 31 Plan Year.

246 2. The MBCBP shall be a "Retirement Plan" for purposes of Section 28.A.

247 3. ~~4.~~The MBCBP shall be established as a stand-alone plan and shall remain  
248 so unless the parties otherwise agree.

249 4. The terms and conditions of the ~~Pilots' Money Purchase Pension Plan~~  
250 ("PMPPP") shall be as provided in the ~~PMPPP~~ and shall remain  
251 unchangedMBCBP shall be contained in the MBCBP Plan Document,  
252 except as ~~specifically~~specified in this Agreement. The terms and conditions  
253 of the MBCBP shall not be changed or modified, except as provided ~~for~~  
254 herein.

255 ~~2. The Company shall contribute monthly for each pilot plan participant the~~  
256 ~~following amounts:~~

257 5. The MBCBP shall be subject to a determination by the Internal Revenue  
258 Service ("IRS") that the MBCBP is a tax-qualified retirement plan. To the  
259 extent that the IRS requires changes to the MBCBP terms or conditions as  
260 a condition of issuing a favorable determination letter, the parties must  
261 agree on any changes to the plan. The Company shall also:

262 a. ~~On and after January 1, 2016 and until the date of the merger of the~~  
263 ~~PMPPP into the PRSP, an amount equal to 8% of that pilot's eligible~~  
264 ~~prior monthly earnings, subject to Code limitations, provide copies to the~~  
265 ~~Association of all written communications with the IRS; and~~

266 b. ~~On or after the date of the merger of the PMPPP into the PRSP, all non-~~  
267 ~~elective Company contributions shall be made to the PRSP under~~

268 ~~Section 28.D.4. and shall cease to be made to the PMPPP when~~  
269 ~~possible, include the Association on scheduled conversations with the~~  
270 ~~IRS regarding the plan design and tax-qualified status of the MBCBP.~~

271 6. Eligibility

272 a. A pilot with a DOH prior to June 29, 2026, including a pilot currently on  
273 LTD, is eligible to participate in the MBCBP beginning January 1, 2028,  
274 as provided in Section 28.B.12.

275 ~~b. 3. The PMPPP shall be amended effective no later than March 2, 2016,~~  
276 ~~to provide that a pilot shall be eligible for non-elective Company~~  
277 ~~contributions based on eligible earnings on~~  
278 ~~A pilot with a DOH on or after~~  
279 ~~June 29, 2026, is eligible to participate in the MBCBP on the later of (i)~~  
280 ~~age 21 and (ii) the first day of the month coincident with or next following~~  
281 ~~one month of service from date of hire as a pilot. Company contributions~~  
282 ~~will begin in the month the pilot first participates in the PMPPP, based~~  
283 ~~on the pilot's eligible monthly earnings in the month prior to participation,~~  
284 ~~in the same manner as described in Section 28.D.6. the pilot's DOH, or~~  
(ii) January 1, 2028.

285 ~~4. On and after November 2, 2015, the investment fund options available to~~  
286 ~~participants in the PMPPP will be the same as those available in the PRSP.~~

287 ~~5. The PMPPP shall be amended effective no later than February 1, 2016 to~~  
288 ~~allow a participant to make an in-service withdrawal of all or any portion of~~  
289 ~~the pilot's account at or after age 62 under the PMPPP, subject to spousal~~  
290 ~~consent as required by applicable law.~~

291 ~~6. No later than January 1, 2017, the PMPPP shall be merged into the Pilots'~~  
292 ~~Retirement Savings Plan (PRSP). Each participant's PMPPP account shall~~  
293 ~~be separately accounted for within the PRSP, and such account (as~~  
294 ~~adjusted for gains and losses thereafter) shall remain subject to the~~  
295 ~~distribution requirements applicable under the PMPPP.~~

296 ~~7. The PMPPP shall be amended effective November 2, 2015, to provide that~~  
297 ~~spousal consent is not required if the participant is legally separated from~~  
298 ~~the spouse as evidenced by a court decree.~~ Benefit Accruals

299 a. Benefit Accruals under the MBCBP shall equal Compensation Credits  
300 plus Interest Credits.

301 b. Compensation Credits under the MBCBP shall be determined using a  
302 table of credits calculated for each pay rate in effect for the period based  
303 on fleet, seat, and year group. The credit shall reflect 9% of each pay  
304 rate through December 31, 2028 and 10% of each pay rate beginning  
305 January 1, 2029. For pilots receiving non-hourly compensation and/or  
306 compensation identified as earnings eligible for MBCBP accruals (e.g.,  
307 Slot Denial Pay (SDP), CIPPA, passover pay, BPO Pilot overrides, and  
308 other forms of pay not associated with a credit hour), the Company shall  
309 contribute a percentage of compensation, consistent with Section  
310 28.C.7.b., to the MBCBP on behalf of such pilots.

- 311 c. Compensation Credits will be credited quarterly applying a pilot's fleet,  
312 seat, and year group as of the beginning of the quarter and the pilot's  
313 actual hours worked for the quarter as of the end of the quarter (including  
314 the application of proportionally higher hourly pay rate credits for  
315 premium hours worked). A Compensation Credit for the period will be  
316 credited as of the last day of that period or as of the pilot's benefit  
317 commencement date, if earlier.
- 318 d. Compensation used to determine Compensation Credits for pilots  
319 receiving benefits under the LTD Plan shall be calculated pursuant to  
320 Section 27.J.7. of the Agreement.
- 321 e. Compensation Credits for pilots receiving benefits under the LTD Plan  
322 shall be 12.8% [based on the formula of (9% multiplied by 0.85) divided  
323 by 0.6] for pilots receiving 60% LTD benefits, and 15.3% [based on the  
324 formula of (9% multiplied by 0.85) divided by 0.5] for pilots receiving 50%  
325 LTD benefits] for accruals through December 31, 2028 and shall be  
326 14.2% [based on the formula of (10% multiplied by 0.85) divided by 0.6]  
327 for pilots receiving 60% LTD benefits, and 17.0% [based on the formula  
328 of (10% multiplied by 0.85) divided by 0.5] for pilots receiving 50% LTD  
329 benefits for accruals after December 31, 2028.
- 330 f. Benefit accruals for a pilot returning from military leave shall be  
331 consistent with the Settlement Agreement on the Effect of Potential  
332 Crew Status Changes on Imputed Earnings and Signing Bonus  
333 Calculation dated December 9, 2008.
- 334 g. On the effective date of the MBCBP, the account balance of a pilot with  
335 a DOH on or after June 29, 2026, shall be equal to the sum of the  
336 Compensation Credits that would have accrued if the MBCBP had been  
337 established prior to the pilot's date of hire.
- 338 h. The MBCBP shall use a market-based Interest Credit (determined net  
339 of investment-related expenses), which shall be calculated and applied  
340 at least monthly until a pilot's benefit commencement date. At the time  
341 of benefit commencement/distribution, Interest Credits for hard to value  
342 investments shall be calculated using the custodian's asset statements  
343 to determine asset returns.
- 344 i. Administrative fees for the MBCBP shall be paid by the Company.
- 345 j. There shall be no credited service limit under the MBCBP.
- 346 8. Retirement
- 347 a. Normal Retirement Age under the MBCBP shall be age sixty-two (62)  
348 with the completion of three years of vesting service.
- 349 b. The Normal Retirement Age Letter dated November 2, 2015, shall not  
350 apply to benefits under the MBCBP.

- 351 c. A pilot who terminates employment may elect to commence benefits  
352 upon separation or to continue to receive Interest Credits on their  
353 accrued benefit until benefit commencement date.
- 354 d. The market-based Interest Credit shall serve as the actuarial increase  
355 for delayed retirement or deferred benefit commencement.
- 356 e. A pilot must commence benefits no later than the first of the month  
357 coincident with or next following the pilot's attainment of the Regulated  
358 Age, or such later date as the Company deems necessary. The  
359 Company shall notify a pilot/participant 90-180 days prior to the pilot's  
360 Regulated Age of the need to make a retirement election.
- 361 f. Should the IRS require changes to the MBCBP with respect to the  
362 provisions contained in this Section 28.C.8.d. in order to issue a  
363 favorable determination letter, the MBCBP shall be amended to require  
364 the commencement of benefits no later than the first of the month  
365 coincident with or next following the pilot's attainment of the Normal  
366 Retirement Age, with distributions of future Compensation Credits and  
367 Interest Credits at the end of each Plan Year thereafter, unless the  
368 parties otherwise agree.

369 9. Distributions

- 370 a. The floor benefit guarantee (a.k.a. preservation of capital) shall be the  
371 aggregate amount of all Compensation Credits credited to the account  
372 at benefit commencement or time of in-service distribution, less any  
373 prior distributions.
- 374 b. A pilot may elect to take an in-service distribution beginning at age 59  
375 ½.
- 376 i. In-service distributions shall be permitted once per plan year.  
377 ii. An in-service distribution requires the withdrawal of all accrued  
378 benefits in the pilot's MBCBP account.  
379 iii. In order to take an in-service distribution, the aggregate amount of  
380 the pilot's Compensation Credits and Interest Credits must be  
381 equal to or greater than the floor benefit guarantee at the time of  
382 distribution.
- 383 c. The forms of benefit distributions under the MBCBP shall include:  
384 i. Straight Life Annuity (normal form for unmarried participants);  
385 ii. 50% Joint and Survivor Annuity (normal form for married  
386 participants and QJSA);  
387 iii. 75% Joint and Survivor Annuity;  
388 iv. 100% Joint and Survivor Annuity, including associated pop-up  
389 Annuity options as defined in the Pension Plan; and  
390 v. full lump sum.
- 391 d. The annuities under the MBCBP shall be calculated using the segment  
392 rates as defined in Code §417(e)(3)(C) minus 35 basis points, and the

393 mortality table specified under Code §417(e)(3)(B). The segment rates  
394 shall be based on the rate in effect two (2) months prior to the benefit  
395 commencement date.

396 e. If a fully vested pilot dies prior to a benefit election, the pilot's beneficiary  
397 shall be entitled to receive the pilot's full MBCBP account balance. If  
398 the pilot's beneficiary is a spouse, the benefit shall be payable as an  
399 annuity for the life of the spouse. The spouse may alternatively elect to  
400 receive a 100% lump sum payment in lieu of the annuity. For a non-  
401 spouse beneficiary, the benefit shall be paid as a lump sum.

402 f. A pilot may elect different forms of benefit payment for the MBCBP  
403 benefit, Flying Tiger benefit, and Pension Plan benefit per Section  
404 28.B.7.

405 g. Section 28.B.9. shall apply to the MBCBP.

406 h. Overpayments from the MBCBP shall be handled pursuant to Section  
407 28.M.

#### 408 10. Vesting

409 a. Benefits under the MBCBP are 100% vested after three (3) years of  
410 vesting service.

411 b. All service with FedEx Express or with a "Controlled Group Member"  
412 counts towards vesting, subject to Section 28.C.10.c. below.

413 c. A year of vesting service shall be defined in the MBCBP as a Plan Year  
414 with at least 1000 hours of service, with pilots credited with 95 hours  
415 per pay period while actively employed. Any vacation hours that are  
416 paid to a pilot in lieu of actual vacation time are counted as hours of  
417 service even if the pilot has terminated employment.

418 d. A pilot on LTD shall continue to receive vesting service under the  
419 MBCBP.

#### 420 11. Plan Investment Portfolio

421 a. The MBCBP investment portfolio shall allocate risk from the following  
422 asset classes: equities, fixed income, commodities, real assets, private  
423 markets, hedge funds, and cash.

424 b. The portfolio shall use an investment strategy consisting of the asset  
425 classes listed in Section 28.C.11.a. above and shall target a long-term  
426 portfolio volatility approximating a 55%-45% blend of the MSCI ACWI  
427 Equity Index and the Bloomberg Barclay's Aggregate Bond Index. The  
428 45% of the portfolio may contain up to 5% short term bonds and cash.

429 c. The asset allocation shall target at least 40% return seeking assets,  
430 such as equity, commodities, real assets, private markets, hedge funds,  
431 high yield, emerging market debt, alternative assets, and other similar  
432 assets seeking capital appreciation rather than capital preservation.

433 d. Section 28.C.11.a., b., and c. may be amended with the agreement of  
434 the Association. The Association's agreement shall not be  
435 unreasonably withheld.

436 12. Governance

437 a. The Company shall be the sole fiduciary of the MBCBP.

438 b. The Company shall consult with the Association to develop an initial  
439 Investment Policy Statement ("IPS") for the MBCBP that is consistent  
440 with Section 28.C.11. The Company may make amendments to the IPS  
441 following consultation and the prompt receipt of input from the  
442 Association. This consultation process is meant to be a meaningful,  
443 two-way process where the parties address the suitability of the IPS  
444 and any issues of pilot concern. Where the consultation involves a  
445 subsequent amendment to the IPS, the parties will expeditiously  
446 address the suitability of the proposed amendment.

447 c. The Association members of the Investment Committee shall have an  
448 opportunity to consult on the selection or removal of the recordkeeper  
449 or trustee for the MBCBP.

450 d. When possible, the Company shall provide advance notice to and  
451 consult with the Investment Committee on the selection or termination  
452 of an investment manager. If advance notice is not possible, the  
453 Company shall inform the Investment Committee of the basis for the  
454 selection or termination at the earliest opportunity.

455 e. At the request of the Association, and not more frequently than once  
456 every two years, the Company and the plan's actuary shall meet with  
457 the Association and the Association's actuary to present and review the  
458 actuary's detailed analysis of the MBCBP.

459 f. In the event the Company solicits an RFP for a third-party pension plan  
460 administrator for the MBCBP, the Association members of the  
461 Retirement Board shall have an opportunity to review and comment on  
462 the RFP during its development and to hear presentations by each  
463 vendor who submits a qualifying response to such RFP.

464 g. The parties shall form a working group, no more than 90 days from  
465 January 1, 2028, to explore retirement benefit design alternatives that  
466 present legally compliant tax-advantaged opportunities. Should that  
467 working group identify solutions which are agreeable to both parties,  
468 said measures may be implemented in writing by the Vice President of  
469 Labor and Employment Law and the Association's MEC Chair.

471

472 **D. Pilots' Retirement Savings Plan**

- 473 1. The terms and conditions of the Pilots' Retirement Savings Plan ("PRSP")  
474 shall be as provided in the PRSP and shall remain unchanged except as  
475 specifically provided herein.
- 476 2. The investment fund options available to participants in the PRSP as of  
477 ~~November 2~~July 1, 2015~~2026~~, shall continue to be available, ~~except as~~  
478 ~~otherwise agreed to by the parties~~. Notwithstanding the foregoing, ~~effective~~  
479 ~~no later than February 1, 2016~~, each investment fund option available to the  
480 participants shall be the lowest cost share class for that investment fund  
481 option for which the PRSP qualifies, with the exception of the brokerage  
482 window.
- 483 a. The parties must agree to any changes in a PRSP investment fund  
484 option that consists of more than two percent (2%) of plan assets.
- 485 b. Section 1.c of the letter agreement between the Association and the  
486 Company dated December 18, 2025 shall govern the addition of white  
487 label funds to the PRSP investment lineup.
- 488 c. The Company shall consult with the Association before making  
489 changes to an investment fund option that consists of less than 2% of  
490 plan assets; the consultation, at a minimum, shall include:
- 491 i. Providing notice to the Association's R&I Committee Chair as soon  
492 as reasonably possible after the Company concludes it is  
493 considering changes to an investment fund option; and
- 494 ii. Providing summary information regarding alternative funds being  
495 considered and the basis for consideration.
- 496 3. The ~~PRSP shall be amended effective no later than January 1, 2017, to~~  
497 ~~provide that the~~ Company shall make matching contributions equal to 50%  
498 of the first \$1,000 of employee pre-tax and Roth contributions (in the  
499 aggregate) per plan year.
- 500 ~~4. Beginning on the date of the merger of the PMPPP into to the PRSP, the~~
- 501 4. The Company shall as soon as administratively feasible following each pay  
502 period, contribute ~~monthly for each eligible pilot~~ an amount equal to  
503 ~~8%~~specified percentage of that pilot's eligible ~~prior monthly~~ earnings, to a  
504 non-elective Company contribution account for the participant under the  
505 PRSP.
- 506 a. Prior to January 1, 2028, the specified percentage is 9% of a pilot's  
507 eligible earnings, subject to the Code limitations.
- 508 b. Effective January 1, 2020, the Company shall contribute monthly for  
509 each eligible pilot an amount equal to 9% of that pilot's eligible prior  
510 monthly earnings, to a non-elective Company contribution account for  
511 the participant under the PRSP, subject to the Code limitations. 2028;

- 512            i.    For a pilot with a DOH before June 29, 2026 who elects (or is  
513            deemed to have elected) to remain in the Pension Plan, the  
514            specified percentage is 9% of that pilot's eligible earnings, subject  
515            to the Code limitations.
- 516            ii.    For a pilot with a DOH on or after June 29, 2026 or a pilot with a  
517            DOH before June 29, 2026 who elects to transition to the MBCBP,  
518            the specified percentage is 9% of that pilot's eligible earnings,  
519            subject to the limitations set forth in this Section 28.D.4.b.ii.  
520            (a) The contribution to the non-elective Company contribution  
521            account is subject to Code Section 401(a)(17). Amounts that  
522            the Company would contribute to a non-elective Company  
523            contribution account for such a pilot under this Section  
524            28.D.4.b.ii. but for the application of Code Section 401(a)(17)  
525            shall be paid by the Company through payroll to the pilot,  
526            subject to federal, state, and local tax and withholdings for  
527            compensation, as soon as administratively feasible following  
528            each pay period.  
529            (b) The contribution to the non-elective Company contribution is  
530            subject to Code Section 415(c). Amounts that the Company  
531            would contribute to a non-elective Company contribution  
532            account for such a pilot under the PRSP but for the application  
533            of the limit of Code Section 415(c) shall be paid by the  
534            Company to the pilot within 2½ months of the end of the  
535            calendar year to which the Company contributions pertain. The  
536            amounts due under this Section 28.D.4.b.ii shall be subject to  
537            federal, state, and local tax and withholdings in accordance  
538            with applicable law and regulation.  
539            (c) For the avoidance of doubt, the amounts paid to a pilot by the  
540            Company pursuant to Section 28.D.4.b.ii.A. and B. shall not be  
541            pensionable compensation or compensation for the purpose of  
542            welfare benefit calculations.
- 543            iii.    For a pilot with a DOH before June 29, 2026 who elects to  
544            transition to the enhanced Pilots' Retirement Savings Plan Benefit,  
545            the specified percentage is 18% of that pilot's eligible earnings  
546            from January 1, 2028 through December 31, 2028 and 19% of that  
547            pilot's eligible earnings beginning January 1, 2029, subject to the  
548            limitations set forth in this Section 28.D.4.b.iii.  
549            (a) The contribution to the non-elective Company contribution  
550            account is subject to Code Section 401(a)(17). Amounts that  
551            the Company would contribute to a non-elective Company  
552            contribution account for such a pilot under this Section  
553            28.D.4.b.iii. but for the application of Code Section 401(a)(17)  
554            shall be paid by the Company through payroll to the pilot,  
555            subject to federal, state, and local tax and withholdings for  
556            compensation, as soon as administratively feasible following  
557            each pay period.

558 (b) The contribution to the non-elective Company contribution is  
559 subject to Code Section 415(c). Amounts that the Company  
560 would contribute to a non-elective Company contribution  
561 account for such a pilot under the PRSP but for the application  
562 of the limit of Code Section 415(c) shall be paid by the  
563 Company to the pilot within 2½ months of the end of the  
564 calendar year to which the Company contributions pertain. The  
565 amounts due under this Section 28.D.4.b.ii shall be subject to  
566 federal, state, and local tax and withholdings in accordance  
567 with applicable law and regulation.  
568 (c) For the avoidance of doubt, the amounts paid to a pilot by the  
569 Company pursuant to Section 28.D.4.b.iii.A. and B. shall not be  
570 pensionable compensation or compensation for the purpose of  
571 welfare benefit calculations.  
572 iv. If a pilot with a DOH on or after June 29, 2026 or a pilot with a  
573 DOH before June 29, 2026 who elected to transition to the  
574 MBCBP is receiving benefits under the LTD Plan, the specified  
575 percentage for the period during which the pilot is receiving  
576 benefits under the LTD Plan shall be 12.8% [based on the formula  
577 of (9% multiplied by 0.85) divided by 0.6] for pilots receiving 60%  
578 LTD benefits and 15.3% based on the formula of (9% multiplied by  
579 0.85) divided by 0.5] for pilots receiving 50% LTD benefits] for  
580 accruals through December 31, 2028 and shall be 14.2% [based  
581 on the formula of (10% multiplied by 0.85) divided by 0.6] for pilots  
582 receiving 60% LTD benefits, and 17.0% [based on the formula of  
583 (10% multiplied by 0.85) divided by 0.5] for pilots receiving 50%  
584 LTD benefits for accruals after December 31, 2028.  
585 v. If a pilot with a DOH before June 29, 2026 who elected to  
586 transition to the Enhanced Pilots' Retirement Savings Plan Benefit  
587 is receiving benefits under the LTD Plan, the specified percentage  
588 for the period during which the pilot is receiving benefits under the  
589 LTD Plan shall be 25.5% [based on the formula of (18% multiplied  
590 by 0.85) divided by 0.6] for pilots receiving 60% LTD benefits and  
591 30.6% based on the formula of (18% multiplied by 0.85) divided by  
592 0.5] for pilots receiving 50% LTD benefits] for accruals through  
593 December 31, 2028 and shall be 26.9% [based on the formula of  
594 (19% multiplied by 0.85) divided by 0.6] for pilots receiving 60%  
595 LTD benefits, and 32.3% [based on the formula of (19% multiplied  
596 by 0.85) divided by 0.5] for pilots receiving 50% LTD benefits for  
597 accruals after December 31, 2028.  
598  
599 [Note: Same PRSP cash-over-cap procedures to apply for pilots  
600 on LTD. PRSP cash-over-cap payments would not apply to reduce  
601 LTD compensation.]

602 5. The Pilots Money Purchase Pension Plan (PMPPP) was merged into the  
603 PRSP effective January 1, 2017. The following shall apply:

604 a. Each participant's PMPPP account shall be separately accounted for  
605 within the PRSP, and such account (as adjusted for gains and losses  
606 thereafter) shall remain subject to the distribution requirements  
607 applicable under the PMPPP.

608 b. The PRSP shall allow a participant to make an in-service withdrawal  
609 of all or any portion of the pilot's PMPPP account at or after age 59.5,  
610 subject to spousal consent as required by applicable law.

611 c. Spousal consent is not required for a distribution from a PMPPP  
612 account if the participant is legally separated from the spouse as  
613 evidenced by a court decree.

614 6. ~~5.~~ Roth Contributions

615 The PRSP shall ~~be amended effective no later than January 1, 2017, to~~  
616 allow a participant ~~a.~~ to elect to make :

617 a. Roth contributions and, to the maximum extent permitted by law, Roth  
618 catch-up contributions; and

619 a. ~~following the merger of the PMPPP into the PRSP, to elect to make an~~  
620 in-plan conversion to a Roth account of all or any portion of the pilot's  
621 PRSP account(s), to the maximum extent permitted by law.

622 7. ~~6.~~ The PRSP shall ~~be amended effective no later than March 2, 2016, to~~  
623 provide that a pilot shall be eligible to participate in the PRSP for all  
624 purposes on the first day of the month coincident with or next following one  
625 month from date of hire as a pilot. ~~Following the merger of the PMPPP into~~  
626 ~~the PRSP, non~~ Non-elective Company contributions ~~will~~ shall begin in the  
627 month the pilot first participates in the PRSP, based on the pilot's eligible  
628 monthly earnings in the month prior to participation.

629 Example: For a pilot who is eligible to participate in the PRSP on July 1,  
630 ~~2017~~ 2027, the Company shall make a non-elective Company contribution  
631 to the PRSP on behalf of the pilot in July ~~2017~~ 2027, based on the pilot's  
632 eligible monthly earnings for June, ~~2017~~ 2027.

633 8. ~~7.~~ All participants shall always be 100% vested in their accounts under the  
634 PRSP.

635 9. ~~8.~~ A pilot shall have allocated to the pilot's PRSP accounts such amounts  
636 as are attributable to unused sick leave, in accordance with the provisions  
637 of Section 14.E<sub>2</sub> of this Agreement.

638 [TA note: Section 14.E. to be updated to remove reference to Profit Sharing  
639 Plan and replace with PRSP]

640 10. ~~9.~~ The PRSP shall ~~be amended effective no later than February 1, 2016, to~~  
641 provide that, in the case of a participant's retirement or other termination of  
642 employment, a participant's accounts shall be distributed (or shall  
643 commence to be distributed, in the case of distribution in installments) as  
644 soon as practicable, as elected by the participant in the pilot's completed

645 application for benefits (including spousal consent if required). An  
646 application for benefits shall be made available at any time and may be filed  
647 at any time at or after the participant's retirement or other termination of  
648 employment. Any contribution received after a participant receives a  
649 distribution of the pilot's entire account shall be distributed in accordance  
650 with the recordkeeper's procedures.

651 ~~11. 10. Effective no later than March 2, 2016, as long as Vanguard remains the~~  
652 ~~recordkeeper and subject to its guidelines, a~~ pilot shall be allowed ~~to~~  
653 access ~~the Vanguard Financial~~ to Fidelity's Personalized Planning ~~Services,~~  
654 ~~Vanguard Managed Account Program, and the Vanguard Personal Online~~  
655 ~~Advisor~~ and Advice account management services to the extent that the pilot  
656 is a participant in the PRSP. In the event ~~Vanguard~~ Fidelity is replaced as  
657 recordkeeper, a pilot shall be allowed access to similar account  
658 management services, to the extent offered by the successor recordkeeper,  
659 at a comparable cost to the Company, unless the Company determines  
660 allowing such access would result in a breach of fiduciary duty.

661 ~~12. 11. The PRSP shall be amended effective no later than February 1, 2016,~~  
662 ~~to~~ allow a participant to elect automatic rebalancing of the pilot's  
663 investments, subject to the recordkeeper's policies.

664 ~~13. 12. The PRSP shall be amended effective no later than May 2, 2016, to~~  
665 provide for automatic enrollment for both existing pilots contributing less  
666 than 3% and new hire pilots. A pilot to whom the arrangement applies shall  
667 be deemed to have elected to make pre-tax contributions to the PRSP at  
668 the level of 3% of eligible earnings in the first year, 6% in the second year,  
669 9% in the third year, and 10% in the fourth and subsequent years, subject  
670 to the pilot's right to affirmatively opt out of the arrangement or to  
671 affirmatively elect a different percentage.

672 ~~14. 13. The PRSP shall be amended effective no later than February 1, 2016,~~  
673 ~~to~~ allow a participant to elect to make pre-tax and/or Roth contributions to  
674 the PRSP up to 50% of the pilot's eligible earnings, subject to applicable  
675 law.

676 ~~15. 14. The PRSP shall be amended effective no later than February 1, 2016,~~  
677 ~~to~~ allow all participants to elect to make after-tax contributions to the PRSP,  
678 by payroll deduction, up to 20% of the pilot's eligible earnings, subject to  
679 applicable law.

680 ~~16. By the end of the 2nd quarter (June 30) and 3rd quarter (September 30) of~~  
681 ~~the calendar year, the Company shall send via FCIF information to pilots~~  
682 ~~regarding PRSP contributions related to 415(c) limits including after-tax,~~  
683 ~~pre-tax, Roth, Excess Sick Contribution, Company Match, and Non-Elective~~  
684 ~~Contribution.~~

685 ~~17. 15. Brokerage Accounts:~~

686 a. The PRSP ~~will~~ shall be amended effective ~~no later than March 2~~ January  
687 1, 2016, 2027 to provide that a participant may, to the extent permitted

688 by ERISA, transfer ~~all or a portion~~ up to 98% of assets in the pilot's  
689 account balance and direct up to 98% of future contributions to be  
690 invested in an individual brokerage account under the PRSP, subject to  
691 the recordkeeper's guidelines and commission schedules. If a pilot's  
692 balance in a brokerage account exceeds 98% due to investment gains  
693 or losses, the pilot will not be required to transfer amounts out of the  
694 brokerage account but instead new contributions made to the plan on  
695 the pilot's behalf will first be allocated to the pilot's core line-up so that  
696 the total brokerage balance does not exceed 98%. If, in the future, the  
697 recordkeeper has the capability to allow a specific minimum dollar  
698 amount to remain in the core line-up, the PRSP will be amended to a  
699 require a pilot to maintain a minimum balance of \$10,000 in the core  
700 line-up (to replace the 98% brokerage cap), and any remaining  
701 amounts may be in brokerage.

702 b. Any participant who elects an individual brokerage account must sign  
703 an agreement to hold harmless the PRSP, the Company, the  
704 Association and any committee established by the Company or the  
705 Association, for any losses resulting from the participant's investments  
706 in the individual brokerage account.

707 c. Any fees associated with an individual pilot's brokerage account will be  
708 charged directly to the individual's account.

709 d. The individual brokerage account shall permit any investments  
710 permitted for a qualified plan under ERISA and allowed by the  
711 recordkeeper, excluding stock of FedEx Corporation.

712 ~~18.16. Effective concurrent with the engagement of a new recordkeeper (or~~  
713 ~~retention of the current recordkeeper), as described in Section 28.M.,~~  
714 ~~the~~The PRSP shall ~~be amended to~~ provide that a participant may engage a  
715 third ~~party~~ financial advisor to manage the pilot's account (including the  
716 pilot's individual brokerage account) under the Plan. A participant who  
717 engages a third ~~party~~ financial advisor must sign an agreement to hold  
718 harmless the PRSP, the Company, the Association and any committees  
719 established by the Company or the Association, for any losses resulting  
720 from such engagement.

721 ~~19.17. The PRSP shall be amended effective no later than February 1, 2016,~~  
722 ~~to~~ provide that participants may elect from the following additional  
723 distribution options on a manual basis or electronically to the extent  
724 automated by the recordkeeper: (i) partial lump sum, in the amount  
725 specified by the participant, and as often as requested by the participant;  
726 and (ii) periodic distributions in the amount and frequency specified by the  
727 participant, which may be stopped and restarted at any time as elected by  
728 the participant. Partial distributions and periodic distributions shall be made  
729 pro rata from all investment funds (excluding the brokerage account), unless  
730 the participant specifies a different allocation or contribution source for the  
731 distribution(s).

732 ~~20. 18.~~ The PRSP shall ~~be amended effective November 2, 2015, to~~ provide  
733 that spousal consent is not required if the participant is legally separated  
734 from the spouse as evidenced by a court decree.

735 21. Upon the recordkeeper's ability to offer in-plan qualified longevity annuity  
736 contracts (QLACs) with Safe Harbor provisions, the parties agree to meet  
737 and discuss offering this feature in the PRSP. If QLACs are offered in any  
738 plan for other FedEx employees, QLACs shall be offered in the PRSP.

739

#### 740 E. Federal Express Corporation Pilot Non-Qualified Plans

741 1. 4. The terms and conditions of the Federal Express Corporation Non-  
742 Qualified Section 415 Excess Pension Plan for Pilots ("415 Limit Plan") and  
743 the Federal Express Corporation Non-Qualified Pension Plan for Pilots  
744 ("Compensation Limit Plan") shall be as provided in the 415 Limit Plan and  
745 the Compensation Limit Plan. In no event shall final average earnings taken  
746 into account under the Pension Plan, the 415 Limit Plan, and the  
747 Compensation Limit Plan exceed ~~\$260,000~~ the amounts as provided in  
748 Section 28.B.3. (i.e., \$340,000 for pilots retiring on or after April 8, 2026  
749 through the end of the election period or who do not elect (or are deemed  
750 to have not elected) during the election period to transition to the MBCBP  
751 or the enhanced Pilots' Retirement Savings Plan benefit; \$290,000 for other  
752 pilots participating in the pension who following the end of the election  
753 period have elected to transition to the MBCBP or the enhanced PRSP  
754 benefit).

755 ~~2~~

756 2. In the event the compensation limit of Code § 401(a)(17) and/or the annual  
757 addition limit of Code § 415(c) is decreased legislatively, the Federal  
758 Express Corporation PRSP Non-Qualified Plan for Pilots ("PRSP Non-  
759 Qualified Plan") shall be established. Under the PRSP Non-Qualified Plan,  
760 a Pilot with a Date of Hire prior to June 29, 2026 who has not elected (or is  
761 deemed to have not elected) during the election period to transition to the  
762 MBCBP or enhanced Pilots' Retirement Savings Plan benefit shall be  
763 entitled to an amount equal to:

764 a. a. the PRSP non-elective contribution that would have been contributed  
765 to the PRSP without applying the decreased Code §401(a)(17) and/or  
766 Code §415(c) limit(s) but in no event greater than the amount that would  
767 have been contributed to the PRSP under these Code limitations in  
768 effect at any time prior to it being decreased or the current limit in effect  
769 under Code § 401(a)(17), minus;

770 b. b. the amount contributed to the PRSP.

771 Amounts shall be paid from the PRSP Non-Qualified Plan in no event later  
772 than 2½ months after the year in which such amounts would have been  
773 contributed to the PRSP.

- 774 3. If a Pilot's retirement benefit in the MBCBP exceeds the limitation for  
 775 defined benefit plans under Code §415(b), the excess benefit will be paid  
 776 from the 415 Limit Plan.
- 777 4. To the extent that the Code Section 401(a)(17) limit apply to the MBCBP,  
 778 upon information that the Code Section 401(a)(17) limit is to be reduced,  
 779 the parties shall meet pursuant to the MBCBP Implementation LOA  
 780 Paragraph G within 60 days to discuss plan alternatives.

781 **F. End of Career Sick Leave/Advance Notice of Planned Retirement Bonus**

- 782 1. A pilot who reaches age 60 prior to the pilot's retirement date, and who  
 783 provides at least 12 months advance written notice that the pilot's retirement  
 784 date will be either during the month in which the pilot turns the regulated  
 785 age or on December 31 of a specified year, shall be eligible for the End of  
 786 Career Sick Leave/Advance Notice of Planned Retirement Bonus (Bonus).
- 787 2. Such pilot's Bonus shall be based on the sum of the pilot's eligible earnings,  
 788 as defined in Section 28.F.3., in the 24 calendar months immediately  
 789 preceding the pilot's last day of employment as a pilot, including the month  
 790 containing the pilot's last day of employment, including any vacation paid  
 791 after the pilot's last day of employment.
- 792 3. Eligible earnings shall include all pensionable earnings during that 24  
 793 calendar month period, except earnings attributable to sick leave (DSA,  
 794 RSA).
- 795 4. A pilot's Bonus shall be the lesser of:
- 796 a. 50% of the pilot's eligible earnings in excess of ~~\$520,000~~ 580,000 in the  
 797 preceding 24 calendar months; ~~or~~
- 798 b. 50% of the pilot's closing DSA bank balance, multiplied by the pilot's last  
 799 hourly rate, or
- 800 c. ~~\$110,000-~~ 343 multiplied by the highest Section 3 pay rate in effect.

801

802 **PLUS**

803 For those who are at least age 54 on November 2, 2015 and have at  
 804 least 10 years of Vesting Service in the Pension Plan as of November  
 805 2, 2015 a lump sum based on the pilot's age as of November 2, 2015  
 806 and Vesting Service in the Pension Plan as of November 2, 2015 as  
 807 outlined in the following chart:

808

	Age on November 2, 2015					
<b>Years of Vesting Service on</b>	54	55	56	57	58	59 or older

<b>November 2, 2015</b>						
<10	-	-	-	-	-	-
10	10,000	10,000	10,000	10,000	10,000	10,000
11	10,000	10,000	10,000	10,000	10,000	10,000
12	10,000	10,000	10,000	10,000	10,000	10,000
13	10,000	10,000	10,000	10,000	10,000	10,000
14	10,000	10,000	10,000	10,000	10,000	10,000
15	15,000	20,000	20,000	20,000	20,000	20,000
16	20,000	20,000	20,000	20,000	20,000	20,000
17	20,000	20,000	20,000	20,000	20,000	30,000
18	20,000	20,000	20,000	20,000	30,000	30,000
19	20,000	20,000	20,000	30,000	30,000	30,000
20	20,000	20,000	30,000	30,000	30,000	30,000
21	20,000	30,000	30,000	30,000	30,000	30,000
22	30,000	30,000	30,000	30,000	30,000	30,000
23	30,000	30,000	30,000	30,000	30,000	40,000
24	30,000	30,000	30,000	30,000	40,000	40,000
25 or more	30,000	30,000	30,000	40,000	40,000	40,000

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5. A pilot may submit only one advance written notice of planned retirement month date under this program, except as provided in Section 28.F.5.a. and b. below. A pilot may revoke the ~~pilot's~~ submitted advance written notice at any time; however, ~~he~~the pilot will not again be eligible for the Bonus (except as provided below). There is no change in a pilot's right to retire without giving any advance notice to the Company.

816 A pilot who provides advance written notice of planned retirement to occur  
817 during the month of the pilot's 65th birthday, shall be allowed to change the  
818 planned retirement date one (1) time as long as the following criteria are  
819 met:

820 a. The pilot's new planned retirement date must be within the month of the  
821 pilot's 65th birthday;

822 b. The change must be made at least 90 days before the pilot's original  
823 planned retirement date; and

824 c. The pilot's new planned retirement date is not earlier than the original  
825 notice date plus 12 months.

826

827 6. Any pilot entitled to a Bonus shall be paid in a lump sum as soon as  
828 administratively feasible but in no event later than 2½ months after the year  
829 in which termination of employment occurs.

830 7. Pilots who are terminated for just cause shall not be eligible for a Bonus.

831 8. Any Bonus paid to the pilot shall not be considered pensionable earnings  
832 under any Retirement Plan.

833 9. A pilot who dies after submission of a conforming advance written notice of  
834 planned retirement, shall be paid the Bonus.

#### 835 **G. Pilot Benefit Review Board**

836 A Pilot Benefit Review Board (PBRB) shall be established for the Retirement  
837 Plans and the Insurance Plans as provided in Section 27.T.

#### 838 ~~H. Employee Stock Purchase Plan~~

839 ~~The terms and conditions of the Federal Express Corporation Employee Stock~~  
840 ~~Purchase Plan shall remain the same and pilots shall remain covered by that~~  
841 ~~plan under the same terms and conditions as other employees of the Company.~~

#### 842 H. I-FTL Variable Annuity Plan

843 The terms and conditions of The Flying Tiger Line Inc. Variable Annuity  
844 Pension Plan For Pilots (the "Variable Plan") shall be as stated in the plan  
845 document effective as of January 1, 1997, as amended thereafter. Nothing in  
846 this Agreement shall reduce pilots' accrued benefits under the Variable Plan.

#### 847 I. J-Investment Committee

848 1. An Investment Committee shall be established for the PRSP and the  
849 MBCBP, and have such duties and responsibilities as described in this  
850 Section 28.I. The Company and the Association each may appoint up to  
851 three (3) members to the Investment Committee. The parties need not  
852 appoint an equal number of members, provided, however that the Company  
853 members and the Association members each collectively have one (1) vote.  
854 Individual votes on a particular issue may be recorded in the minutes at the  
855 request of any member. Each party may appoint alternates. A quorum shall

856 consist of two (2) Company members/alternates and two (2) Association  
857 members/alternates. At any meeting of the Investment Committee, each  
858 party may be accompanied by individuals the party deems appropriate.

859 2. The Investment Committee shall meet at least semi-annually, or more  
860 frequently as necessary, unless otherwise agreed by the Company and the  
861 Association.

862 3. The benefits specialists for the Company and the Association shall agree  
863 on an agenda for each meeting, and shall notify the Company of any  
864 agenda items which need to be addressed at the meeting so that the  
865 Company may designate the appropriate individuals to attend; notice shall  
866 be provided at least two weeks in advance of the meeting if the attendance  
867 of only Company personnel is appropriate and shall be provided at least  
868 one month in advance if the attendance of outside service-providers is also  
869 required. Should the meeting be scheduled to cover multiple agenda items,  
870 the parties shall exchange a list of attendees based on the agenda items.  
871 The agenda shall include a review and discussion of the MBCBP. This  
872 discussion will include MBCBP assets and liabilities; market and economic  
873 overview; plan investment returns; the IPS and potential amendments  
874 thereto; benchmarking; plan expenses; and participant metrics (such as  
875 group-level balances, type of benefit options elected, in-service withdrawal  
876 activity, etc.).

877 4. The Investment Committee shall make recommendations to the  
878 ~~Fiduciary~~PRSP fiduciary regarding the PRSP investment ~~choices for~~  
879 ~~pilots~~lineup.5- The Investment Committee shall:

880 a. ~~receive~~review the semi-annual PRSP reports from the recordkeeper  
881 ~~semi-annually reports regarding the Plans~~and investment advisor, ~~one~~  
882 ~~of~~ which once a year shall also include a market and economic overview;  
883 and ~~receive live~~~~review of~~ the reports by the account representative of  
884 the recordkeeper semi-annually, including the more detailed annual  
885 report. The Company shall provide these reports to the Investment  
886 Committee in a timely manner so that the Committee has sufficient time  
887 to review.

888 b. review service provider disclosures received pursuant to Section 28.A.3.

889 c. review any newly available Eligible Investment Advice Arrangement  
890 (EIAA).

891 J. ~~K.~~ **Retirement Board**

892 1. A Retirement Board shall be established to review and discuss the status  
893 and administration of the Retirement Plans, including the implementation  
894 of any changes, and seek to resolve any problems or issues related to the  
895 administration of the Retirement Plans (including, e.g., service-provider  
896 service problems). De-identified information may be used when necessary  
897 to discuss systemic issues.

- 898 2. The Company and the Association each may appoint up to three (3)  
899 members to the Retirement Board. At any meeting of the Retirement  
900 Board, each party may be accompanied by individuals the party deems  
901 appropriate. The Retirement Board shall meet at least semi-annually,  
902 unless otherwise agreed by the Company and the Association.
- 903 3. The benefits specialists for the Company and the Association shall agree  
904 on an agenda for each meeting, and shall notify the Company of any  
905 agenda items which need to be addressed at the meeting so that the  
906 Company may designate the appropriate individuals to attend; notice shall  
907 be provided at least two weeks in advance of the meeting if the attendance  
908 of only Company and Association representatives is appropriate and shall  
909 be provided at least one month in advance if the attendance of outside  
910 service-providers is also required. Should the meeting be scheduled to  
911 cover multiple agenda items, the parties shall exchange a list of attendees  
912 based on the agenda items.
- 913 4. Neither the Company members nor the Association members of the  
914 Retirement Board shall have the power to modify or interpret the terms of  
915 any Retirement Plan. However, either the Company members or the  
916 Association members may suggest modifications to the Retirement Plans  
917 to the Company and the Association.

918 **K. ~~L.~~ Expenses of the ~~Defined Contribution Plans~~ PRSP**

919 Expenses related to annual fund operating expenses, brokerage window  
920 expenses, third-party investment advisory and third party investment manager  
921 expenses, ~~hardship withdrawal~~ in-service distribution fees, loan fees, third-  
922 party Qualified Domestic Relations Order expenses and other third-party  
923 expenses shall be paid by the individual participant's account. Participants are  
924 not responsible for paying fees relating to hardship withdrawals. All other  
925 expenses of the ~~PMPPP and~~ PRSP, including but not limited to recordkeeping  
926 administration and audit expenses, shall be paid by the Company.  
927

928 **L. ~~M.~~ Selection of a Recordkeeper for the PRSP**

929 ~~The~~ When the Company ~~shall issue~~ conducts a request for proposals (RFP) for  
930 the selection of a recordkeeper for the PRSP, in accordance with Section  
931 28.A.6., ~~as soon as administratively practicable following the effective date of~~  
932 ~~the merger or later if agreed by the parties.~~ The the Association members of  
933 the Investment Committee shall have an opportunity to review and comment  
934 on the RFP during its development and to hear presentations by each vendor  
935 who submits a qualifying response to such RFP.

936

937 **M. ~~N.~~ Overpayments from Retirement Plans**

938 In the event of an overpayment to a participant from a Retirement Plan, the  
939 Company shall notify the Association and the participant of the circumstances  
940 resulting in the overpayment and the amount of the overpayment. Consistent

941 with IRS correction methods, and if required, IRS approval, the Company will  
942 take appropriate steps to recoup the overpayments. A participant shall not be  
943 asked to repay any overpayment made before the date that is 48 months before  
944 the date the Company gives the notice of the overpayment period, unless  
945 required by the IRS.



