

ATTACHMENT C

Use of Sick Leave - Excerpts from the Agreement Between Federal Express Corporation and the Airline Pilots in the Service of Federal Express Corporation, as Represented by the FedEx Pilots Association, May 31, 1999

(7 Pages)

Section 14

SICK LEAVE

A. General

1. The purpose of sick leave is to protect a pilot from loss of pay, to the extent of his sick leave accrual, when he is unable to perform his assigned duties because of injury, physical or mental illness, or fatigue.
2. A pilot may review his regular and disability sick account balances in VIPS or other Company computer systems. A pilot shall continue to accrue seniority and longevity while on sick leave.
3. A furloughed pilot shall retain his regular and disability sick accounts as follows:
 - a. If a pilot is on furlough on the last day of the fiscal year, the balance of his regular sick account, if any, shall be transferred to his disability sick account or to the surplus program, as appropriate in accordance with Section 14.D. and 14.E. (below).
 - b. If a pilot recalled from furlough was not in an active pay status on the first day of the fiscal year, he shall be credited with a pro rata portion of his annual sick leave accrual.
4. If, having exhausted his occupational injury/illness leave, a pilot receives workers' compensation payments and sick leave pay at the same time, he may use only enough sick leave so that the workers' compensation payments plus the sick leave pay equals 100 percent of his BLG/RLG.
5. A pilot who has been removed from a scheduled event and placed on sick leave shall not perform any flight duty during the time that the original event was scheduled to take place, except as follows:
 - a. he may be placed back on his original event if it has not been reassigned at the time of his "well call"; or
 - b. he may perform a different event as MUS, if that event has a showtime:
 - i. outside the footprint of the original event, or
 - ii. at least 48 hours after the showtime of the original event.
6. The Company may require a pilot to provide his Regional Chief Pilot with a written statement from the pilot's physician explaining his inability to perform his assigned duties because of illness or injury if:
 - a. The Company has a good faith reason to question a pilot's use or attempted use of sick leave; or
Intent: The concept of a "good faith reason" requires that there be a reasonable, objective rationale, suggesting that a pilot may be abusing sick leave.
 - b. The pilot's absence from duty occurred in conjunction with his vacation period or a "holiday." As used herein, "holiday" means Easter, Memorial Day, Independence Day, Labor Day, Thanksgiving, Christmas Eve, Christmas, New Years Eve or New Years Day; or

- c. The pilot has requested to utilize his disability sick account in accordance with Section 14.D.2.a.

7. A pilot may request to use vacation CH to delay or avoid going on disability.

B. Use of Sick Leave

1. If a pilot has no credit in his regular or disability sick accounts, and would otherwise be in sick leave status, he shall be placed on medical leave of absence.

Intent: If a pilot has a zero balance in his sick bank, and gets a cold, he will still be removed from trips while he is sick, but he will not receive any compensation. If a pilot has an injury/illness that qualifies for STD/LTD, he will receive disability benefits in accordance with Section 27.

2. Illness or Injury Notification Requirements

A pilot who becomes ill or injured shall notify the Company via VIPS as soon as possible.

- a. After notification of his illness or injury a pilot shall be placed on sick leave.

- b. Pilots Not on Reserve

At 0900 LBT each day, any trip with a showtime during the next local base day that is assigned to a pilot who is on sick leave shall be available for open time assignment by CRS.

- c. Reserve Pilots

The following shall apply to a reserve pilot who calls in sick for an R-day(s) or a reserve assignment:

- i. A pilot holding a line comprised entirely of R-days and who is sick for all such R-days shall be compensated his RLG and shall have his sick leave reduced by such RLG.

- ii. A reserve pilot who has been given a reserve assignment(s) prior to calling in sick shall be removed from that assignment(s) commencing at 0900 LBT on the day prior to showtime for that assignment(s) or at the time of the sick call, whichever is later.

- iii. A reserve pilot on sick leave shall be assigned open time as if he were not on sick leave (Section 25.G.3. Open Time Assignment and Section 25.M.6. Reserve Assignment Options). A reserve pilot will maintain his leveling position on the reserve list, and the scheduled credit hours for any trips he is assigned and removed as sick will be credited toward his RLG and deducted from his sick bank. Commencing at 0900 LBT each day, a reserve pilot with an assignment(s) having a showtime during the next day shall be removed for sick leave and such assignment be available for open time assignment by CRS.

3. "Well" Call

A pilot who is no longer ill or injured shall notify the Company via VIPS as soon as possible. Except as provided in Section 14.B.4. (fatigue), a pilot shall remain in sick leave status until he notifies the Company via VIPS of his ability to return to flight status and, if applicable, is released by the Company aeromedical advisor to return to duty. He may be given his original assignment(s) if it has not been reassigned to another pilot.

4. Fatigue

A pilot who is unable to operate his trip or a portion thereof due to fatigue shall notify CRS immediately and shall be placed in sick leave status. A fatigued pilot shall be compensated, and his sick leave account(s) shall be debited, for the SCH of the missed trip or portion thereof. The pilot shall automatically return from sick leave status at the scheduled conclusion of his trip unless the pilot notifies the Company via VIPS to continue his sick leave status. A pilot who is fatigued shall be considered to have an illness or injury. Nothing in this paragraph shall minimize a pilot's responsibility to ensure that he has adequate rest prior to reporting for duty.

5. Ill or Injured During a Trip

A pilot who becomes ill or injured away from base during a trip shall earn trip guarantee for the entire trip plus actual accumulated overage, if any. He shall be charged sick leave, commencing with the next showtime following his sick call, for the remaining value of his trip. A pilot who becomes ill or injured while away from his base on Company duty shall be provided with proper medical attention, including hospitalization, when required. The Company shall provide transportation, when the pilot is able to travel, back to his base, or at the pilot's option, to his residence provided that the travel cost is limited to the travel cost of returning to base. A pilot whose placement on sick leave causes him to return to base later than scheduled shall not accrue additional CH for that late return.

6. Sick Leave Pay and Account Deductions

If a pilot is removed from an assigned activity due to sick leave, the following shall apply:

a. Pilots Not On Reserve (who hold trip guarantee)

If a pilot is removed from a trip, or portion thereof, for which he holds trip guarantee, he shall be compensated, and his sick leave account(s) shall be reduced by the scheduled credit hours for that trip.

b. Pilots On Reserve

i. If a pilot is removed from a reserve assignment due to sick leave, the scheduled CH for the assignment shall be credited toward RLG and leveling and shall be charged to his sick leave account.

ii. The CH value of an assignment (or portion thereof) shall not be charged to sick leave if it would cause the pilot to exceed RLG.

iii. Upon his return to flight status, a reserve pilot may be given an assignment(s) for which he is eligible provided that assignment does not begin prior to the scheduled termination of the last activity charged to sick leave. No legality conflict shall be considered to take place between the last reserve trip charged to sick leave and a subsequent assignment.

c. If a pilot assigned as MUS, MUV, VLT, or DRF is removed from a trip prior to block out due to sick leave, he shall not earn any credit hours for that trip and no deduction shall be made from his sick leave account.

d. If a pilot assigned a reassignment trip (RAT) is removed from a trip prior to block out due to sick leave, he shall be compensated the trip guarantee of the reassignment trip at 100% of his normal pay rate and his sick leave bank shall be charged accordingly.

- e. If a pilot assigned a PDO trip is unable to operate that trip due to illness or injury, the scheduled trip guarantee shall be deducted from his sick leave account.
- f. The sick leave account of a pilot scheduled for recurrent training shall be charged for all hours of pay received, (as applicable in Section 4.1.4., Recurrent Training Pay), but not worked as a result of sick leave.
- g. If a pilot, having commenced initial, transition or upgrade training, is unable to attend that training due to sick leave, he shall be compensated as provided in Section 4.1.5., and his sick leave account(s) shall be reduced by 3 CH for each day sick, not to exceed his BLG/RLG.
- h. If a pilot shows for a base standby assignment, but is unable to complete that assignment due to sick leave, he shall be compensated the CH he would have earned had he completed that standby and his sick leave account shall be reduced by the same amount.
- i. If a pilot eligible for substitution is placed on sick leave, the following shall apply:
 - i. If he is removed from a substitution trip(s), the SCH for that trip shall be credited toward his original trip guarantee and deducted from his sick leave account.
 - ii. If he is removed from a base standby assignment, 6 CH shall be credited toward his original trip guarantee and deducted from his sick leave account(s).
 - iii. If he is unavailable for a day(s) of substitution eligibility, and a deduction was not made as provided in Section 14.B.6.i.i. (above), for that day, trip rig shall be calculated for the period the pilot is unavailable due to sick leave, and shall be credited toward his substitution guarantee and deducted from his sick leave account.
 - iv. The total CH deducted from his sick leave account shall not exceed trip guarantee for his original or substitution trip(s), whichever is greater.

7. Illness or Injury for Entire Bid Period

A pilot who is expected to be on sick leave for an entire bid period shall bid in a "pay only" status. He shall be compensated the BLG or RLG of his pay only line and his sick leave account(s) shall be reduced by the same amount.

8. Lapse of Currency

A pilot on sick leave whose currency is expected to lapse shall be notified by the Company of his expected non-currency. He shall notify his flight manager of his anticipated date of return as soon as he is aware of that date. If the pilot fails to notify his flight manager of his anticipated date of return and, as a result, he cannot be scheduled for required training within 14 days following his return to flight status, he shall be placed in an unpaid status commencing on his date of return and ending at the time his training actually commences, but no later than 14 days after his return.

C. Regular Sick Account

A pilot's regular sick account shall be credited as follows:

- 1. A pilot in active pay status on the first day of the first bid period of each fiscal year shall be credited with 72 CH on that day.

2. A pilot not in active pay status on the first day of the first bid period of a fiscal year shall be credited with 6 CH for each bid period remaining in the fiscal year beginning with the bid period in which he returns to paid status, subject to Section 14.C.5. (below).
3. A pilot hired after the effective date of this Agreement shall be credited with 6 CH for each bid period remaining in the fiscal year in which he is hired as a pilot, subject to Section 14.C.5. (below).
4. If a pilot is placed in an inactive pay status following the first day of the first bid period of a fiscal year, his regular sick account shall be reduced by 6 CH for each bid period during which he is in an unpaid status during the remainder of the fiscal year. If the balance in his regular sick account is insufficient to make the adjustment, then the adjustment shall be made from the pilot's disability sick account. This adjustment shall occur before the pilot's regular sick account balance is converted and credited to his disability sick account or surplus program, as applicable.
5. If a pilot is in an active pay status for less than one half of a bid period, that bid period shall not count for purposes of sick leave accrual.
6. Administration
 - a. A pilot removed from an activity due to sick leave shall have the credit for that activity(ies) charged against his regular sick account. However, a pilot may request to have that sick leave charged to his disability sick account as provided in Section 14.D.2. (below).
 - b. At the end of the last bid period of each fiscal year, any hours remaining in a pilot's regular sick account shall be transferred to his disability sick account, subject to the disability sick account ceiling (as described in Section 14.D.1.c.). Any sick leave credits in excess of the disability sick account ceiling shall be transferred to the surplus program provided in Section 14.E. (below).
7. Make-Up Sick (MUS)

A pilot is eligible to make up CH drawn from his regular sick account. No more than 72 CH per fiscal year may be earned in MUS status to replace hours drawn from his regular sick account.

D. Disability Sick Account

1. Establishment, Accrual and Ceiling
 - a. On the date Section 14 is implemented, a pilot's current unused sick leave shall be prorated to reflect the credit hour accrual system in this Agreement and then transferred into his disability sick account.
 - b. Between the date Section 14 is implemented and the end of the fiscal year (May 31) each active pilot shall be credited with 6 CH for each bid period to be placed in the pilot's regular sick account.
 - c. The hours remaining in a pilot's regular sick account as of the last day of the last bid period of each fiscal year shall be transferred to the pilot's disability sick account, subject to the disability sick account ceiling, or to the surplus program, as applicable.
 - d. The disability sick account ceiling shall be 686 hours.

2. Administration

- a. A pilot who wishes to utilize his disability sick account shall notify his Regional Chief Pilot of the nature of his illness or injury and, if requested, provide medical documentation. A pilot may utilize his disability sick account under any of the following conditions:
 - i. The pilot's application for a medical certificate has been denied or the pilot has been advised by an aviation medical examiner or the Company's Aeromedical advisor that he is or may not be entitled to exercise the privileges of his medical certificate; or
 - ii. The pilot has sustained an illness or injury that is anticipated to result in the pilot's missing more than 36 CH; or,
 - iii. The pilot has exhausted his regular sick account and has supplied medical documentation substantiating his need to draw from his disability sick account.
- b. A pilot on sick leave for a full bid period or longer may elect to receive sick leave in whole hour increments from 36 CH up to and including his BLG/RLG. That election may be changed from bid period to bid period and must be submitted in writing (e-mail is acceptable) to the pilot's Regional Chief Pilot within 48 hours following the close of bidding for the bid period to which the election pertains. In the absence of an election, the pilot shall be compensated the BLG/RLG of his awarded line.

3. Make-Up Sick--Disability

A pilot is eligible to make up CH drawn from his disability sick account as described in Section 14.D.2.a. (above). A significant medical event (i.e., the use of more than 168 CH for a single event) that occurred prior to the implementation of this system will still be eligible for make up to the extent of the sick leave debit that resulted from that event.

E. Surplus Program

As provided in Section 14.C.6.b., the number of hours remaining in each pilot's regular sick account shall be added to the existing balance in that pilot's disability sick account subject to the account ceiling. If the addition of these hours would cause the balance of the pilot's disability sick account to exceed the disability sick account ceiling, the value of the excess hours shall be deposited into the pilot's Employer Contribution Unused Sick Leave Account within the Federal Express Corporation Profit Sharing Plan. The amount of the deposit shall be determined by multiplying the excess CH by the pilot's pay rate at the end of the fiscal year, or if he is no longer in active employment, by his last pay rate. The deposit shall be made during the first bid period of the following fiscal year as provided in Section 28.D. Pilots who would otherwise have been eligible for a contribution into the pilot's Employer Contribution Unused Sick Leave Account within the Federal Express Corporation Profit Sharing Plan but for the termination of his employment, including retirement, death or resignation, prior to the close of the fiscal year shall have the value of any surplus contributed to the pilot's Employer Contribution Unused Sick Leave Account.

F. Occupational Injury/Illness

1. A pilot who sustains a worker's compensable injury or illness covered by Section 16 shall be eligible for up to 168 CH of occupational injury/illness leave for each occupational injury or illness. Occupational injury/illness leave may be

used for a recurrence of an occupational injury or illness up to the balance of the 168 CH not used for the original occurrence of the injury or illness. Occupational injury/illness leave is a non-accruable benefit. Sick leave shall not be used for occupational injuries or illnesses until occupational injury/illness is exhausted.

2. A pilot shall notify his flight manager as soon as practical of any occupational injury or illness covered by this paragraph.
3. If a pilot exhausts his occupational injury/illness leave and remains unable to return to his scheduled duty, he may utilize his accrued sick leave as provided in this Section.
4. A pilot shall provide the Company and appropriate State authorities with medical documentation verifying an occupational injury/illness and his fitness to return to duty following the injury or illness.
5. Worker's Compensation received by the pilot for a period of absence during which he also received occupational injury/illness leave shall be reimbursed to the Company. In no case shall additional compensation received from Worker's Compensation enable a pilot to receive total compensation greater than 100% of his awarded BLG/RLG.