



Your Retirement Benefits

FedEx Corporation Employees' Pension Plan

FedEx Corporation Retirement Savings Plan

A Summary Plan Description

December 2017

For eligible employees of the following operating companies:

Federal Express Corporation (excluding employees residing in Puerto Rico)
Federal Express Virgin Islands, Inc.
FedEx Corporate Services, Inc.
FedEx Corporation
FedEx CrossBorder, LLC
FedEx Custom Critical, Inc.
FedEx Freight Corporation (holding company employees only)
FedEx Ground Package System, Inc. (excluding employees classified
as package handlers, package handler – parcel assistants,
a special assignment package handler, or an occasional package handler)
FedExTrade Networks, Inc.
FedExTrade Networks Transport & Brokerage, Inc.
FedExTrade Networks Trade Services, Inc.
World Tariff, Limited



March 2020

SUMMARY OF MATERIAL MODIFICATIONS

FedEx Corporation Employees' Pension Plan and FedEx Freight Pension Plan (referred to as the Pension Plan) FedEx Corporation Retirement Savings Plan (referred to as the RSP)

This Summary of Material Modifications relates to the FedEx Corporation Employees' Pension Plan, the FedEx Freight Pension Plan, and the FedEx Corporation Retirement Savings Plan and supplements the summary plan description referred to as *Your Retirement Benefits* book (YRB). You should retain this document with your copy of the YRB.

FedEx Operating Company Changes

Please note the following Operating Company name changes:

- FedEx CrossBorder, LLC is now FedEx Cross Border Technologies, Inc.
- FedEx Trade Networks, Inc. is now FedEx Logistics, Inc.
- FedEx Trade Networks Trade Services, Inc. is now FedEx Trade Networks Trade Services, LLC

In addition, FedEx Cross Border Holdings, Inc. and FedEx Forward Depots, Inc. became Participating Employers in the FedEx Corporation Employees' Pension Plan and the FedEx Corporation Retirement Savings Plan effective September 1, 2018.

Effective January 1, 2020

Participation in the **FedEx Corporation Employees' Pension Plan** and **FedEx Freight Pension Plan** is closed to anyone hired or rehired on or after January 1, 2020.

Effective January 1, 2019

RSP Hardship Withdrawals

- Participants are no longer required to take available loans prior to requesting a hardship withdrawal.
- Participants are no longer subject to a six-month suspension from making contributions to the plan after taking a hardship withdrawal.
- Earnings on elective deferrals will be included when determining the amount available for a hardship withdrawal.

Rollover contributions

- Following retirement or termination of employment with FedEx, RSP participants cannot make rollover contributions into a FedEx plan.

Effective March 15, 2019

Retirement Service Center mailing address

Contact	Information
FedEx Retirement Service Center (RSC)	Phone: 1.855.604.6221 Hours: 8 a.m. – 6 p.m. Central time, Monday – Friday Online: retirement.fedex.com P.O. Box 661087 Dallas, TX 75266-1087

Effective June 1, 2018

For participants who separate from employment or retire and elect to maintain a balance in the RSP, an annual recordkeeping fee of \$17 (\$4.25 per quarter) will be deducted from your Plan account beginning in the calendar quarter following the quarter in which you separate from employment. An origination fee of \$50 will be deducted from the loan proceeds, for each loan issued from your Plan account. Participants may request the loan through vanguard.com or VOICE®, or by phone with personal assistance from a Vanguard associate.

For a hardship withdrawal from your Plan account, a fee of \$50 will be deducted from your Plan account balance, when the hardship withdrawal is processed.

Please make note of the following revised sections in the YRB. The language below replaces the current language in the sections named below:

FedEx Controlled Group Members

- ATC Information Services, Inc.
- Federal Express Corporation (FedEx Express)
- Federal Express Virgin Islands, Inc.
- FedEx Corporate Services, Inc.
- FedEx Corporation
- FedEx Cross Border Holdings, Inc.
- FedEx Cross Border Technologies, Inc.
- FedEx Custom Critical, Inc.
- FedEx Freight Corporation
- FedEx Freight, Inc.
- FedEx Forward Depots, Inc.
- FedEx Ground Package System, Inc.
- FedEx Logistics, Inc.
- FedEx Trade Networks Trade Services, LLC
- FedEx Trade Networks Transport and Brokerage, Inc.
- FedEx Office and Print Services, Inc.
- FedEx Office Commercial Press, Inc.
- FedEx Supply Chain Distribution System, Inc.
- FedEx Supply Chain, Inc.
- FedEx Supply Chain Logistics & Electronics, Inc.
- GENCO Marketplace, Inc.
- GENCO Infrastructure Solutions, Inc.
- World Tariff, Limited

Vanguard Two-factor Authentication

- Vanguard requires RSP participants to register for two-factor authentication to gain online access to their plan account.

Claims Administration _ QDRO

<p><u>Regular Mail</u> FedEx Qualified Order Center P.O. Box 1433 Lincolnshire, IL 60069-1433</p>	<p><u>Overnight</u> FedEx Qualified Order Center 4 Overlook Point Lincolnshire, IL 60069-1433</p>	<p><u>Phone:</u> 1.855.604.6221 8 a.m. – 6 p.m. Central time Monday through Friday Fax: 847.554.1669</p> <p>For general information visit qocenter.com.</p>
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Sincerely,

FedEx Retirement Services

Your Gateway to Retirement Information and Education

Visit retirement.fedex.com and learn about your FedEx retirement plans, model your pension benefit, learn more about retiree medical, begin the pension process or plan for a more financially secure retirement.

Check out these features and more at retirement.fedex.com:

- View your pension plan and 401(k) Plan benefit
- Estimate your benefits with Real Future (Your Retirement Calculator)
- Update your beneficiaries
- Access the Choose Well portal
- Learn more about retiree health benefits
- Access retirement related Tools and Resources

Highlights of the FedEx Retirement Plans

Your FedEx 401(k) Plan

- Employees:
 - Have a convenient way to accumulate savings for retirement.
 - Can contribute from 1% to 50 % of eligible earnings on a Pre-tax basis through payroll deductions.
 - Can contribute After-tax or through qualified rollovers.
- Additionally, those who are age 50 or older can make Catch-up contributions.
- FedEx makes Employer Matching contributions (Company match) for eligible employees.
- Investment options are varied and consist of all-in-one options, core options and supplemental options.
- Participants are always 100% vested in their payroll contributions.
- Participants are fully vested in the Company match after one year of service.

Your FedEx Pension Plan

- The pension plan is funded entirely by FedEx—it costs you nothing to participate.
- Employees are eligible after one year of service (credited with at least 1,000 hours of service and age 21).
- Eligible employees accrue benefits under the Portable Pension Account (PPA) formula in the pension plan.
- Benefits accrue each plan year for which you are credited with at least 1,000 hours of service. (The plan year is June 1 through May 31.)
- There are no limits on service for benefit accrual.
- Accrued benefits consist of compensation credits and interest credits.
- Participants are vested in their accrued benefit after three years of credited service for vesting.
- Participants will receive a statement of benefits following the end of the plan year after they receive their first compensation credit in the pension plan.
- Vested benefits can be paid as a lump sum or annuity.

Contents

Your Gateway to Retirement Information and Education	i	Making Application for Commencing Your Pension Plan Benefit.....	23
Overview	1	Terminated Vested Benefit.....	25
About This Material.....	1	Payments to an Alternate Payee.....	26
To Whom This <i>YRB</i> Pertains	2	Social Security—A Reminder.....	27
Introduction	2	Health Coverage After Retirement—A Reminder	27
Overview	2	Estimate Your Benefits.....	27
Plan Eligibility Scope and Guidelines	2	Portable Pension Account (PPA) Formula	28
The FedEx Retirement Plans	3	Overview	28
Correspondence	3	Eligible Earnings	28
Plan Year	3	Benefit Accrual	28
Plan Termination.....	3	Compensation Credits.....	28
Assignment of Benefits	4	Interest Credits.....	29
Plan Administration	5	Transition Compensation Credits.....	30
Overview	5	Payment of Benefits.....	31
Plan Trustees.....	5	Designating a PPA Beneficiary	32
Plan Identification	5	Forms of Payment	32
Plan Administration Contact Information.....	5	Survivor Benefits	34
Claims Contact Information	5	Traditional Pension Benefit (TPB) Formula	35
Claims and Appeals	7	Overview	35
Legal Action	10	Designating a Beneficiary.....	35
Your Rights Under ERISA.....	11	Forms of Payment	35
Pension Benefit Guaranty Corporation (PBGC).....	12	Survivor Benefits	37
Pension Plan	13	Retirement Savings Plan (RSP)—401(k) Plan	38
Introduction to the Plan	13	Introduction to the Plan	38
Pension Plan Overview.....	13	Participating Employers	38
Participating Employers	13	Plan Year	39
Eligibility for Plan Participation.....	14	Eligibility for Plan Participation.....	39
Enrollment	15	Correspondence	40
Your Cost	15	Enrollment	40
Eligible Earnings	15	Your Vanguard Personal Identification Number (PIN)	42
Maximum Compensation Limit	16	Your Cost	42
Pension Plan Benefit Limit.....	16	Designating a Beneficiary.....	43
Vesting.....	16	Contributions	43
Crediting Service	16	Eligible Earnings	44
Retirement Dates	19	Sources of Contributions.....	44
Disability Retirement Benefit.....	21	Comparison Chart of Pre-tax, After-tax and Catch-up Contributions.....	46
If You Are Re-Employed After Retirement by Any FedEx Controlled Group Member or Foreign Affiliate	21	Changing the Amount You Save.....	48
Annuity Starting Date	22	Benefits Upon Return From a Military Leave of Absence (MLOA).....	48
Designating a Beneficiary.....	22	Important Limits on Contributions.....	49
Important Information When Selecting a Joint and Survivor Annuity Form of Payment	22	Retirement Savings Plan Accounts.....	49

Account Statements.....	52
Vesting.....	52
Personal Online Advisor, powered by Financial Engines.....	52
Vanguard Managed Account Program, powered by Financial Engines	52
Vanguard Financial Planning Service	52
Investor Questionnaire	53
Investment Options	53
FedEx Corporation Stock Fund	58
Policies That Affect Your Investment Direction.....	59
Employee Retirement Income Security Act (ERISA) Section 404(c)	60
How to Select or Change Your Investment Options	60
Benefit Availability.....	61
Withdrawals.....	62
Loans	65
Distributions	67
Accessing Your Account by Telephone	69
What To Do When.....	70
Overview	70
Benefits After Employment Termination	70
Benefits After Retirement.....	71
Benefits for Your Survivors—If You Die While an Active Employee	73
Benefits for Your Survivors—If You Die After You Retire.....	74
Benefits During a Paid Leave of Absence.....	74
Benefits During an Unpaid Leave of Absence	75
Benefits During a Military Leave of Absence (MLOA)	76
Benefits During an Unpaid Suspension	76

Appendix A.....	77
General Rules For Calculating Your Traditional Pension Benefit (TPB)	77
Eligible Earnings	77
Final Average Earnings.....	77
Average Annual Earnings (Employees of Ground Companies Only).....	77
Normal Retirement Benefit Calculation Attributable to Employment With an Express Employer.....	78
Normal Retirement Benefit Calculation For Employment At FedEx Ground Package System, Inc.....	78
Normal Retirement Benefit Calculation For Employment At FedEx Supply Chain or Custom Critical Inc.	79
Early Retirement Benefit Calculation	81
Terminated Vested Benefit.....	81
Appendix B.....	82
Calculating Your TPB if You Have Service At Both a Ground Employer and Express Employer Before 6/1/2008.....	82
Calculating Your Benefit if You Have Worked for Multiple Participating Employers.....	82
Appendix C.....	84
Calculating Your TPB Under the Former FedEx Ground Package System, Inc.	84
Calculating Your TPB Under Certain Affiliates Career Reward Pension Plan Prior to 6/1/2000.....	84
FedEx Ground Package System, Inc. and Certain Affiliates Career Reward Pension Plan Before 6/1/2000	85

Overview

About This Material

We are pleased to provide you with the 2017 edition of *Your Retirement Benefits (YRB)*. This *YRB* replaces the 2016 *Your Retirement Benefits* book. It describes in detail the retirement plans offered to you as an employee, it is the Summary Plan Description (SPD) for the Plans detailed here and it provides the following:

- **Introduction:** Basic information on the retirement plans.
- **Plan Administration:** Information on plan administration, plan trustees, enrollment, the claims process and your rights.
- **Pension Plan:** Description of eligibility, benefit formulas, credited service, retirement ages and vesting.
- **Retirement Savings Plan (RSP):** Description of eligibility, investment options and source of contributions.
- **What To Do When:** Additional information about what you should do in the event of your termination of employment, retirement, leave of absence or suspension, or what your beneficiary should do in the event of your death, including charts to illustrate how these events affect your retirement benefits.

Unless noted otherwise, all references to FedEx and Company throughout this SPD include all FedEx Companies participating in the retirement plans.

The *YRB* is issued periodically. If a benefit changes before the next edition, we will provide you with a Summary of Material Modifications (SMM) to ensure that up-to-date information is available for you and your family.

Note: This SPD does not address any benefit you may have accrued under any other qualified Plans sponsored by another FedEx Controlled Group Member. Refer to the separate SPD that covers employees of those FedEx Controlled Group Members for more information on any benefit you may have accrued under those Plans.

It's Important to Make the Most of the *YRB*

You must take time to look through this information to understand the retirement plans FedEx offers to you. By doing so, you help to ensure you take maximum advantage of your retirement benefits. Your retirement plans are a very important part of your total benefits at FedEx.

Planning is a must if you want to have a financially secure retirement. For a wealth of information on retirement planning, go to the website retirement.fedex.com. There are three components to your retirement planning to keep in mind:

- FedEx retirement plans, as described in this SPD.
- Social Security benefits.
- Personal savings.

Highlights of recent retirement plan changes:

- Effective January 1, 2017, additional distribution options are available for terminated/retired employees in the Retirement Savings Plan.
- Effective June 1, 2017, a surviving spouse will have the option to receive the Traditional Pension Benefit (TPB) as a lump-sum payment.
- Effective July 1, 2017, rehired retirees are no longer subject to the suspension of benefit rules.
- Effective December 31, 2017, if there is no beneficiary designation on file at the time of your death, any benefit due you will be paid first to your surviving spouse or second to your estate.

Retirement Services Department
FedEx Corporate Services, Inc.

To Whom This *YRB* Pertains

Eligible employees of the following Operating Companies:

- Federal Express Corporation (excluding employees residing in Puerto Rico)
- Federal Express Virgin Islands, Inc.
- FedEx Corporate Services, Inc.
- FedEx Corporation
- FedEx CrossBorder, LLC
- FedEx Custom Critical, Inc.
- FedEx Freight Corporation (holding company employees only)
- FedEx Ground Package System, Inc. (excluding employees classified as package handlers, package handler – parcel assistants, a special assignment package handler or an occasional package handler)
- FedEx Trade Networks, Inc.
- FedEx Trade Networks Transport & Brokerage, Inc.
- FedEx Trade Networks Trade Services, Inc.
- World Tariff, Limited

Introduction

Overview

Note: References to FedEx or Company include all FedEx Companies participating in that retirement plan or program.

As an employee, your compensation is more than your paycheck. It also includes comprehensive benefits that help provide you and your family financial security during your working years and during retirement. This *Your Retirement Benefits (YRB)* book explains your retirement plans as simply and accurately as possible. It is the Summary Plan Description (SPD) of the FedEx Corporation Employees' Pension Plan (pension plan) and the FedEx Corporation Retirement Savings Plan (RSP) sponsored by Participating Employers. See "Participating Employers" in the "Pension Plan" and "Retirement Savings Plan (RSP)" sections for details. **Note:** The RSP is a 401(k) plan and may be referenced in this way throughout this SPD.

This document is your SPD dated December 31, 2017, and describes the key features of the pension plan and the RSP.

Each benefit described here is based on a formal plan document or contract. While this information is intended to be accurate, retirement benefits are subject to the detailed provisions of the applicable plan documents. If there is a conflict between this SPD and the official plan documents, the plan documents always govern. You are not entitled to retirement plans benefits due to a misstatement in or omission from this document. FedEx reserves the right to amend or terminate any benefit plan at any time and for any reason.

Plan Eligibility Scope and Guidelines

Eligibility for each retirement plan, program or service is determined by the Participating Employers of that Plan, program or service. Each section of this *YRB* describing a Plan, program or service includes a list of Participating Employers of that particular Plan, program or service and how transferring between the FedEx Controlled Group Members affects eligibility.

FedEx Controlled Group Members

FedEx Controlled Group Members are FedEx companies under common control of the parent company. They include the following operating companies:

FedEx Controlled Group Members	
Federal Express Corporation	FedEx Trade Networks, Inc.
Federal Express Virgin Islands, Inc.	FedEx Trade Networks Trade Services, Inc.
FedEx Corporate Services, Inc.	FedEx Trade Networks Transport & Brokerage, Inc.
FedEx Corporation	World Tariff, Limited
FedEx CrossBorder, LLC	FedEx Office and Print Services, Inc.
FedEx Custom Critical, Inc.	FedEx Office Commercial Press, Inc.
FedEx Freight Corporation	FedEx Supply Chain Distribution System, Inc.
FedEx Freight, Inc.	GENCO Infrastructure Solutions, Inc.
FedEx Ground Package System, Inc.	

Who Is Not Eligible

An individual who is classified by a Participating Employer as an independent contractor or leased employee is not eligible to participate in any retirement plan sponsored by the employer, even if such person is later determined by a court or administrative agency having competent jurisdiction to be a common law employee of the employer.

An employee is not eligible to participate in any aspect of the retirement plans the day the terms and conditions of employment are covered by a collective bargaining agreement, unless the agreement specifically incorporates a particular Plan. Employees, whose terms and conditions of employment are governed by the collective bargaining agreement between Federal Express Corporation and the Air Line Pilots Association, International, should refer to their most recent *Pilot Benefit Book (PBB)* for a description of the Plans in which they may be eligible to participate.

For more information on who is not eligible to participate in the retirement plans described in this *YRB*, see “Eligibility for Plan Participation” in the “Pension Plan” and “Retirement Savings Plan (RSP)” sections.

The FedEx Retirement Plans

Eligible employees of Participating Employers are offered an employer-paid pension plan. Also, since personal savings are necessary to help you prepare for a financially comfortable retirement, FedEx provides employees of Participating Employers a means by which you can save for your retirement through the RSP.

In addition, your employer pays half the cost (you pay the other half) for your Social Security benefits. See “Social Security—A Reminder” in the “Pension Plan” section for details.

Correspondence

Pension plan correspondence is sent to your home address as listed in your employer’s Human Resources Information System (HRIS). You are responsible for updating any change of address in the HRIS or reporting any change of address to your manager. If you are no longer employed by FedEx, call the FedEx Retirement Service Center at 1.855.604.6221, to change your address.

Summary of Retirement Plans Benefits

Your retirement plans benefits are listed below and descriptions of these benefits are included in this *YRB*, your Summary Plan Description (SPD).

Pension Plan

- Traditional Pension Benefit (TPB) formula, if applicable.
- Portable Pension Account (PPA) formula.

RSP—401(k) Plan

- Pre-tax contributions.
- Employer Matching contributions (Company match).
- If eligible, After-tax contributions, and
- If eligible, Catch-up contributions.

Plan Year

The pension plan begins on June 1 and ends on May 31 of the next year. The RSP begins on January 1 and ends on December 31.

Plan Termination

FedEx has established the retirement plans with the expectation that they will continue indefinitely. However, unforeseen circumstances or those beyond the control of FedEx (for example, bankruptcy, merger or serious business reversal) may make it impossible or inadvisable to continue one or more of the retirement plans.

FedEx reserves the right for any Participating Employer to modify, amend or suspend any plan or program by a written amendment signed by a duly authorized officer of the Participating Employer; a resolution of the FedEx Corporation Board of Directors or any committee of the Board; a resolution of the FedEx Corporation Retirement Plan Investment Board; or an amendment or termination of the underlying contract, where applicable, executed by an officer or other authorized person.

FedEx reserves the right to terminate any plan or program (or a Participating Employer's participation in any plan or program) by action of the Participating Employer's Board of Directors; by action of the FedEx Corporation Board of Directors or any committee of the Board; or by action of the FedEx Corporation Retirement Plan Investment Board. If such steps are taken, you will be informed of the effect of the changes on your rights to benefits.

Status of Benefits

If a retirement plan is terminated, the following applies to the status of its benefits:

- If the RSP terminates, each participant is entitled to a distribution of his/her RSP account balance according to the value of the account on the distribution date.
- If the pension plan terminates, all participants' accrued benefits become 100 percent vested to the extent they are funded. Subject to approval by the Pension Benefit Guaranty Corporation (PBGC), the assets of the pension plan are allocated and distributed in the following order:
 1. To persons receiving or eligible to receive annuity payments from the pension plan, 36 months before the date the pension plan is terminated. (The five-year period dating back from the termination date is examined to determine whether or not retirement benefits were calculated under different formulas. If so, the method providing the smallest benefit is used.)
 2. To all benefits insured by the PBGC.
 3. To all other vested benefits.
 4. To all other benefits payable under the pension plan.

If pension plan assets cannot satisfy in full the benefits allocated and distributed to those identified in (1) and (2), they are prorated among them on the basis of the present value of their respective benefits as of the termination date. If there are not enough assets to satisfy in full the benefits of the individuals identified in (3), their benefits are calculated according to the provisions of the pension plan in effect five years before the termination date. If the benefits calculated under that method still exceed the available pension plan assets, they are calculated under the terms of the most recent amendment to the pension plan that satisfies these benefits.

Any residual assets of the pension plan may revert to the Company if not prohibited by any state or federal law and if all liabilities to participants, retirees and beneficiaries have been satisfied in full.

Assignment of Benefits

The pension plan and the RSP do not permit you to assign, alienate, transfer, pledge, encumber, commute or anticipate any interest in the trust fund or in any payments to be made under these Plans, except in the case of a Qualified Domestic Relations Order (QDRO). Your benefits under the pension plan or RSP are generally not subject to levy, attachment or other legal process to enforce payment of any claim against you, as a participant in the pension plan or RSP, except that the Internal Revenue Service (IRS) may levy benefits payable to you to satisfy a federal tax lien, or garnishment as so ordered by a federal court under the Mandatory Victims Restitution Act (18 U.S.C. Section 3613) or the Federal Debt Collection Procedures Act (28 U.S.C. Section 3205).

Plan Administration

Overview

Note: References to FedEx or Company include all FedEx Companies participating in that retirement plan or program.

This section provides details about the way the retirement plans are administered. Additionally, there is information regarding how and where to file a claim, the appeals process and related topics regarding your rights.

Plan Trustees

Trusteed Plans—Assets for trustee plans accumulate and are invested in separate trust funds maintained by designated trust companies. Benefit payments are paid from these trust funds.

Plan Trustees

Trusteed Plans	Trustee
FedEx Corporation Employees' Pension Plan (pension plan)	State Street Bank and Trust Company 2 Avenue de Lafayette 6th Floor Boston, MA 02111
FedEx Corporation Retirement Savings Plan (RSP)	Vanguard Fiduciary Trust Company Attn: Plan number 093111 100 Vanguard Boulevard Malvern, PA 19355

Plan Identification

The Internal Revenue Service (IRS) has assigned employer identification number (EIN) 62 1721435 to FedEx Corporation; the pension plan and the RSP are reported to the IRS under this tax identification number. Each FedEx retirement plan is also assigned a plan number by FedEx. The plan numbers and plan administrators for the various employee retirement plans are listed in the following table. The plan administrator, and in some cases the plan claims paying administrator, has the authority and discretion to interpret the retirement plan provisions and to determine eligibility to receive benefits under the retirement plans.

* FedEx Corporation is the Plan Administrator. However, the Company has delegated administrative functions to the RSC for the pension plan and to The Vanguard Group, Inc. (Vanguard) for the RSP.

Plan Administration Contact Information

The following chart includes contact information for the Plan Administrators:

Plan Administration

Plan Name	Plan Number	Plan Administration
FedEx Corporation Employees' Pension Plan (pension plan)	002	FedEx Retirement Service Center (RSC)* P.O. Box 64065 The Woodlands, TX 77387-4065 1.855.604.6221 retirement.fedex.com
RSP	001	The Vanguard Group, Inc. (Vanguard)* Attn: Plan number 093111 100 Vanguard Boulevard Malvern, PA 19355 Vanguard Participant Services 1.800.523.1188 1.800.828.4487 (Spanish-speaking) 1.800.523.8004 (hearing-impaired) vanguard.com/retirementplans

Claims Contact Information

Benefit payments are made by the following companies for the identified benefits. Please keep in mind that you should initially contact the appropriate service center (the RSC for the pension plan and Vanguard Participant Services for the RSP) to ensure you receive the required forms for the plan benefit you are requesting and that the completed forms are submitted according to the required procedure. See "Claims and Appeals," in this section, for information on the claim reconsideration and appeal process.

Refer to the following chart for the appropriate address of where to send claims and appeals:

Claims Administration

Plan	Claims Administration	Appeals	QDRO
Pension Plan	<p>FedEx Retirement Service Center (RSC) Claims and Appeals Management P.O. Box 1407 Lincolnshire, IL 60069-1407</p> <p>Phone: 1.855.604.6221 1.855.604.6221 (hearing-impaired will need to call in with local relay service)</p> <p>Overnight: FedEx Retirement Service Center (RSC) Claims and Appeals Management Attn: FedEx 4OB-3S-1 4 Overlook Point Lincolnshire, IL 60069</p>	<p>FedEx Retirement Appeals Committee c/o FedEx Retirement Service Center (RSC) P.O. Box 1407 Lincolnshire, IL 60069-1407</p> <p>Phone: 1.855.604.6221 1.855.604.6221 (hearing-impaired will need to call in with local relay service)</p> <p>Overnight: FedEx Retirement Appeals Committee c/o FedEx Retirement Service Center (RSC) Attn: FedEx 4OB-3S-1 4 Overlook Point Lincolnshire, IL 60069</p>	<p>Regular Mail: FedEx Qualified Order Center P.O. Box 1433 Lincolnshire, IL 60069-1433</p> <p>Phone: 1.855.604.6221 Monday through Friday 8 a.m. – 6 p.m. Central time Fax: 847.554.1969 Online: qocenter.com</p> <p>Overnight: FedEx Qualified Order Center 4 Overlook Point Lincolnshire, IL 60089-1433</p>
RSP	<p>The Vanguard Group, Inc. Attn: Plan number 093111 100 Vanguard Boulevard Malvern, PA 19355</p> <p>Phone: 1.800.523.1188 1.800.828.4487 (Spanish-speaking) 1.800.523.8004 (hearing-impaired)</p>	<p>FedEx Corporation Attn: Retirement Appeals Committee 30 FedEx Parkway 2nd Floor Horizontal Collierville, TN 38017</p>	<p>Regular Mail: FedEx Qualified Order Center P.O. Box 1433 Lincolnshire, IL 60069-1433</p> <p>Phone: 1.855.604.6221 Monday through Friday 8 a.m. – 6 p.m. Central time Fax: 847.554.1969 Online: qocenter.com</p> <p>Overnight: FedEx Qualified Order Center 4 Overlook Point Lincolnshire, IL 60089-1433</p>

Claims and Appeals

Disability Retirement in the RSP

Filing a Claim: Your Rights—If you think you are eligible for a disability retirement benefit under the RSP, you must file a claim. You alone are responsible for making sure your claim is filed accurately and on time. To file a claim, contact the claims paying administrator, Vanguard, at 1.800.523.1188.

When you submit your claim to Vanguard, Vanguard should process it within 45 days. Sometimes more time may be needed if additional information is required. If this happens, you will be notified in writing of the delay before the 45-day period expires, and you will be told what is needed to complete the processing of your claim. You will have 45 days to provide the missing information. Vanguard will make a decision within 30 days of receipt of additional information. Vanguard may request an additional 30-day extension before the expiration of the first 30-day period. If the claim is denied, in whole or in part, a letter will be sent to you with an explanation of the following:

- The specific reason or reasons for the adverse determination.
- Reference to the specific plan provisions on which the benefit determination is based.
- A statement that the claimant is entitled to receive, upon request and free of charge, reasonable access and copies of all relevant documents including any internal rules, guidelines, protocols or other similar criteria used as a basis for the denial, or a statement that a protocol or other criteria was relied upon and that a copy will be made available to the claimant free of charge upon request.
- A statement informing the claimant about the right to bring a civil action under the Employee Retirement Income Security Act of 1974 (ERISA).

It is your responsibility to provide information to support your claim.

Appealing a Denial: Your Rights—If your claim has been denied, you will receive the denial letter described above, explaining the specifics of the denial. You or your authorized representative has the right to request a full and fair review of the denied claim at what is referred to as the appeal level.

The request must be submitted in writing to the address provided in the denial letter within 180 days from the date you receive the written denial of the claim. It is your responsibility to provide information to support your appeal.

If you or your authorized representative fails to request the appeal within the time described in the above paragraph, you will be denied a review, and you may be giving up legal rights to later contest the denial of benefits.

In support of your appeal, you may submit written comments, documents, records and other information relating to your claim to the address provided in the denial letter for review by an appeal committee. The committee will make the final determination on your appeal.

As part of this appeal, you or your authorized representative has the right to review, upon request and free of charge, all documents, records and information relevant to the basis on which your claim for benefits was decided. Relevant information includes any information submitted, considered, generated or relied upon in making your benefit decision. To receive a copy of these documents, send your request to the address shown on the denial letter, or call the phone number shown on the letter. You can include this request as part of your appeal.

Your appeal will be reviewed by the FedEx Retirement Appeals Committee. The RSP provides that the appeal committee has the authority and discretion to interpret the provisions of the RSP and to determine eligibility under the RSP to receive benefits.

The appeal committee normally issues a decision on your case within 45 days of receipt of your request. Sometimes more time may be needed if there are special circumstances, such as a need for additional information. If this happens, you will be notified in writing of the delay before the first 45-day period expires, and you will be told what is needed to complete the processing of your appeal. The appeal process will be delayed until you respond on or before the response date provided in your letter with the requested information.

The appeal committee should issue a decision within 45 days after receiving your information. This decision is sent to you in writing and includes the specific reasons and references to the plan provisions on which the decision is based.

Appeals by Authorized Representative

If you designate an authorized representative to appeal for you or you are submitting personal medical information, you must complete a Claim/Appeal Authorization/Release of Information form and submit it with your appeal request. If you fail to authorize the disclosure under the “Claim/Appeal Disclosure Information/Release of Information” section of the form, the appeal will be processed without your medical information. As a result, the denial of benefits may continue to be upheld. Except as described on the form, information that is disclosed under this authorization may be subject to re-disclosure by the authorized representative designated on the form and no longer protected by law.

You can obtain the Claim/Appeal Authorization/Release of Information form by calling 1.855.604.6221.

Disability Retirement in the Pension Plan (Reference the Pension Plan section titled Crediting Years of Service During a Disability)

Filing a Claim: Your Rights—If you believe you are eligible for a disability retirement benefit under the pension plan but are denied a disability retirement benefit by the Administrator, you must file a claim. You alone are responsible for making sure your claim is filed accurately and on time. To file a claim, contact the claims paying administrator, the RSC, at 1.855.604.6221.

When you submit your claim to the RSC, the RSC should process it within 45 days. Sometimes more time may be needed if additional information is required. If this happens, you will be notified in writing of the delay before the 45-day period expires, and you will be told what is needed to complete the processing of your claim. You will have 45 days to provide the missing information. The RSC will make a decision within 30 days of receipt of additional information. The RSC may request an additional 30-day extension before the expiration of the first 30-day period. If the claim is denied, in whole or in part, a letter will be sent to you with an explanation of the following:

- The specific reason or reasons for the adverse determination.
- Reference to the specific plan provisions on which the benefit determination is based.

- A statement that the claimant is entitled to receive, upon request and free of charge, reasonable access and copies of all relevant documents including any internal rules, guidelines, protocols or other similar criteria used as a basis for the denial, or a statement that a protocol or other criteria was relied upon and that a copy will be made available to the claimant free of charge upon request.
- A statement informing the claimant about the right to bring a civil action under ERISA.

It is your responsibility to provide information to support your claim.

Appealing a Denial: Your Rights—If your claim has been denied, you will receive the denial letter described above, explaining the specifics of the denial. You or your authorized representative has the right to request a full and fair review of the denied claim at what is referred to as the appeal level. The request must be submitted in writing to the address provided in the denial letter within 180 days from the date you receive the written denial of the claim. It is your responsibility to provide information to support your appeal.

If you or your authorized representative fails to request the appeal within the time described in the above paragraph, you will be denied a review, and you may be giving up legal rights to later contest the denial of benefits.

In support of your appeal, you may submit written comments, documents, records and other information relating to your claim to the address provided in the denial letter for review by an appeal committee. The committee will make the final determination on your appeal.

As part of this appeal, you or your authorized representative has the right to review, upon request and free of charge, all documents, records and information relevant to the basis on which your claim for benefits was decided. Relevant information includes any information submitted, considered, generated or relied upon in making your benefit decision. To receive a copy of these documents, send your request to the address shown on the denial letter, or call the phone number shown on the letter. You can include this request as part of your appeal.

Your appeal will be reviewed by the FedEx Retirement Appeals Committee. The pension plan provides that the appeal committee has the authority and discretion to interpret the provisions of the pension plan and to determine eligibility under the pension plan to receive benefits.

The appeal committee normally issues a decision on your case within 45 days of receipt of your request. Sometimes more time may be needed if there are special circumstances, such as a need for additional information. If this happens, you will be notified in writing of the delay before the first 45-day period expires, and you will be told what is needed to complete the processing of your appeal. The appeal process will be delayed until you respond on or before the response date provided in your letter with the requested information.

The appeal committee should issue a decision within 45 days after receiving your information. This decision is sent to you in writing and includes the specific reasons and references to the plan provisions on which the decision is based.

Appeals by Authorized Representative

If you designate an authorized representative to appeal for you or you are submitting personal medical information, you must complete a Claim/Appeal Authorization/Release of Information form and submit it with your appeal request. If you fail to authorize the disclosure under the "Claim/Appeal Disclosure Information/Release of Information" section of the form, the appeal will be processed without your medical information. As a result, the denial of benefits may continue to be upheld. Except as described on the form, information that is disclosed under this authorization may be subject to re-disclosure by the authorized representative designated on the form and no longer protected by law.

You can obtain the Claim/Appeal Authorization/Release of Information form by calling 1.855.604.6221.

All Other Retirement Claims

Filing a Claim: Your Rights—If you think you are eligible for a retirement plan benefit, you must file a claim. You alone are responsible for making sure your claim is filed accurately and on time. Addresses for filing claims are included, see "Claims Contact Information" in this section. The general rules that are stated here apply to all of the retirement plans.

When you have filed the completed claim form, where applicable, along with any required documentation, the claims paying administrator should process your claim within 90 days.

Sometimes more time may be needed if additional information is required. If this happens, you will be notified in writing of the delay before the first 90-day period expires, and you will be told what is needed to complete the processing of your claim.

The processors will complete the processing of your claim and inform you of the decision within a second 90-day period, even if you do not provide the information requested.

If the claim is denied, in whole or in part, a letter will be sent to you with the following:

- Specific reason or reasons for the denial.
- Specific reference to the relevant plan provision on which the decision is based.
- Description of additional information needed to support your claim and an explanation of why it is needed.
- Information on how to appeal your claim, should you wish to pursue it further.
- Description of the appeal procedures and time limits.
- Statement of your right to bring a civil action under ERISA if your appeal is denied.

If an internal rule, guideline, protocol or other similar criterion was relied upon in making the adverse benefit determination, either the specific rule, guideline, protocol or other similar criterion, or statement that such a rule, guideline, protocol or other similar criterion was relied upon in making the adverse determination and a copy of such rule, guideline, protocol or other criterion will be provided free of charge to the claimant upon request.

Appealing a Denial: Your Rights—You have the right to request a full and fair review of the denied claim at what is referred to as the appeal level. Your request must be submitted in writing to the address provided in the denial letter within 60 days from the date that you receive the written denial of the claim.

It is your responsibility to provide information to support your appeal.

If you or your authorized representative fails to request the appeal within the time described in the above paragraph, you will be denied a review and you may be giving up legal rights to later contest the denial of benefits.

In support of your appeal, you may submit written comments, documents, records and other information relating to your claim to the address provided in the statement. This information will be reviewed by an appeal committee, which will make the final determination on your appeal.

As part of this appeal, you or your authorized representative has the right to review, upon request and free of charge, all documents, records and information relevant to the basis on which your claim for benefits was decided. Relevant information includes any information submitted, considered, generated or relied upon in making your benefit decision. To receive a copy of these documents, send your request to the address shown on the denial letter, or call the phone number shown on the letter. You can include this request as part of your appeal.

Your appeal will be reviewed by the FedEx Retirement Appeals Committee. The pension plan provides that the appeal committee has the authority and discretion to interpret the provisions of the pension plan and to determine eligibility under the pension plan to receive benefits.

The decision on your appeal will normally be issued within 60 days of receipt of your request. Sometimes more time may be needed if there are special circumstances, such as a need for additional information. If this happens, you will be notified in writing of the delay before the first 60-day period expires, and you will be told what is needed to complete the processing of your appeal. The decision on your appeal will be issued within 60 days of receipt of the additional information.

This decision is sent to you in writing and includes:

- The specific reason or reasons for the adverse determination.
- Reference to the specific plan provisions on which the benefit determination is based.
- A statement that the claimant is entitled to receive, upon request and free of charge, reasonable access and copies of all relevant documents including any internal rules, guidelines, protocols or other similar criteria used as a basis for the denial, or a statement that a protocol or other criteria was relied upon and that a copy will be made available to the claimant free of charge upon request.
- A statement informing the claimant about the right to bring a civil action under ERISA.

Legal Action

A participant or beneficiary may not bring legal action to recover benefits under the Plans until he/she has exhausted the internal administrative process described in "Claims and Appeals" in this section.

If you want to take legal action for any reason related to your retirement benefit claim, you may serve the summons and complaint on FedEx at:

Federal Express Corporation
 Building B, 3rd Floor, COMAIL 7103
 3620 Hacks Cross Road
 Memphis, TN 38125-8800

Legal process may also be served on the retirement plan's trustee or CT Corporation, which is the corporate agent responsible for receiving legal process. You may contact CT Corporation at 1.800.325.2671 for the physical address for serving legal process.

Your Rights Under ERISA

As a participant in the FedEx retirement plans, you are entitled to certain rights and protections under ERISA. ERISA provides that all retirement plans participants shall be entitled to the following:

Receive Information About Your Retirement Plans and Benefits

- Examine, without charge, at the plan administrator's office and at other specified locations, such as worksites, all plan documents, including insurance contracts, and copies of the latest annual report (Form 5500 Series) filed by the plan with the U.S. Department of Labor and available at the Public Disclosure Room of the Employee Benefits Security Administration.
- Obtain, upon written request to the plan administrator, copies of all documents governing the operation of the plan, including insurance contracts, copies of the latest annual report (Form 5500 Series) and updated Summary Plan Descriptions (SPDs). The administrator may charge a reasonable fee for the copies.
- Receive a summary of the plan's annual financial report. The plan administrator is required by law to furnish each participant with a copy of the annual funding notice.
- Obtain a statement telling you whether you have a right to receive a pension at normal retirement age and if so, what your benefit under the plan is estimated to be at normal retirement age if you stop working now. The statement will show your vesting percentage. This statement is required to be given once a year and must be provided free of charge.

Prudent Actions by Plan Fiduciaries

- In addition to creating rights for plan participants, ERISA imposes duties upon the people who are responsible for the operation of the plans. The people who operate your retirement plans, called fiduciaries, have a duty to do so prudently and in the interest of you and other plan participants and beneficiaries. No one, including your employer or any other person, may terminate you or otherwise discriminate against you in any way to prevent you from obtaining a pension benefit or exercising your rights under ERISA.

Enforce Your Rights

- If your claim for a pension or welfare benefit is denied or ignored, in whole or in part, you have a right to know why this was done; to obtain copies of documents relating to the decision, without charge; and to appeal any denial, all within certain time schedules.
- Under ERISA, there are steps you can take to enforce the above rights. For instance, if you request a copy of retirement plan documents or the latest annual report from the retirement plan and do not receive it within 30 days, you may file suit in a federal court. In such a case, the court may require the plan administrator to provide the materials and pay you up to \$110 a day until you receive the material, unless the material was not sent because of reasons beyond the control of the plan administrator. If you have a claim for benefits which is denied or ignored, in whole or in part, you may file suit in a state or federal court. In addition, if you disagree with the plan administrator's decision or lack thereof concerning the qualified status of a Domestic Relations Order (DRO) or medical child support order, you may file suit in federal court. If it should happen that plan fiduciaries misuse the plan's money, or if you are discriminated against for asserting your rights, you may seek assistance from the U.S. Department of Labor, or you may file suit in a federal court. The court will decide who should pay court costs and legal fees. If you are successful, the court may order the person you have sued to pay these costs and fees. If you lose, the court may order you to pay these costs and fees, for example, if it finds your claim is frivolous.

Assistance With Your Questions

If you have any questions about your retirement plan(s), you should contact the plan administrator(s). If you have any questions about this statement or about your rights under ERISA, or if you need assistance in obtaining documents from the plan administrator, you should contact the nearest office of the Employee Benefits Security Administration, U.S. Department of Labor, listed in your telephone directory or write:

Division of Technical Assistance and Inquiries
Employee Benefits Security Administration
U.S. Department of Labor
200 Constitution Avenue N.W.
Washington, D.C. 20210

You may also obtain certain publications about your rights and responsibilities under ERISA by calling the publications hotline of the Employee Benefits Security Administration.

Pension Benefit Guaranty Corporation (PBGC)

Your vested pension plan benefits are insured by the PBGC, a federal insurance agency. If the pension plan terminates without enough money to pay all benefits, the PBGC will step in to pay pension plan benefits up to a maximum amount prescribed for the year in which the pension plan terminates. The RSP is not insured by the PBGC since the PBGC does not insure qualified defined contribution plans.

Benefit Guarantees

The PBGC guarantee generally covers:

- Normal and early retirement benefits.
- Disability benefits if you become disabled before the pension plan terminates, and
- Certain benefits for your beneficiaries.

The PBGC guarantee generally does not cover:

- Benefits greater than the maximum guaranteed amount set by law for the year in which the pension plan terminates.
- Some or all benefit increases and new benefits based on pension plan provisions that have been in place for fewer than five years at the time the pension plan terminates.
- Benefits that are not vested because you have not worked long enough for the Company.
- Benefits for which you have not met all the requirements at the time the pension plan terminates.
- Certain early retirement payments (such as supplemental benefits that stop when you become eligible for Social Security) that result in an early retirement monthly benefit greater than your monthly benefit at the pension plan's normal retirement age.
- Non-pension plan benefits, such as health insurance, life insurance, certain death benefits, vacation pay and severance pay.

Even if certain of your benefits are not guaranteed, you still may receive some of those benefits from the PBGC depending on how much money your pension plan has and how much the PBGC collects from employers.

Where to Get More Information

For more information about the PBGC and its guarantees, ask your plan administrator, call the PBGC toll free at 1.800.400.7242 or write:

PBGC
P.O. Box 151750
Alexandria, VA 22315-1750

TTY/TDD users may call the federal relay service toll free at 1.800.877.8339 and ask to be connected to 1.800.400.7242. Additional information about the PBGC's pension insurance program is available through the PBGC's website at pbgc.gov.



March 2020

SUMMARY OF MATERIAL MODIFICATIONS

FedEx Corporation Employees' Pension Plan and FedEx Freight Pension Plan (referred to as the Pension Plan) FedEx Corporation Retirement Savings Plan (referred to as the RSP)

This Summary of Material Modifications relates to the FedEx Corporation Employees' Pension Plan, the FedEx Freight Pension Plan, and the FedEx Corporation Retirement Savings Plan and supplements the summary plan description referred to as *Your Retirement Benefits* book (YRB). You should retain this document with your copy of the YRB.

FedEx Operating Company Changes

Please note the following Operating Company name changes:

- FedEx CrossBorder, LLC is now FedEx Cross Border Technologies, Inc.
- FedEx Trade Networks, Inc. is now FedEx Logistics, Inc.
- FedEx Trade Networks Trade Services, Inc. is now FedEx Trade Networks Trade Services, LLC

In addition, FedEx Cross Border Holdings, Inc. and FedEx Forward Depots, Inc. became Participating Employers in the FedEx Corporation Employees' Pension Plan and the FedEx Corporation Retirement Savings Plan effective September 1, 2018.

Effective January 1, 2020

Participation in the **FedEx Corporation Employees' Pension Plan** and **FedEx Freight Pension Plan** is closed to anyone hired or rehired on or after January 1, 2020.

Effective January 1, 2019

RSP Hardship Withdrawals

- Participants are no longer required to take available loans prior to requesting a hardship withdrawal.
- Participants are no longer subject to a six-month suspension from making contributions to the plan after taking a hardship withdrawal.
- Earnings on elective deferrals will be included when determining the amount available for a hardship withdrawal.

Rollover contributions

- Following retirement or termination of employment with FedEx, RSP participants cannot make rollover contributions into a FedEx plan.

Effective March 15, 2019

Retirement Service Center mailing address

Contact	Information
FedEx Retirement Service Center (RSC)	Phone: 1.855.604.6221 Hours: 8 a.m. – 6 p.m. Central time, Monday – Friday Online: retirement.fedex.com P.O. Box 661087 Dallas, TX 75266-1087

Effective June 1, 2018

For participants who separate from employment or retire and elect to maintain a balance in the RSP, an annual recordkeeping fee of \$17 (\$4.25 per quarter) will be deducted from your Plan account beginning in the calendar quarter following the quarter in which you separate from employment. An origination fee of \$50 will be deducted from the loan proceeds, for each loan issued from your Plan account. Participants may request the loan through vanguard.com or VOICE®, or by phone with personal assistance from a Vanguard associate.

For a hardship withdrawal from your Plan account, a fee of \$50 will be deducted from your Plan account balance, when the hardship withdrawal is processed.

Please make note of the following revised sections in the YRB. The language below replaces the current language in the sections named below:

FedEx Controlled Group Members

- ATC Information Services, Inc.
- Federal Express Corporation (FedEx Express)
- Federal Express Virgin Islands, Inc.
- FedEx Corporate Services, Inc.
- FedEx Corporation
- FedEx Cross Border Holdings, Inc.
- FedEx Cross Border Technologies, Inc.
- FedEx Custom Critical, Inc.
- FedEx Freight Corporation
- FedEx Freight, Inc.
- FedEx Forward Depots, Inc.
- FedEx Ground Package System, Inc.
- FedEx Logistics, Inc.
- FedEx Trade Networks Trade Services, LLC
- FedEx Trade Networks Transport and Brokerage, Inc.
- FedEx Office and Print Services, Inc.
- FedEx Office Commercial Press, Inc.
- FedEx Supply Chain Distribution System, Inc.
- FedEx Supply Chain, Inc.
- FedEx Supply Chain Logistics & Electronics, Inc.
- GENCO Marketplace, Inc.
- GENCO Infrastructure Solutions, Inc.
- World Tariff, Limited

Vanguard Two-factor Authentication

- Vanguard requires RSP participants to register for two-factor authentication to gain online access to their plan account.

Claims Administration _ QDRO

Regular Mail FedEx Qualified Order Center P.O. Box 1433 Lincolnshire, IL 60069-1433	Overnight FedEx Qualified Order Center 4 Overlook Point Lincolnshire, IL 60069-1433	Phone: 1.855.604.6221 8 a.m. – 6 p.m. Central time Monday through Friday Fax: 847.554.1669 For general information visit qocenter.com .
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Sincerely,

FedEx Retirement Services

Pension Plan

Introduction to the Plan

The pension plan is a defined benefit plan designed to help eligible FedEx employees build financial security for the future.

Note: References to FedEx or Company include all FedEx Companies participating in the FedEx Corporation Employees' Pension Plan (pension plan).

Special Note to Former Employees

If you are a former employee, the provisions of the pension plan described herein do not necessarily apply to you. You are covered by the provisions of the Plan in effect on the date you terminated employment with FedEx. You should refer to the Summary Plan Description (SPD) in effect on your termination date for relevant plan provisions.

Special Note to Former Employees of The Flying Tiger Line, Inc. (FTL) and Seaboard World Airlines, Inc. (SWA)

If you are a former employee of FTL or SWA, when you retire you may be eligible to receive pension plan benefits that you accrued while you were covered under their pension plan(s). For more information about your FTL or SWA accrued benefit, if any, please contact the FedEx Retirement Service Center (RSC) at 1.855.604.6221. Copies of the pension plans, their SPDs and plan merger documents, if applicable, are available from the RSC. Copies are available upon receipt of a nominal charge for duplication. Please contact the RSC at least 30 days and no earlier than 90 days before you plan to start receiving your accrued benefit.

Pension Plan Overview

The pension plan is a defined benefit plan, which means your benefit is based on a specific, defined formula(s) in place when you terminate employment.

The FedEx Ground Package System, Inc. and Certain Affiliates Career Reward Pension Plan and the Federal Express Corporation Employees' Pension Plan were merged into a single pension plan, named the FedEx Corporation Employees' Pension Plan (the "pension plan"), effective May 31, 2001. For plan provisions in effect prior to June 1, 2001, or for benefit information if you've worked for multiple FedEx employers, see Appendices B and C.

The pension plan has two benefit formulas:

- The Portable Pension Account (PPA) formula.
- The Traditional Pension Benefit (TPB) formula, which was capped as of May 31, 2008.

The plan year is June 1 through May 31.

Participating Employers

Eligible employees include any U.S.-based or domestic employees of the Participating Employers listed below.

FedEx Corporation Employees' Pension Plan Participating Employers	
Express Employers	Ground Employers
Federal Express Corporation	FedEx Custom Critical, Inc.
Federal Express Virgin Islands, Inc.	FedEx Ground Package System, Inc. (excluding employees classified as package handlers, package handler – parcel assistants, a special assignment package handler or an occasional package handler)
FedEx Corporate Services, Inc.	
FedEx Corporation	
FedEx Freight Corporation	
FedEx Trade Networks, Inc.	
FedEx Trade Networks Trade Services, Inc.	
FedEx Trade Networks Transport & Brokerage, Inc.	
FedEx CrossBorder, LLC	
World Tariff, Limited	

This *YRB* also applies to the former AutoQuik, Inc., the former UrgentFreight, Inc., and those who may have accrued a benefit under the pension plan as a result of previous employment at the former Caliber System, Inc., the former Caliber Technology, Inc. or any other Participating Employer in what was once known as the FedEx Ground Package System, Inc. and Certain Affiliates Career Reward Pension Plan (also previously known as the Caliber System, Inc. Pension Plan and the Roadway Services, Inc. Pension Plan).

In addition, this *YRB* applies to the former FedEx SupplyChain Systems, Inc. and the former FedEx Truckload Brokerage, Inc., for those who may have accrued a benefit under the pension plan prior to June 1, 2017.

Eligibility for Plan Participation

You automatically become a pension plan participant on the first day of the month coincident with or next following:

- Your attaining age 21, and
- The first anniversary date of your employment with a Participating Employer, if you were credited with at least 1,000 hours of service during your first year of employment. If you do not complete 1,000 hours of service during your first employment year, you may do so during any plan year starting with the first plan year beginning after your date of hire. You enter the pension plan on the first day of the month coincident with or next following fulfillment of the required 1,000 hours of service.

An individual who is classified by a Participating Employer as an independent contractor, owner-operator or leased employee is not eligible to participate in any benefit plans sponsored by the employer, even if such person is later determined by a court or administrative agency having competent jurisdiction to be a common law employee of the employer.

You are not eligible for the pension plan if your employment is covered by a collective bargaining agreement that does not provide for your participation in this pension plan.

The following persons are also not eligible:

- Employees of FedEx Ground Package System, Inc. whose job code is that of an hourly-paid package handler (unless such an employee was eligible to participate on December 31, 1993, and has remained in an hourly-paid package handler position since then with no breaks in service) or whose job code is that of an hourly-paid package handler – parcel assistants.
- Any participant who is classified as a special assignment package handler with FedEx Ground Package System, Inc. on or after November 1, 2017.
- Any participant who is classified as an occasional package handler on or after November 13, 2017.
- Non-resident aliens who receive no income from U.S. sources subject to U.S. income taxes.

If You Moved From an Ineligible Position to an Eligible Position

You will participate on the date you moved to an eligible position or when all other eligibility requirements have been met, if later.

If You Are Re-Employed

If you terminate your employment with a Participating Employer and are later re-employed by a Participating Employer, the following rules apply with regard to your eligibility for pension plan participation:

- If you were a participant in the pension plan prior to your termination date, you will re-enter the pension plan on your re-employment date.
- If you had met all the Plan eligibility requirements and terminated your employment with a Participating Employer, and then are re-employed:
 - Before your expected entry date, you would enter the pension plan upon reaching your entry date.
 - After your expected entry date, you would enter the pension plan on your re-employment date.
- If you had not met all eligibility requirements prior to your termination, your hours of service prior to your termination are considered and you are eligible on the first of the month coincident with or next following the date you meet all eligibility requirements.

Employment Within FedEx Controlled Group Members or Foreign Affiliates

If you were previously employed by a FedEx Controlled Group Member or foreign affiliate that is not a Participating Employer, your applicable service during your previous employment with that FedEx Controlled Group Member or foreign affiliate will be combined with your service with your Participating Employer to determine your eligibility for the pension plan. For a list of FedEx Controlled Group Members, see “Plan Eligibility Scope and Guidelines” in the “Introduction” section. If you are an eligible employee of a Participating Employer, you begin participating in the pension plan on your date of employment if, immediately prior to your date of employment:

- You were employed by a FedEx Controlled Group Member or foreign affiliate.
- You have attained age 21, and
- You have completed at least one year of credited service with the FedEx Controlled Group Member or foreign affiliate.

In addition, your years of service with FedEx Controlled Group Members and foreign affiliates also will be counted toward your total years of credited service for vesting purposes under the pension plan.

If you are employed at the same time by both a Participating Employer and a FedEx Controlled Group Member that is not a Participating Employer, upon satisfaction of the eligibility requirements:

- You will be eligible to participate in this Plan if your earliest date of continuous employment is with a Participating Employer, unless you belong to an excluded class of employees at the Participating Employer, in which case you will participate in the non-participating FedEx Controlled Group Member’s Plan.
- You will be eligible to participate in the non-participating FedEx Controlled Group Member’s plan if your earliest date of continuous employment is with the non-participating FedEx Controlled Group Member, unless you belong to an excluded class of employees at the non-participating FedEx Controlled Group Member, in which case you will participate in this Plan.

Enrollment

Once you have met all the pension plan eligibility requirements, participation is automatic.

Your Cost

FedEx pays the full cost of the pension plan.

Eligible Earnings

Eligible earnings include wages, salary, overtime earnings and other earnings such as commissions, job performance and incentive bonuses (excluding Long Term Incentive [LTI]). Also included are license premiums, line duty, longevity pay and shift premiums.

Eligible earnings include pay prior to pre-tax deductions for health care and dependent care, Pre-tax, After-tax and, if applicable, Catch-up contributions to the FedEx Corporation Retirement Savings Plan (RSP).

If you were previously employed by a FedEx Controlled Group Member that is not a Participating Employer in the pension plan, your eligible earnings used to determine pension plan limits will include your applicable eligible earnings with that FedEx Controlled Group Member. For a list of FedEx Controlled Group Members, see “Plan Eligibility Scope and Guidelines” in the “Introduction” section.

Eligible earnings do not include earnings such as daily allowance, imputed income, life, per diem and disability benefits provided by Participating Employers, reimbursed expenses, cash or noncash fringe benefits, moving and other relocation expenses, deferred compensation, amounts realized from the exercise of stock options (or from the sale, exchange or disposition of stock acquired under stock options or stock bonus plans), amounts paid under a severance program or arrangement, or contributions made by Participating Employers to qualified retirement benefit plans. Nor do they, for the purpose of this definition, include expatriate pay items or pay above the Internal Revenue Service (IRS) compensation limit.

Maximum Compensation Limit

The IRS limits the maximum compensation that can be used to determine your benefits under the pension plan. The annual compensation limit may be indexed by the Secretary of the Treasury based on increases in the cost of living.

Year	Annual Compensation Limit
2018	\$275,000
2017	\$270,000
2016	\$265,000
2015	\$265,000
2014	\$260,000
2013	\$255,000
2012	\$250,000
2011	\$245,000
2010	\$245,000
2009	\$245,000

Pension Plan Benefit Limit

The annual pension plan benefit you can receive is limited, based on your age at retirement and your year of birth. These limits are scheduled to be indexed annually as directed by the Secretary of the Treasury. The 2018 maximum annual benefit payment amount you can receive from the pension plan is \$220,000.

Vesting

Vesting refers to your right to receive a pension plan benefit after you terminate employment with a FedEx Controlled Group Member or foreign affiliate—even if you terminate employment before retirement age. Beginning June 1, 2008, you will be 100 percent vested in your pension plan accrued benefit after you complete three years (five years prior to June 1, 2008) of credited service for vesting.

You are automatically vested when you reach your normal retirement date. Your normal retirement date is the first day of the month coincident with or next following the date on which you attain age 62 or 65 (see “Retirement Dates” in this section for details), after:

- Completing three years of credited service for vesting, or
- Reaching your third anniversary of pension plan participation.

If you leave the Company before you are vested, you are not entitled to any benefit from the pension plan.

Crediting Service

Except as provided under the Uniformed Services Employment and Reemployment Rights Act (USERRA), no more than 501 hours may be credited for a single continuous period during which an employee performs no duties.

Hours of Service Credited for Hourly Employees

Hours of service include each hour you are paid or are entitled to be paid by any FedEx Controlled Group Member, including time off for vacation, holidays, medical absences, jury duty or military duty as required by law.

This **does not** include hours you are paid or are entitled to be paid just to comply with:

- Unemployment compensation laws.
- Disability insurance law.
- Payment made for medical expense reimbursement, or
- Service during hours of family medical leaves (except the first 501 hours, which may be used to prevent a one-year break in service).

Hourly employees are credited with hours of service based on the paycheck date. If a paycheck contains hours worked in the previous month, all hours paid in that paycheck will be credited to the month containing the paycheck date. Likewise, if a paycheck contains hours worked in the previous plan year, all hours paid in that paycheck will be credited to the plan year containing the paycheck date. For example, assume the hourly paycheck date is Friday, June 6, and is based on hours for the pay period May 25 through May 31. The hours for the entire pay period (May 25 through May 31) count in the plan year beginning June 1.

Hours of Service Credited for Salaried Employees

Employees other than hourly-paid employees (i.e., whose hours are not maintained) will receive credit for 45 hours per week for each week in which they are actively employed for at least one day. (**Note:** A week is defined from Sunday to Saturday.)

Credited Service for Vesting

You accrue one year of credited service for vesting for each plan year (June 1 through May 31) in which you have been credited with at least 1,000 hours of service* with a FedEx Controlled Group Member or foreign affiliate. This also includes any service recognized for vesting purposes with a preceding employer of which FedEx Corporation is the successor.

Credited Service for Benefit Accrual

You accrue one year of credited service for benefit accrual for each plan year (June 1 through May 31) in which you have been credited with at least 1,000 hours of service* with a Participating Employer. Years of credited service for benefit accrual do not include years during which you were covered under a collective bargaining agreement that did not provide for your participation in this pension plan or any years for which a lump-sum payment was received.

* **Note:** Applicable for Ground Employers on or after June 1, 2001.

** The disability provisions shown here apply only to Express Employers (see the earlier section titled "Participating Employers" for the definition of Express Employers).

*** The disability provisions shown here apply only to Express Employers (see the earlier section titled "Participating Employers" for the definition of Express Employers).

Crediting Years of Service During a Disability (Express Employers Only)

*If the Disability Began On or After June 1, 1992***

If you become eligible for benefits under the Federal Express Corporation Short Term Disability Plan (STD Plan), the Federal Express Corporation Long Term Disability Plan (LTD Plan), and only if the LTD period began prior to June 1, 2015, or Workers' Compensation on or after June 1, 1992, you continue to earn credited service for benefit accrual, vesting and eligibility. You are credited with 45 hours for each full or partial week in which you are on an approved disability leave of absence.

You will continue to earn this credited service until you are no longer entitled to receive disability benefits under the Plan. Credited service for benefit accrual is limited to a maximum of 25 years under the TPB formula and is unlimited under the PPA formula. **Note:** Accrued benefits under the TPB formula were capped as of May 31, 2008.

*If the Disability Began Before June 1, 1992****

You receive credit for years of service (for benefit accrual, eligibility and vesting) up to your normal retirement age if you remain totally disabled until that date, and if you:

- Were disabled from your job before June 1, 1992, and
- Qualified for and actually receive Social Security disability benefits continuously until your normal retirement age.

If you are eligible to receive credited service for your period of disability, at the time you leave the Company, your credited service will be calculated using a crediting rate of 45 hours per week.

You may be required to submit periodic medical evidence of your continuing disability up to the time you begin receiving pension plan benefits. Additionally, you will be required to submit proof of your continual receipt of Social Security Disability Insurance (SSDI) benefits. **Note:** Accrued benefits under the TPB formula were capped as of May 31, 2008.

Crediting Hours During Active Military Service

Your period of qualifying military service in the U.S. armed forces will be included in calculating your years of credited service for benefit accrual, eligibility and vesting if you return to employment and have satisfied the requirements of the Uniformed Services Employment and Reemployment Rights Act (USERRA) within the period specified after the date you are released from active duty. You must present proof of your activation date and release from active duty date to your manager. **Note:** Upon your return to active employment, hours of service for your period of qualifying military service will be credited for benefit accrual purposes.

In the event of death during your Military Leave of Absence (MLOA), your accrued benefit will be based on your years of credited service for benefit accrual up to the date of your death. For a description of benefits payable in the event of your death, see "Survivor Benefits" in the "Traditional Pension Benefit (TPB) Formula" and "Portable Pension Account (PPA) Formula" sections.

Breaks in Service

A one-year break in service occurs during any plan year in which you do not receive credit for at least 501 hours of service. If you have a break in service and are re-employed, the following applies:

1. If you were vested when you terminated employment and your benefit has not been paid:
 - You receive credit for all your years of credited service for benefit accrual and vesting.
 - You again begin participating in the pension plan on your re-employment date.
 - If you were participating in the PPA, your accrued benefit is not forfeited and interest credits are added each quarter until you begin to receive your vested accrued benefit.
2. If you were vested when you terminated employment and your benefit was paid to you:
 - Upon re-employment, you will be treated as a new employee for benefit accrual service.
 - You will retain your vesting service.
 - You again begin participating in the pension plan on your re-employment date.
- You may also repay a TPB distribution with interest and recapture your prior TPB benefit accrual service. You have until the earlier of five years from your re-employment date or the close of your fifth consecutive break in service from the date of distribution to repay the TPB distribution.
3. If you terminated employment from an Express Employer before you were vested and had a one-year break in employment after May 31, 1985, you will lose your pre-break benefit accrual service and vesting service, as well as any balance in the PPA, if you are re-employed after having the greater of:
 - Five consecutive one-year breaks in service, or
 - One-year breaks in service equal to the years of service you had before you terminated.
4. If you terminated employment from an Express Employer before you were vested and had a one-year break in employment prior to May 31, 1985, and if upon re-employment the number of consecutive one-year breaks in service equals or exceeds the number of years of credited service you had before you terminated, you will lose your pre-break benefit accrual and vesting service.
5. If you terminated employment before you were vested and you are re-employed before having the number of one-year breaks in service described in number three or four above:
 - Your pre-break service counts for benefit accrual and vesting, and
 - If you were participating in the PPA, your balance will be restored with interest.
6. If you were not participating prior to your termination date, see "If You Are Re-Employed" in the "Eligibility for Plan Participation" subsection of this section for details.

For more information on vesting, see "Vesting" in this section, and "Crediting Service for Vesting" in the "Crediting Service" subsection of this section.

To prevent a break in service, up to 501 hours may be credited for time spent on any approved leave of absence granted under the Family Medical Leave Act (FMLA). These hours are used only to prevent a one-year break in service.

Retirement Dates

You may commence retirement benefits on any of the dates described below after you have completed all application requirements. See “Making Application for Commencing Your Pension Plan Benefit” in this section for details.

Normal Retirement Age

Age 65

For employment with FedEx Ground Package System, Inc. which terminated before June 1, 2000, or with respect to your benefit attributable to your employment with AutoQuik, Inc., FedEx Custom Critical, Inc., FedEx Supply Chain Systems, Inc., UrgentFreight, Inc., or Truckload Brokerage, Inc., your normal retirement age is the first day of the month coincident with or next following the date on which you attain age 65.

Age 62 (Effective February 1, 2016)

If you meet any of the following criteria:

- You were employed by an Express Employer.
- You were employed by FedEx Ground Package System, Inc., on or after June 1, 2000.
- You:
 - Were formerly employed by Caliber System, Inc., or Caliber Technology, Inc.
 - Continued to be employed by a FedEx Controlled Group Member for the period of February 1, 1998, through June 1, 2000, and
 - Became a participant with an Express Employer at any time on or after February 1, 1998.
- You were employed by FedEx SmartPost, Inc.

The normal retirement age of 62 will apply to any benefits you accrue on and after February 1, 2016. Benefits you have accrued prior to February 1, 2016, will continue to be administered with a normal retirement age of 60. For additional information, please see “What Does the Change in Normal Retirement Age Mean?” under this subsection.

Normal Retirement Date

Your normal retirement date is the first day of the month coincident with or next following the date on which you attain your normal retirement age, after:

- Completing three years (five years prior to June 1, 2008) of credited service for vesting, or
- Reaching your third anniversary (fifth anniversary prior to June 1, 2008) of pension plan participation.

If you retire on or after your normal retirement date, you are eligible to receive an unreduced monthly benefit for benefits accrued, if any, under the TPB formula. For additional information on the payment of benefits under the PPA formula, see “Payment of Benefits” in the “Portable Pension Account (PPA) Formula” section.

What Does the Change in Normal Retirement Age Mean?

Does my Traditional Pension Benefit (TPB) change due to the age 62 normal retirement age?

No. Your TPB does not change in any way, because your TPB was accrued and capped prior to the change.

- A vested benefit **still can be started at age 60** with no reduction.
- Early retirement age is still between age 55 and age 60.
- The early retirement reduction is unchanged.
- The available forms of payment are unchanged.
- If you retire and delay the start of your TPB past age 60, you still will receive a late retirement increase for the number of months your benefit was delayed.

Is my Portable Pension Account (PPA) benefit affected due to the age 62 normal retirement age?

Maybe—but only if you retire, delay the commencement of your benefit and do not start your benefit immediately.

- For PPA benefits earned prior to February 1, 2016, a late retirement increase may have applied if you delayed the start of your benefit past age 60.
- For PPA benefits earned on/after February 1, 2016, a late retirement increase may apply only when you delay the start of your benefit past age 62. A late retirement increase will not apply* for PPA benefits earned on/after February 1, 2016, if you delay the start of your benefit between the ages of 60 and 62.

If the late retirement increase rate (for the plan year ending May 31, 2018, 1.96% annually) is ever higher than the plan interest crediting rate (currently 4% annually), then the higher interest rate will be applied for the number of months you start your benefit past age 62.

Based on the interest rate environment, the IRS rate (for the plan year ending May 31, 2018, 1.96% annually) will most likely not apply in the near future. If, in the future, the IRS rate ever exceeds the plan interest crediting rate (currently 4% annually), the higher rate will be applied for benefit payments delayed past age 62 (previously age 60).

Important reminders about benefits in the PPA:

- **There is no impact to PPA benefits earned on/after February 1, 2016, other than what is described immediately above.**
- A vested PPA benefit still can be paid at any age once you leave employment from all FedEx companies.
- There is never any early retirement reduction for PPA benefits as there is under the TPB.
- A lump sum or monthly form of payment still is available.

Early Retirement Age/Date

Your early retirement date precedes the normal retirement date. You may decide to retire any time between the ages of 55 and your normal retirement age after you are vested. For information on vesting, see “Credited Service for Vesting” in the “Crediting Service” subsection of this section.

Your early retirement date is the first day of the month coincident with or next following the date on which you decide to retire between ages 55 and your normal retirement date after completing three years (five years prior to June 1, 2008) of credited service for vesting. If you retire early, you are eligible to receive a reduced monthly benefit for benefits accrued, if any, under the TPB formula. For additional information on the payment of benefits under the PPA formula, see “Payment of Benefits” in the “Portable Pension Account (PPA) Formula” section.

Active Employees Age 70½ or Older

When you attain age 70½, you will have a **one-time option** of commencing payments of your vested benefit or postponing them until your actual retirement (separation from service). If you elect to commence payments, **they must start on April 1 of the year following your attainment of age 70½.**

The RSC will send you a retirement kit at the appropriate time for you to make a decision about benefit commencement. You should consider carefully which form of payment you elect, because once started the form of payment selected may not be changed at a later date, nor can your benefit be stopped for a later commencement. Your accrued benefit will be recalculated when you actually retire. This accrued benefit recalculation will consider all eligible earnings and years of credited service for benefit accrual. The recalculation will also take into account pension plan benefits already received. Therefore, upon actual retirement your monthly benefit may or may not increase.

* **Note:** Your PPA benefit will always receive a minimum of the plan interest crediting rate (currently 4% annually) through the end of the month prior to the start of your benefit.

Deferred Benefit Commencement

You may retire or terminate and elect to delay the commencement of your pension plan benefit to any date up to age 70½. If you do not commence prior to age 70½, the RSC will send your retirement kit at the appropriate time for you to make a decision about benefit commencement. Your TPB, if any, will be actuarially increased for late retirement if you terminate employment with all FedEx Controlled Group Members and foreign affiliates and defer your benefit commencement past age 60.

- *For your PPA benefits earned prior to February 1, 2016:*
If you leave employment with all FedEx companies prior to age 62 and **you delay payment** of your benefit for at least one month after age 62, your PPA benefit will receive the greater of:
 - A late retirement (actuarial) increase for the number of months your benefit is delayed past age 60 or your date of termination, if later; or
 - The plan interest crediting rate.
- *For your PPA benefits earned on/after February 1, 2016:*
A late retirement increase may apply only when you delay the start of your benefit past age 62. A late retirement increase will not apply* for PPA benefits earned on/after February 1, 2016, if you delay the start of your benefit between the ages of 60 and 62.

Working Past Your Normal Retirement Date

If you work past your normal retirement date, your retirement benefits will not be actuarially increased to account for the fact that you choose to delay your retirement. While you remain employed with a Participating Employer you will continue to receive a year of credited service for benefit accrual under the pension plan for any plan year (June 1 through May 31) in which you are credited with at least 1,000 hours of service. Eligible earnings past your normal retirement date may be considered when determining the earnings used in the calculation of your retirement benefit.

* **Note:** Your PPA benefit will always receive a minimum of the plan interest crediting rate through the end of the month prior to the start of your benefit.

Disability Retirement Benefit

Employees of an Express Employer may be eligible for a disability retirement benefit under the pension plan if you satisfy the requirements described in “If the Disability Began Before June 1, 1992” under “Crediting Years of Service During a Disability (Express Employers Only)” in the “Crediting Service” subsection of this section.

A disability retirement benefit is calculated using credited service for benefit accrual as described in “If the Disability Began Before June 1, 1992” under “Crediting Years of Service During a Disability (Express Employers Only)” in the “Crediting Service” subsection of this section. See the “Portable Pension Account (PPA) Formula” section and “Calculating Your TPB” in “Appendix A,” to see how your benefits would be calculated under the pension plan.

If you were on a period of disability beginning on or after June 1, 1992, see “If the Disability Began On or After June 1, 1992” under “Crediting Years of Service During a Disability (Express Employers Only)” in the “Crediting Service” subsection of this section to see how your service is calculated.

If You Are Re-Employed After Retirement by Any FedEx Controlled Group Member or Foreign Affiliate

The pension plan does not prevent a retiree who is receiving a pension plan benefit from being rehired by any FedEx Controlled Group Member or foreign affiliate. However, the pension plan does have specific rules that apply to your participation in the pension plan upon your re-employment by a Participating Employer.

Plan Participation

Regardless of whether your prior pension plan benefit was accrued under the TPB formula or the PPA formula, if you are rehired, you accrue future benefits, if any, under the PPA formula.

Suspension of Pension Benefit Rules

Effective July 1, 2017, a retiree who is re-employed by any Participating Employer of the FedEx Corporation Employees' Pension Plan is no longer subject to the suspension of pension benefit rules.

Annuity Starting Date

The Annuity Starting Date is the first day of the month that a monthly pension plan benefit can commence or when a lump-sum payment can be made following the fulfillment of all plan application requirements. See "Making Application for Commencing Your Pension Plan Benefit" in this section for details.

Designating a Beneficiary

In some cases, you may need to name a beneficiary to receive pension plan benefits after your death. For more information on designating a beneficiary, see "Designating a Beneficiary" in the "Traditional Pension Benefit (TPB) Formula" and "Portable Pension Account (PPA) Formula" sections.

To designate a beneficiary(ies) or make a change to your current designation, go to retirement.fedex.com or contact the RSC at 1.855.604.6221 if you need assistance.

Definition of a Spouse

For pension plan purposes, all references to "spouse" shall mean a legally married spouse as recognized under the laws of the state or other jurisdiction in which the marriage is established, consistent with U.S. federal tax laws; and a common-law spouse as defined by the state law where common-law marital status is established. A spouse includes a common-law spouse and same-gender spouse; and a common law spouse may be of the same gender. A former spouse shall be treated as the spouse to the extent provided under a Qualified Domestic Relations Order (QDRO) as described in Section 414(p) of the Code. The Plan Administrator may rely on the participant's written statement regarding such participant's marital status.

If your data on record does not indicate a common-law marriage, you or your surviving spouse will be required to complete and submit an affidavit of common-law marriage and related supporting documentation as required by the RSC.

Important Information When Selecting a Joint and Survivor Annuity Form of Payment

If you select a Joint and Survivor Annuity for benefits you have accrued under the TPB formula and/or the PPA formula, your election of both the form of payment and beneficiary are irrevocable. The survivor benefit is applicable only to the designated beneficiary at the time your monthly payments commence.

If, after the start of payments under a Joint and Survivor Annuity with your spouse as the survivor, you and your spouse divorce or your spouse dies, you may not select another person, including a new spouse, to receive the survivor benefits, and you may not select a different optional form of payment (e.g., a Straight Life Annuity). In fact, in the event of divorce your former spouse will continue to have a right to the survivor benefits. Even a QDRO will not transfer the survivor rights to another person, including a subsequent spouse, since the pension plan prohibits such a transfer.

If your designated beneficiary is not your spouse, the available Joint and Survivor Annuity options may be limited depending on the age of your beneficiary. In addition, an optional form of payment may not provide for a monthly payment to a joint annuitant or beneficiary that is greater than the monthly payment to you.

You must carefully consider your form of payment election. Once you have elected a form of payment and benefits have commenced, you cannot change your form of payment.

The examples shown below are provided to give you a general idea of the adjustment made when you elect a Joint and Survivor Annuity. The adjustment is based on your age at retirement, your beneficiary's age and the percentage of annuity elected (50 percent, 75 percent or 100 percent). The adjustment is applied to the Straight Life Annuity form of payment whether it is a normal or early retirement benefit.

Your monthly payments on your chosen Annuity Starting Date are based on your age and your survivor's age.

Sample Joint and Survivor Benefit Calculations*

Form of Payment: Estimated Annuities	Your Age is 60 Your Survivor's Age is 60	Your Age is 60 Your Survivor's Age is 55	Your Age is 60 Your Survivor's Age is 50
Straight Life Annuity	\$1,000	\$1,000	\$1,000
50% Joint and Survivor Annuity			
Your monthly benefits	\$938	\$919	\$900
Survivor's monthly benefits	\$469	\$460	\$450
75% Joint and Survivor Annuity			
Your monthly benefits	\$909	\$883	\$858
Survivor's monthly benefits	\$682	\$662	\$644
100% Joint and Survivor Annuity			
Your monthly benefits	\$882	\$850	\$819
Survivor's monthly benefits	\$882	\$850	\$819

* These calculations are based on the interest rate and mortality table assumptions prescribed by the pension plan, which change annually. The example shown is for illustrative purposes only and actual forms of payment may be more or less than those shown. In addition, since new interest rate and mortality table assumptions are not known until June of each year, those requesting June, July or August retirement kits each year will have their optional forms of payment estimated using assumptions from the prior year. The forms of payment will be recalculated once new interest rate and mortality assumptions are available and the new benefit amount may be higher or lower than the initial (estimated) calculation.

Making Application for Commencing Your Pension Plan Benefit

Note: To request a retirement kit, you must contact the RSC by phone at 1.855.604.6221 or online via the website at **retirement.fedex.com**, at least 30 days prior to your anticipated Annuity Starting Date but no earlier than 90 days.

Except in the case of an active employee who is age 70½ or older (see "Active Employees Age 70½ or Older" in the "Retirement Dates" subsection of this section for details), you must have retired or terminated from all FedEx Controlled Group Members and foreign affiliates to commence a benefit from the pension plan.

Monthly benefits may commence as of the first day of the month coincident with or next following the date you have met all Plan application requirements as described below; additionally, your retirement effective date must be entered in your employer's Human Resources Information System (HRIS) before your benefit payment can be made. If your retirement date is not entered timely, it could delay the start of your pension benefit payment.

As long as your completed application for benefits is received within 60 days following the date on your retirement kit, your initial benefit payment will be made **as of your elected Annuity Starting Date**. If your payment is delayed until after your elected Annuity Starting Date, your PPA balance will include interest through the end of the month prior to the date of your lump-sum payment or the date your annuity payment starts. Any delayed payments for the TPB do not include interest.

For example, you requested a retirement kit on December 15—if you elected an annuity with a January 1 Annuity Starting Date, and your completed application for benefits is returned on February 1 (within 60 days from the date on your retirement kit), you will receive your initial benefit payment March 1. Your initial benefit payment will include a retroactive payment for both January 1 and February 1, and the PPA benefit will be updated with interest through February 28 (the interest will be converted and included in the annuity payment). January 1 is considered your Annuity Starting Date.

You have at least 30 days to make your benefit election. You can waive your right to the 30-day period if you submit your election form within 30 days of your elected Annuity Starting Date. In any case, you have until the receipt of your first check or the date of your first direct deposit in which to request a different form of payment.

An application for benefits is valid only if you are alive on your Annuity Starting Date.

See “Survivor Benefits” in the “Traditional Pension Benefit (TPB) Formula” and “Portable Pension Account (PPA) Formula” sections for details.

If you receive your vested PPA benefit on or after age 55, you also will have to commence your accrued benefit under the TPB formula, if any, at the same time.

If you commence your PPA benefit and TPB at the same time, you must receive them under the same form of payment, unless one of the forms of payment is only available under the PPA formula or TPB formula (e.g., lump sum form of payment under the PPA formula and Social Security Leveling Option under the TPB formula). In addition, if you have accrued a TPB with both an Express Employer and Ground Employer, you must commence each employer’s benefit at the same time and under the same form of payment.

If you elect to commence your PPA accrued benefit in the form of a monthly annuity prior to age 55, you do not have to choose the same form of payment for the accrued benefit payable under the TPB formula, if any, at the time you commence benefits under the TPB formula.

You cannot commence your pension plan benefit while employed by any FedEx Controlled Group Member or foreign affiliate, except in the case of an active employee who attains age 70½. An employee who has not incurred a 10-calendar-day separation will not be deemed eligible to commence a retirement benefit. See “If You Are Re-Employed After Retirement by Any FedEx Controlled Group Member or Foreign Affiliate” in this section for details.

You must carefully consider your form of payment election. Once you have elected a form of payment and benefits have commenced, you cannot change your form of payment.

Some forms of payment may not be available in certain cases due to life expectancy. In general, if a participant is expected to receive payments under a Life Annuity with Payments Guaranteed optional form of payment for a period longer than the IRS estimates in the applicable Uniform Lifetime Table such participant to live (based on average life expectancies), that optional form of payment is not available. For example, the IRS Uniform Lifetime Table III expects an average 70 year-old retiree to have a distribution period of 27.4 years, and an average 80-year-old retiree to have a distribution period of 18.7 years. If a Life Annuity with Payments Guaranteed optional form of payment provides for a benefit that is expected to be paid for a period longer than the retiree’s estimated distribution period, then the retiree is not permitted to choose such optional form of payment.

Note: Your first monthly pension plan check cannot be processed until your retirement date is effective in your HRIS. Based on your actual retirement date and when your retirement is entered in your HRIS, your first pension plan check could be delayed by a month or more.

Taxes

Your benefit payment is subject to federal and, if applicable, state income tax. You will make your tax withholding election at the time you make your pension election(s) via phone or at **retirement.fedex.com**. If you do not make a choice for your federal tax withholding, the IRS requires automatic withholding as if you are married with three exemptions.

Important! Federal tax penalties can apply if you do not withhold enough money to cover your federal tax obligation for the year. Consult your personal tax advisor for assistance.

Requesting a Retirement Kit to Commence Your Pension Plan Benefit

You should start the process at least 30 days, but no more than 90 days, before your Annuity Starting Date. There are two ways in which you may choose to start your pension plan benefits.

- **Online:** Visit **retirement.fedex.com**. From the home page, select "Retire Now." You will be guided through the steps to make your pension benefit choices. Carefully review all of your information. Call the RSC if there are any errors or changes in the information. Select your pension payment choices, tax withholding elections and payment delivery method. After your elections are made, you will receive a Confirmation of Pension Choices and Pension Choices Authorization form through the secured mailbox feature. The Authorization form must be signed and returned in the mail to the RSC in order for payments to commence.
- **By Phone:** Contact the RSC at 1.855.604.6221, Monday through Friday, 8 a.m. – 6 p.m. Central time. The RSC will send a retirement kit to your home address. Carefully review all the information in the retirement kit. Call the RSC if there are any errors or changes in the information. Next, you will need to call the RSC to make your pension payment choices, tax withholding elections and payment delivery method. After your elections are made, you will receive a Confirmation of Pension Choices and Pension Choices Authorization form in the mail. The Authorization form must be signed and returned to the RSC in the mail in order for payment to commence.

Terminated Vested Benefit

If you are vested when you terminate employment with all FedEx Controlled Group Members, you will be eligible for a vested benefit payable as early as your early retirement date. The amount of this benefit is based on two items:

- The pension plan formula and definitions applicable at the time you terminate employment with a Participating Employer, including the benefit percentage, your years of credited service for benefit accrual, and your average earnings. Remember, benefits accrued under the TPB formula were capped as of May 31, 2008.
- Your age at the time you decide to commence your retirement benefits.

For example, if you want benefits to commence at your normal retirement date, your pension plan benefit is calculated in the same manner as the normal retirement benefit. If you want benefits to commence between the ages of 55 and your normal retirement age, your benefit is calculated in the same manner as the early retirement benefit.

- *If the present value of your total benefit accrued under the pension plan (i.e., the TPB formula, if any, plus the PPA formula) is less than \$1,000, the Plan requires that you receive a distribution of the lump-sum value. You may choose how to receive the payment either in a lump-sum payment or a rollover. If no choice is made, a lump-sum check for the value of your accrued pension benefit will automatically be mailed to your home address.*
- *If the present value of your total benefit accrued under the pension plan (i.e., the TPB formula, if any, plus the PPA formula) is between \$1,000 and \$5,000, the Plan requires that you receive a distribution of the lump-sum value. You may choose how to receive the payment either in a lump-sum payment or a rollover. If no choice is made, your benefit will automatically be rolled over into an Individual Retirement Account (IRA) at Vanguard.*

The RSC will send you a Statement of Deferred Vested Benefit no later than 75 days after your termination date is entered in your employer's Human Resources Information System (HRIS). The Statement of Deferred Vested Benefit will show the amount of your monthly benefit payable at your normal retirement date. Keep the Statement of Deferred Vested Benefit with all other vital records.

Commencing a Terminated Vested Benefit

- Contact the RSC by phone at 1.855.604.6221 or go to **retirement.fedex.com** to change your home address.
- Contact the RSC at least 30 days, but no more than 90 days, before the desired Annuity Starting Date. Representatives are available at the RSC Monday through Friday from 8 a.m. – 6 p.m., Central time. **(Note:** Benefits accrued under the TPB formula, if any, can commence no earlier than age 55.)
- Your benefit payment will commence on the first of the month coincident with or next following the date you have met all Plan application requirements and the RSC receives all required forms.
- You may start your pension plan benefits by either calling the RSC or going to **retirement.fedex.com**.

Commencing a Pre-Retirement Death Benefit for a Survivor or Beneficiary

If your spouse is eligible for a Pre-Retirement Death Benefit under the TPB formula:

- The RSC will send your surviving spouse a calculation and instructions to commence the benefit, if applicable, within three weeks after your death is reported. Effective June 1, 2017, your surviving spouse will have the option to receive the TPB as a lump-sum benefit in lieu of the annuity provided.
- If your spouse is eligible for an immediate benefit, he/she must complete and return the forms and required documentation to the RSC no later than 60 days following the elected Annuity Starting Date.
- If your spouse is not eligible for an immediate benefit, he/she should contact the RSC at least 30 days, but not more than 90 days, before the desired Annuity Starting Date and complete and return the forms and required documentation to the RSC on or before that date.

If your spouse or beneficiary is eligible to commence a Pre-Retirement Death Benefit under the PPA formula:

- The RSC will send your surviving spouse or named beneficiary(ies) benefit information and instructions to commence the benefit within three weeks after your death is reported.
- Your spouse or beneficiary(ies) must complete and return the forms and required documentation to the RSC.
 - Your designated beneficiary(ies) is eligible to receive your entire vested benefit accrued under the PPA formula.
 - Upon proper application, your spouse may elect to receive a lump-sum payment of the PPA benefit in lieu of the annuity provided.

See "Survivor Benefits" in the "Traditional Pension Benefit (TPB) Formula" and the "Portable Pension Account (PPA) Formula" sections for details.

If your survivor wants to commence a Pre-Retirement Death Benefit on a date later than the earliest date possible:

- Your survivor should contact the RSC at 1.855.604.6221, at least 30 days, but no more than 90 days, before the desired Annuity Starting Date.
- The RSC will send a retirement kit to your survivor's home address that will include benefit information and instructions to commence the benefit.
- Your survivor should complete and return the forms and required documentation to the RSC no later than 60 days following the elected Annuity Starting Date.

Payments to an Alternate Payee

A court may issue a Domestic Relations Order (DRO) under state law directing the Plan Administrator to pay all or a portion of your pension plan benefit to an alternate payee. An alternate payee is a spouse, former spouse or dependent who is recognized under a QDRO as being entitled to receive all or part of your benefit.

A QDRO is a judgment, decree or order made in accordance with domestic relations law and subject to provisions under federal law that requires the Plan Administrator to pay all or a portion of your benefit to a spouse, former spouse or dependent.

The Plan Administrator ultimately is responsible for determining if a DRO is a QDRO. A third-party administrator has been hired to review DROs and to determine if they meet the requirements of a QDRO. All inquiries about QDROs should be directed to:

Regular Mail

FedEx Qualified Order Center
P.O. Box 1433
Lincolnshire, IL 60069-1433
Phone: Toll free 1.855.604.6221,
Monday through Friday, 8 a.m. – 6 p.m. Central time
Fax: 847.554.1969
Online: qocenter.com

Overnight Mail

FedEx Qualified Order Center
4 Overlook Point
Lincolnshire, IL 60069-1433

You may call 1.855.604.6221 (toll free) to speak with a representative or request QDRO model language and procedures, which are provided without charge.

Social Security—A Reminder

For information on Social Security benefits, either contact your local Social Security office, call 1.800.772.1213 or TTY 1.800.325.0778 or go to ssa.gov and complete a request for a Social Security statement. Your Social Security benefits will not commence automatically. You must contact your local Social Security office to file an application for benefits. Also, you may be able to apply for benefits online at ssa.gov/applytoretire.

Health Coverage After Retirement—A Reminder

It is important you consider the cost of health coverage after retirement when you are saving and planning for retirement. The cost of health coverage after retirement may be significantly higher than the cost of health coverage while actively employed. For more information, go to retirement.fedex.com.

Estimate Your Benefits

Once you are a participant in the pension plan, you can register as a new user. To do so, go to retirement.fedex.com.

First Time You Log In

- Go to retirement.fedex.com.
- Register as a new user.
- Answer security questions and create a User ID and password.

You will need to use the same password when you call the RSC at 1.855.604.6221.

If You Forget Your User ID or Password

- Go to retirement.fedex.com.
- Click “*I Forgot My User ID*” or “*I Forgot My Password*.”
- Enter your personal information to access your hint, if you have one on file.

If you still cannot remember your password or answer your security questions correctly, request that a new password be emailed (or mailed) to you.

Anytime day or night, the website offers an online way for you to:

- Estimate your pension plan benefits.
- Find answers about the pension plan.
- Get pension-related documents and forms.

Or you can call the RSC at 1.855.604.6221. Hours are 8 a.m. – 6 p.m., Central time, Monday through Friday.

Note: Employees who request a benefit estimate online at retirement.fedex.com or by phone from the RSC will receive an estimate that includes all benefits accrued under a pension plan while they were employed with a FedEx Controlled Group Member. Not every participant will have the ability to receive online calculations from time to time either due to incomplete data or the complexity of a calculation requiring certification by the RSC. In these cases, participants will be able to request calculations by speaking to a RSC representative.

Portable Pension Account (PPA) Formula

Overview

All eligible employees who were hired on or after June 1, 2003, accrue benefits solely under the Portable Pension Account (PPA) formula in the FedEx Corporation Employees' Pension Plan (pension plan).

Eligible employees at June 1, 2003, were given a choice to accrue future benefits under the PPA formula in the pension plan or to continue to accrue benefits under the Traditional Pension Benefit (TPB) formula.

All eligible employees accrue future benefits solely under the PPA formula in the pension plan as of June 1, 2008.

Eligible Earnings

For information on eligible earnings for your PPA formula benefit, see "Eligible Earnings" in the "Pension Plan" section.

Benefit Accrual

If you are an active participant in the pension plan, you may accrue benefits under the PPA formula.

The PPA formula is based on compensation credits, interest credits and, for eligible participants, transition compensation credits. You accrue compensation credits and, if eligible, transition compensation credits for each plan year in which you have been credited with at least 1,000 hours of service.

Here is the formula:

Beginning PPA benefit
+
Quarterly interest credits Prior PPA benefit
x
Quarterly interest crediting rate
+
Compensation credit Prior calendar-year eligible earnings
x
Compensation credit percentage
+
Transition compensation credit, if eligible Prior calendar-year eligible earnings
x
Transition compensation credit percentage
=
Total PPA benefit

When you accrue benefits under the PPA formula, you receive compensation credits and interest credits as described in this section. A transition compensation credit is provided for employees who as of June 1, 2008, were actively employed by a Participating Employer, had an accrued benefit under the TPB formula and were at least age 40.

Compensation Credits

For every plan year in which you are credited with at least 1,000 hours of service, you will receive compensation credits equal to a percentage of your prior calendar-year eligible earnings. The percentage is based on your combined age and years of credited service for benefit accrual with the Participating Employer at the end of the prior plan year.

The following chart outlines the compensation credit percentages. Keep in mind that you must be credited with at least 1,000 hours of service in the plan year to accrue a compensation credit.

Portable Pension Account Compensation Credits	
Age + years of credited service for benefit accrual (as of May 31 of prior plan year)	Compensation credit (based on prior calendar-year eligible earnings)
Less than 55	5%
55 – 64	6%
65 – 74	7%
75 or over	8%

Eligible participants will accrue compensation credits as of May 31 of each plan year, for the plan year then ending. If you terminate or retire and have been credited with at least 1,000 hours of service during the plan year, your last compensation credit will be made on the earlier of the last day of the month prior to your Annuity Starting Date or the last day of the plan year.

As a newly eligible pension plan participant, you will accrue your first annual compensation credit on the last day of the plan year in which you enter the pension plan. The compensation credit will be based on:

- The applicable percentage from the compensation credit chart above.
- Your eligible earnings from the calendar year ending in the plan year containing your plan entry date, and
- Your credited service for benefit accrual on the date the compensation credit is made.

There is no limit on the years of credited service for benefit accrual used to calculate the accrued benefit under the PPA formula.

If you were already participating in the pension plan but began to accrue benefits under the PPA formula on June 1, 2008, your first compensation credit is accrued at May 31, 2009, assuming you are credited with at least 1,000 hours of service from June 1, 2008, through May 31, 2009.

Note: For employees of Express Employers* who become eligible for benefits under the Federal Express Corporation Short Term Disability Plan (STD Plan), the Federal Express Corporation Long Term Disability Plan (LTD Plan) or Workers' Compensation, your compensation credits (if applicable) and transition compensation credits (if eligible) will be based on the greater of your eligible earnings:

- For the prior calendar year.
- For the last complete calendar year prior to the date you became disabled, or
- For the calendar year during the initial year of disability.

See "Credited Years of Service During a Disability (Express Employers Only)" in the "Crediting Service" subsection of the "Pension Plan" section for more details concerning how service is credited while on a disability.

Interest Credits

Interest credits are an amount credited to your PPA accrued benefit at the end of each quarter (August 31, November 30, February 28 and May 31) after you accrue your first compensation credit. Interest credits will be based on the total value of the compensation credits, interest credits and, if eligible, transition compensation credits you've received. However, the May 31 interest credit is added prior to the May 31 compensation credit. Even after you terminate your employment with FedEx, interest credits are added each quarter until you begin to receive your vested accrued benefits.

* The disability provisions shown here apply to Express Employers only (see the list of "Participating Employers" in the "Pension Plan" section for details).

The interest credits are determined based on the quarterly interest credit rate.

The interest credit rate will be the greater of (i) 1 percent (one-fourth of 4 percent), or (ii) one-fourth of the One-year Treasury Constant Maturities rate for the **month of April** preceding the plan year for which the interest is credited, plus one-fourth percent.

Plan Year Beginning	Historical Quarterly Interest Rate
June 1, 2017	1.00%
June 1, 2016	1.00%
June 1, 2015	1.00%
June 1, 2014	1.00%
June 1, 2013	1.00%
June 1, 2012	1.00%
June 1, 2011	1.00%
June 1, 2010	1.00%
June 1, 2009	1.00%
June 1, 2008	1.00%

Transition Compensation Credits

Transition compensation credits are an additional compensation credit accrued by participants who were actively employed by a Participating Employer and age 40 or older on June 1, 2008, **and** who have an accrued benefit under the TPB formula. You must be credited with at least 1,000 hours of service in a plan year to accrue a compensation credit or transition compensation credit, if eligible, for that plan year.

The actual transition compensation credit percentage depends on your combined age and years of credited service for benefit accrual with the Company at the end of the prior plan year.

Portable Pension Account Compensation Credits and Transition Compensation Credits			
Age + years of credited service for benefit accrual (as of May 31 of prior plan year)	Compensation credit (based on prior calendar-year eligible earnings)	Transition compensation credit (for eligible participants with TPB)*	
Less than 55	5%	plus	2%
55 - 64	6%		3%
65 - 74	7%		4%
75 or over	8%		5%

You will be eligible to receive a transition compensation credit for five years (through May 31, 2013) or until you have 25 years of credited service for benefit accrual, whichever is longer. For years of credited service over 25 years, transition credits are 2 percent per year through May 31, 2013.

Your transition compensation credit is added to your PPA accrued benefit each year.

Any eligible employee whose employment with a Participating Employer is terminated on or after June 1, 2008, and who is subsequently rehired by a Participating Employer will not receive transition compensation credits upon rehire, even if he/she was eligible for transition credits at the time he/she terminated employment.

If you are transferred from another FedEx Operating Company which is not listed as a Participating Employer in the FedEx Corporation Employees' Pension Plan, you are not eligible to receive transition compensation credits in this pension plan.

* For years of credited service over 25, transition credits are 2 percent per year through May 31, 2013.

Payment of Benefits

You cannot take any loans or withdrawals from the pension plan. You are fully vested in your benefit when you have three years (five years prior to June 1, 2008) of credited service for vesting.

If you:

- Leave FedEx or Retire:** If you are vested, you may elect to commence your benefit after you have terminated employment with all FedEx Controlled Group Members and foreign affiliates or you may defer receipt to any date up to age 70½ and continue to receive interest credits (but not compensation credits or transition compensation credits) until the last day of the month prior to the date on which you receive your PPA benefit. If you receive your PPA benefit on or after age 55, you will also have to commence your TPB, if any, at the same time.

Note: To start the retirement process, go to **retirement.fedex.com** at least 30 days prior to your anticipated Annuity Starting Date, but no earlier than 90 days. You may also contact the RSC by phone at 1.855.604.6221 to start the process. Representatives are available at the RSC Monday through Friday from 8 a.m. – 6 p.m., Central time.
- If the present value of your total benefit accrued under the pension plan (i.e., the TPB formula, if any, plus the PPA formula) is less than \$1,000*, the Plan requires that you receive a distribution of the lump-sum value. You may choose how to receive the payment either in a lump-sum payment or a rollover. If no choice is made, a lump-sum check for the value of your accrued pension benefit will be automatically mailed to your home address.
- If the present value of your total benefit accrued under the pension plan (i.e., the TPB formula, if any, plus the PPA formula) is between \$1,000 and \$5,000*, the Plan requires that you receive a distribution of the lump-sum value. You may choose how to receive the payment either in a lump-sum payment or a rollover. If no choice is made, your benefit will be automatically rolled over into an Individual Retirement Account (IRA) at Vanguard.
- Are an Active Employee Age 70½ or Older:** When you attain age 70½, you will have a **one-time option** of commencing payments of your vested benefit or postponing them until your actual retirement (separation from service). If you elect to commence payments, they **must start by April 1 of the year following your attainment of age 70½**.

The FedEx Retirement Service Center (RSC) will send you a retirement kit at the appropriate time for you to make a decision about benefit commencement. You should consider carefully which form of payment you elect, since the form of payment selected may not be changed at a later date, nor can your benefit be stopped for a later commencement. Your accrued benefit will be recalculated when you actually retire. This accrued benefit recalculation will consider all eligible earnings and years of credited service for benefit accrual. The recalculation will also take into account pension plan benefits already received. Therefore, upon actual retirement your monthly benefit may or may not increase.
- Die Before Benefits Begin:** If you are vested, your full benefit will be paid to your spouse or beneficiary(ies). You do not have to be married for a death benefit to be paid.
- Die After Benefits Begin:** If you die while you are receiving a monthly annuity, the form of payment you chose at retirement will determine whether benefits are payable to a spouse or beneficiary.

Designating a PPA Beneficiary

It is important that you name a beneficiary to receive benefits after your death.

If you die before your Annuity Starting Date, and:

- **You are Unmarried and Vested:** Your full benefit is payable to a designated beneficiary or as described below if you do not have a designated beneficiary on file.
- **You are Married and Vested:** Your full benefit will be paid to your spouse or beneficiary. You may designate a person other than your spouse as your beneficiary if you submit your spouse's written and notarized consent.

If you die on or after the Annuity Starting Date, and:

- **You are Married or Unmarried:** The form of payment you chose at retirement will determine whether benefits are payable to a beneficiary (including a trust). Also, at retirement, you will have the opportunity to designate a beneficiary, as applicable, based on your form of payment.

If you choose to name a person(s) under the age of majority (i.e., a minor) as primary or secondary beneficiary(ies), as applicable, any vested death benefit payment will be made only to the legal guardian of the minor. In the event of your death, the RSC must receive acceptable legal documentation which establishes the guardianship of the minor(s).

If you completed a Waiver of Qualified Pre-Retirement Survivor Annuity and Consent to a Non-Spouse Beneficiary form prior to your attainment of age 35 and your spouse consented to that waiver, on or after the beginning of the plan year (June 1) in which you attain age 35, a new waiver and spousal consent form must be completed. If a new form is not completed at that time, the previously signed waiver and spousal consent form will be invalid and the Qualified Pre-Retirement Survivor Annuity benefit must be provided to your spouse. You will receive a new Waiver of the Qualified Pre-Retirement Survivor Annuity and Consent to a Non-Spouse Beneficiary form at the beginning of the plan year in which you attain age 35. If you do not receive this form or you have further questions, please contact the RSC at 1.855.604.6221, Monday through Friday, 8 a.m. – 6 p.m., Central time.

If You Die Before Your PPA Benefit Payments Start and You Do Not Have a Designated Beneficiary on File

As of December 31, 2017, if you die before your PPA benefit payments start and you do not have a designated beneficiary on file, your full vested accrued benefit will be paid according to the pension plan in the following order:

- **First:** To your surviving spouse (available as an annuity or lump sum).
- **Second:** To your estate in full (payable as a lump sum).

To designate a beneficiary or make a change to your current designation, go to retirement.fedex.com. You also may contact the RSC at 1.855.604.6221 for assistance.

Forms of Payment

You must carefully consider your form of payment election. Once you have elected a form of payment and benefits have commenced, you cannot change your form of payment.

Normal Form of Payment

If you are unmarried, the normal form of payment is a monthly benefit paid to you for your life. Following your death, no further payments are made. This is called a Straight Life Annuity.

If you are married, the normal form of payment is a monthly benefit paid to you for your life. Following your death, 50 percent of that amount is payable to your spouse, if surviving, for his/her life. This is called a 50 percent Joint and Survivor Annuity. You may elect a 50 percent Joint and Survivor Annuity, 75 percent Joint and Survivor Annuity or 100 percent Joint and Survivor Annuity.

If you are married, you may not choose a form of payment other than the 50, 75 or 100 percent Joint and Survivor Annuity with your spouse as beneficiary, unless your spouse consents to a form of payment other than a Joint and Survivor Annuity. Your spouse must consent to your form of payment and where applicable, your designated beneficiary. Your spouse's written consent must be witnessed by a notary public. The retirement kit will include a Spousal Consent for Waiver of the Qualified Joint and Survivor Annuity and Consent to Non-Spouse Beneficiary form.

Optional Forms of Payment

You may want to receive benefits in some other way. If you do, you can select one of the following forms of payment:

- **Lump-Sum Payment:*** You receive your vested PPA benefit in one single payment.
- **Straight Life Annuity:** Under this option, you receive a monthly pension benefit for the rest of your life. If you elect this option, no payments will be made to anyone after your death. This is considered the normal form of payment if you are not married.
- **Joint and Survivor Annuity:** Under this option, a monthly pension benefit will be paid to you for the rest of your life. If you die before your beneficiary, 50 percent, 75 percent or 100 percent of your monthly pension (as you choose) will be paid to your beneficiary for his/her lifetime. This is considered the normal form of payment if you are married. Once you begin receiving payments, you may not change your beneficiary.
 - The dollar amount you receive under this option will be less than the amount you would receive under a Straight Life Annuity because payments may continue after your death. How much less depends on the percentage you choose (50 percent, 75 percent or 100 percent) as well as the age difference between you and your beneficiary. If you are married, you **must** select this form of payment unless your spouse agrees to give up his/her right to receive joint and survivor benefits.

If your beneficiary is not your spouse, the available Joint and Survivor Annuity options may be limited depending on the age of your beneficiary. In addition, an optional form of payment may not provide for a monthly payment to a joint annuitant or beneficiary that is greater than the monthly payment to you.

- **Life Annuity With Payments Guaranteed:** Under this option, you receive a monthly pension benefit for the rest of your life. You may choose a “guaranteed beneficiary period” of 60, 120 or 180 months. If you die before the

guaranteed period ends, your beneficiary will receive the monthly payments due for the rest of the period. For example, if you elect the 120-month option and die after receiving payments for only 100 months, your beneficiary would receive payments for the remaining 20 months of the guaranteed period. If you live longer than 120 months, payments will continue to you for as long as you live, but there would be no payments to your beneficiary after your death. If no beneficiary is alive at the time of your death, the value of any remaining payments will be paid in a lump sum to the beneficiary as stipulated under the rules of the Plan. The amount paid to you under this option will be less than you would receive under a Straight Life Annuity because of the possibility that payments will continue after your death. The dollar amount of this benefit depends on your age at retirement and the length of the guaranteed period. This option allows you to change your beneficiary after your payments begin.

If the surviving beneficiary dies before all guaranteed payments have been made, the lump-sum value of the remaining number of guaranteed payments is paid in a lump sum to the estate of the beneficiary.

Some forms of payment may not be available in certain cases due to a participant’s age at retirement. In general, under a Life Annuity with Payments Guaranteed optional form of payment, the guaranteed period may not exceed the period specified by the IRS Uniform Lifetime Table—this IRS period is based on average life expectancies. If the optional form has a guaranteed period that exceeds the IRS threshold, then that optional form of payment is not available. For example, the IRS Uniform Lifetime Table III expects an average 70-year-old retiree to have a distribution period of 27.4 years, and an average 80-year-old retiree to have a distribution period of 18.7 years. If a Life Annuity with Payments Guaranteed optional form of payment provides for a benefit that is expected to be paid for a period longer than the retiree’s estimated distribution period, then the retiree is not permitted to choose such optional form of payment.

* Under Internal Revenue Service (IRS) regulations, the Company must withhold 20 percent of your taxable lump-sum distribution against the income taxes you may owe, unless you roll over the distribution to an Individual Retirement Account (IRA), a Roth IRA (if eligible) or to a qualified plan or trust that accepts rollovers. If you receive a lump-sum payment prior to age 59½ (unless you are at least age 55 when you terminate employment with all FedEx Controlled Group Members and foreign affiliates), you also may be subject to an additional 10 percent excise tax, unless you roll over the distribution. When you contact the RSC to request a lump-sum payment, you will be provided with all required forms, including the form necessary to request a rollover.

If you commence your accrued benefit under the PPA formula and the TPB formula at the same time, you must receive them under the same form of payment, unless one of the forms of payment (lump-sum, for example) is only available under the PPA formula or the TPB formula.

Your Pension Plan Forms of Payment May Be Limited

Under a provision of the Pension Protection Act of 2006, certain forms of payment may be restricted due to the specific funded status of the pension plan. If the pension plan becomes subject to benefit restrictions for any period of time, all participants will be notified within 30 days.

The Administrator may not know in advance whether the pension plan will be subject to benefit restrictions on a particular date. If you request a retirement kit and the pension plan is in a period of benefit restrictions or has the potential to become restricted prior to your benefit commencement date, you will receive appropriate information and required forms.

Some lump-sum payments may be limited during a period of benefit restrictions. Once the Plan exits a period of benefit restrictions, if a lump sum had been limited, there will be a one-time opportunity (a special second election) to receive the remainder of the restricted lump-sum payment in lieu of continuing a monthly annuity.

Survivor Benefits

If you die after your monthly benefits have commenced, and you selected a form of payment that provides for a survivor benefit, your beneficiary(ies) will receive benefits in accordance with the form of payment you selected at retirement.

If you die while an active employee or after terminating your employment with FedEx and:

- Had at least three years (five years prior to June 1, 2008) of credited service for vesting on your date of death, your surviving spouse or designated beneficiary is eligible to receive your entire PPA accrued benefit.
 - If you are married at the time of your death, your spouse will receive a monthly benefit for his/her lifetime. Upon proper application, however, your spouse may elect to receive a lump-sum payment of the PPA accrued benefit in lieu of the annuity provided.
 - If you are unmarried at the time of your death, your beneficiary will receive a lump sum of your accrued benefit under the PPA formula.
- **If your PPA benefit is payable as a survivor benefit to your spouse,** he/she may elect to delay commencement of his/her benefit until the first day of any month on or before the date you would have attained age 70½ had you lived. If your spouse elects to delay commencement, his/her benefit will be actuarially increased to reflect the delay. If your spouse dies before his/her benefits commence, the benefit will be paid to your spouse's estate.
- **If your PPA benefit is payable as a survivor benefit to a non-spouse beneficiary,** the benefit is required to be paid by the December following the calendar year of your death unless he/she elects to delay commencement of the benefit. Your non-spouse beneficiary may elect, no later than September 30 of the calendar year following the year of your death, to defer commence until the first day of any month on or before the December 1 of the calendar year containing the fifth anniversary of your death. If your beneficiary elects to delay commencement, his/her benefit will be actuarially increased to reflect the delay. If your beneficiary dies before his/her benefits commence, the benefit will be paid to your beneficiary's estate.

Traditional Pension Benefit (TPB) Formula

Overview

If you were hired at FedEx on or after June 1, 2003, you do not have an accrued benefit under the Traditional Pension Benefit (TPB) formula. Your entire benefit is accrued under the Portable Pension Account (PPA) formula of the FedEx Corporation Employees' Pension Plan (pension plan).

Benefits accrued under the TPB formula of the pension plan were capped as of May 31, 2008.

Credited service for benefit accrual under the TPB formula was capped as of May 31, 2003, for participants who elected in 2003 to accrue future benefits under the PPA formula; or as of May 31, 2008, for all other eligible participants.

Benefits accrued under the TPB formula through May 31, 2008, once vested, will be payable as a monthly annuity at your retirement date. Please see "Appendix A," "Appendix B" and "Appendix C" as appropriate for information regarding the calculation of benefits under the TPB formula.

Designating a Beneficiary

In some cases, it might be necessary to designate a beneficiary to receive benefits after your death.

If you die before your Annuity Starting Date, and:

- **You are Unmarried:** No benefits accrued under the TPB formula are payable to a beneficiary.
- **You are Married:** Your spouse is automatically your beneficiary. A portion of your vested benefit will be paid to your spouse monthly. See "Survivor Benefits" in this section for details.

If you die on or after the Annuity Starting Date, and:

- **You are Married or Unmarried:** The form of payment you chose at retirement will determine whether benefits are payable to a beneficiary (including a trust).

- At retirement, you will have the opportunity to designate a beneficiary, as applicable, based on your form of payment.

If you choose to name a person(s) under the age of majority (i.e., a minor) as primary or secondary beneficiary(ies), as applicable, any vested death benefit payment will be made only to the legal guardian of the minor. In the event of your death, the FedEx Retirement Service Center (RSC) must receive acceptable legal documentation which establishes the guardianship of the minor(s).

Additionally, as a married participant, if you do not elect one of the three Joint and Survivor Annuity forms of payment or you choose a beneficiary other than your spouse, then your spouse must give notarized consent to your election of another form of payment and to your naming a non-spouse beneficiary.

Forms of Payment

You must carefully consider your form of payment election. Once you have elected a form of payment and benefits have commenced, you cannot change your form of payment.

Normal Form of Payment

If you are unmarried, the normal form of payment is a monthly benefit paid to you for your life. Following your death, no further payments are made. This is called a Straight Life Annuity.

If you are married, the normal form of payment is a monthly benefit paid to you for your life. Following your death, 50 percent of that amount is payable to your spouse, if surviving, for his/her life. This is called a 50 percent Joint and Survivor Annuity. You may elect a 50 percent Joint and Survivor Annuity, 75 percent Joint and Survivor Annuity or 100 percent Joint and Survivor Annuity.

If you are married, you may not choose a form of payment other than the 50, 75 or 100 percent Joint and Survivor Annuity with your spouse as beneficiary, unless your spouse consents to a form of payment other than the Joint and Survivor Annuity. Your spouse must consent to your form of payment and where applicable, your designated beneficiary.

Your spouse's written consent must be witnessed by a notary public. The retirement kit will include a Spousal Consent for Waiver of the Qualified Joint and Survivor Annuity and Consent to Non-Spouse Beneficiary form.

Optional Forms of Payment

You may want to receive benefits in some other way. If you do, you can select one of the following forms of payment:

- **Straight Life Annuity:** Under this option, you receive a monthly pension benefit for the rest of your life. If you elect this option, no payments will be made to anyone after your death. This is considered the normal form of payment if you are not married.
- **Joint and Survivor Annuity:** Under this option, a monthly pension benefit will be paid to you for the rest of your life. If you die before your beneficiary, 50 percent, 75 percent or 100 percent of your monthly pension (as you choose) will be paid to your beneficiary for his/her lifetime. This is considered the normal form of payment if you are married. Once you begin receiving payments, you may not change your beneficiary. The dollar amount you receive under this option will be less than the amount you would receive under a Straight Life Annuity because payments may continue after your death. How much less depends on the percentage you choose (50 percent, 75 percent or 100 percent) as well as the age difference between you and your beneficiary. If you are married, you may not choose a form of payment other than the 50, 75 or 100 percent Joint and Survivor Annuity with your spouse as beneficiary, unless your spouse consents to a form of payment other than a Joint and Survivor Annuity. Your spouse must consent to your form of payment and where applicable, your designated beneficiary. Your spouse's written consent must be witnessed by a notary public. The retirement kit will include a Spousal Consent for Waiver of the Qualified Joint and Survivor Annuity and Consent to Non-Spouse Beneficiary form.
- **Life Annuity With Payments Guaranteed:** Under this option, you receive a monthly pension benefit for the rest of your life, with a "guaranteed period" of 60, 120 or 180 months (as you choose). If you die before the guaranteed period ends, your beneficiary will receive the monthly payments due for the rest of the period.

For example, if you elect the 120-month option and die after receiving payments for only 100 months, your beneficiary would receive payments for the remaining 20 months of the guaranteed period. If you live longer than 120 months, payments will continue to you for as long as you live, but there would be no payments to your beneficiary after your death. If no beneficiary is alive at the time of your death, the value of any remaining payments will be paid in a lump sum to the beneficiary as stipulated under the rules of the Plan. The amount paid to you under this option will be less than you would receive under a Straight Life Annuity because of the possibility that payments will continue after your death. The dollar amount of this benefit depends on your age at retirement and the length of the guaranteed period. This option allows you to change your beneficiary after your payments begin.

- **Social Security Leveling Option:** This option provides an increased monthly pension benefit paid to you until Social Security full retirement age (65, 66 or 67 depending on when you were born). After that age, you will receive a reduced monthly pension, but you may elect to start receiving a monthly Social Security benefit that will make up the difference—so the total amount you receive each month may be approximately equal to, or "level" with, your original pension payment. In addition, the calculation of the Social Security leveling option does not use your actual Social Security benefit, only an estimated amount based on your FedEx employment. So once your pension payment reduces at the age you selected, your monthly (pension plan plus your Social Security) payment may not be equal to the pension plan (only) payment you were first receiving. **Please note:** your pension benefit is not linked to the actual commencement of your Social Security benefit, and your pension payments may be reduced before you get your first Social Security check.

If you elect this option, no payments will be made to anyone after your death.

If your beneficiary is not your spouse, the available Joint and Survivor Annuity options may be limited depending on the age of your beneficiary. In addition, an optional form of payment may not provide for a monthly payment to a joint annuitant or beneficiary that is greater than the monthly payment to you.

Some forms of payment may not be available in certain cases due to a participant's age at retirement. In general, under a Life Annuity with Payments Guaranteed optional form of payment, the guaranteed period may not exceed the period specified by the Internal Revenue Service (IRS) Uniform Lifetime Table—this IRS period is based on average life expectancies. If the optional form has a guaranteed period that exceeds the IRS threshold, then that optional form of payment is not available. For example, the IRS Uniform Lifetime Table III expects an average 70-year-old retiree to have a distribution period of 27.4 years, and an average 80-year-old retiree to have a distribution period of 18.7 years. If a Life Annuity with Payments Guaranteed optional form of payment provides for a benefit that is expected to be paid for a period longer than the retiree's estimated distribution period, then the retiree is not permitted to choose such optional form of payment.

If you commence your accrued benefit under the TPB formula and the PPA formula at the same time, you must receive them under the same form of payment, unless one of the forms of payment (lump sum, for example) is only available under the TPB formula or PPA formula.

If you elect to commence your PPA accrued benefit in the form of a monthly annuity prior to age 55, you do not have to choose the same form of payment for the accrued benefit payable under the TPB formula, if any, at the time you commence benefits under the TPB formula.

Your Pension Plan Forms of Payment May Be Limited

Under a provision of the Pension Protection Act of 2006, certain forms of payment may be restricted due to the specific funded status of the pension plan. If the pension plan becomes subject to benefit restrictions for any period of time, all participants will be notified within 30 days.

The Administrator may not know in advance whether the pension plan will be subject to benefit restrictions on a particular date. If you request a retirement kit and the pension plan is in a period of benefit restrictions or has the potential to become restricted prior to your benefit commencement date, you will receive appropriate information and required forms.

* Benefits accrued under the TPB formula were capped as of May 31, 2008.

Also, lump-sum payments from certain death benefits may be limited during a period of benefit restrictions. Once the Plan exits a period of benefit restrictions, if a lump sum had been limited, a one-time opportunity (a special second election) will be provided for the remainder of the restricted lump-sum payment in lieu of continuing a monthly annuity.

Survivor Benefits

In some cases, a beneficiary will receive benefits after your death.

If you die **on or after your Annuity Starting Date**, benefits, if any, will be paid to your beneficiary based on the form of payment you selected when you retired.

If you die **before your Annuity Starting Date**, and:

- You are unmarried, no accrued benefit under the TPB formula is payable to a beneficiary.
- You are married, a portion of your vested benefit will be paid to your spouse. Effective June 1, 2017, your surviving spouse will have the option to receive the TPB as a lump sum. The survivor also has the choice to receive the TPB as a lifetime monthly payment. Your surviving spouse will receive benefits accrued under the TPB formula based on your credited service for benefit accrual and average earnings on your date of death.* The benefit will be calculated as if you had chosen the Joint and Survivor Annuity with 50 percent of your benefit continuing to your spouse. **Provided the survivor completes an application for benefits on or before the Annuity Starting Date**, the survivor's payment will commence on the first day of the month after:
 - Your date of death, if you die on or after your early retirement age, or
 - Your early retirement age, if you die before you were eligible for early retirement.

If your surviving spouse elects to defer payment of survivor benefits until after your earliest possible retirement date, the benefit is calculated as of the earliest retirement date and then the benefit is actuarially increased for late commencement. The survivor does not receive retroactive benefit payments.

Your spouse may elect to delay commencement of his/her TPB survivor benefit until the first day of any month on or before December 1 of the calendar year in which you would have attained age 70½ had you lived (or, if later, December 1 of the calendar year following your year of death). If your spouse elects to delay commencement, his/her benefit will be actuarially increased to reflect the delay. However, if your spouse dies before his/her benefits commence, no further benefits will be paid.

Retirement Savings Plan (RSP)—401(k) Plan

Introduction to the Plan

The FedEx Corporation Retirement Savings Plan (RSP) is a defined contribution plan designed to provide you a convenient way of accumulating additional savings for your retirement.

Note: The RSP is a 401(k) plan and may be referenced in this way throughout the *Your Retirement Benefits (YRB)*.

The RSP allows you to make Pre-tax contributions, After-tax contributions* and, if eligible, Catch up contributions** through convenient payroll deductions. In addition, your FedEx Participating Employer will contribute an Employer Matching contribution (Company match) on a portion of your Pre-tax contributions and, if eligible, Catch-up contributions. The Vanguard Group, Inc. (Vanguard) serves as the recordkeeper.

Note: References to FedEx or Company include all FedEx Companies participating in the RSP.

Participating Employers

The chart below lists the Participating Employers of the RSP.

FedEx Corporation Retirement Savings Plan Participating Employers	
Federal Express Corporation (excluding employees residing in Puerto Rico)	FedEx Trade Networks, Inc.
Federal Express Virgin Islands, Inc.	FedEx Trade Networks Trade Services, Inc.
FedEx Corporate Services, Inc.	FedEx Trade Networks Transport & Brokerage, Inc.
FedEx Corporation	FedEx Freight, Inc.
FedEx Custom Critical, Inc.	FedEx Ground Package System, Inc. (excluding employees classified as package handlers, package handler – parcel assistants, a special assignment package handler or an occasional package handler)
FedEx Freight Corporation	
FedEx CrossBorder, LLC	
World Tariff, Limited	

If you are classified by your Participating Employer as an independent contractor or leased employee, you are not eligible to participate in any benefit plans sponsored by the employer, even if you are later determined by a court or administrative agency having competent jurisdiction to be a common law employee of the employer.

If you are employed at the same time by both a Participating Employer and another FedEx Controlled Group Member that is not a Participating Employer, upon satisfaction of the eligibility requirements:

- You will be eligible to participate in this Plan if your earliest date of continuous employment is with a Participating Employer, unless you belong to an excluded class of employees at the Participating Employer, in which case you will participate in the non-participating FedEx Controlled Group Member's Plan.

* Highly compensated employees (HCEs) in the RSP are not allowed to make After-tax contributions. In 2018, an HCE is defined as an employee who earned in excess of \$120,000 in eligible earnings during 2017.

** A participant is eligible to make Catch-up contributions if he/she is or will be age 50 or older by the end of the applicable plan year.

- You will be eligible to participate in the non-participating FedEx Controlled Group Member's plan if your earliest date of continuous employment is with the non-participating FedEx Controlled Group Member, unless you belong to an excluded class of employees at the non-participating FedEx Controlled Group Member, in which case you will participate in this Plan.

You are not eligible for the RSP if your employment is covered by a collective bargaining agreement that does not provide for your participation in the RSP.

The following persons are also not eligible:

- Employees of FedEx Ground Package System, Inc., whose job code is that of an hourly-paid package handler (unless such an employee was eligible to participate on December 31, 1993, and has remained in an hourly-paid package handler position since then with no breaks in service) or whose job code is that of an hourly-paid package handler – parcel assistants.
- Any Participant who is classified as a special assignment package handler with FedEx Ground Package System, Inc. on or after November 1, 2017.
- Any Participant who is classified as an occasional package handler on or after November 13, 2017.
- Non-resident aliens who receive no income from U.S. sources subject to U.S. income taxes.

Plan Year

The plan year for the RSP is January 1 through December 31.

Eligibility for Plan Participation

Eligibility for Pre-tax and After-tax* Contributions

If you are employed by a Participating Employer, you can begin making Pre-tax contributions and After-tax contributions on your plan entry date. Your plan entry date is the exact day of:

- Your attaining age 21, and

- Completing one month of service with a Participating Employer, FedEx Controlled Group Member or foreign affiliate. For a list of FedEx Controlled Group Members, see "Plan Eligibility Scope and Guidelines" in the "Introduction" section.

Eligibility for Company Match

If you are employed by a Participating Employer, you are eligible to receive the Company match on your Pre-tax contributions and, if eligible, Catch-up contributions on the exact day of:

- Your attaining age 21, and
- Completing one month of service with a Participating Employer, FedEx Controlled Group Member or foreign affiliate. For a list of FedEx Controlled Group Members, see "Plan Eligibility Scope and Guidelines" in the "Introduction" section.

Eligibility for Rollover Contributions

If you are employed by a Participating Employer, you are eligible to make Rollover contributions on your date of hire.

Eligibility for Catch-up Contributions

If you are employed by a Participating Employer, you can begin making Catch-up contributions at age 50 or older, provided you are eligible to make Pre-tax contributions to the RSP. In the calendar year you reach age 50, you can contribute Catch-up contributions anytime in that calendar year. You are eligible to contribute up to the Catch-up contribution limit if:

- You have contributed up to the Pre-tax contribution limit of 50 percent of your eligible earnings, or
- You reach the Internal Revenue Service (IRS) pre-tax dollar limit during the plan year. For information on current IRS limits, visit vanguard.com/contributionlimits.

* HCEs in the RSP are not allowed to make After-tax contributions. In 2018, an HCE is defined as an employee who earned in excess of \$120,000 in eligible earnings during 2017.

If You Are Re-Employed

Eligibility for Pre-tax, After-tax,* and Company Match—If you terminate employment and are later re-employed, the following rules apply to your eligibility for making Pre-tax and After-tax contributions and your eligibility to receive a Company match:

- If you were a participant prior to your termination date, you are eligible on your re-employment date.
- If you had satisfied all conditions for eligibility prior to your termination date and are re-employed, you will be eligible on your re-employment date.
- If you had not satisfied the conditions for eligibility prior to your termination date and are re-employed, you will become a participant according to the following:
 - If your period of severance is less than 12 months after your last termination date, you will enter the Plan on the later of (i) your re-employment date or (ii) the exact day on which you attain age 21 and complete one month of service after your original employment date with a Participating Employer, FedEx Controlled Group Member or foreign affiliate. Please note that the period beginning on your severance date and ending on the date you first perform an hour of service is counted toward the one-month service requirement.
 - If your period of severance is 12 months or more after your last termination date and you had previously satisfied the one-month eligibility requirement, you will enter the Plan on the later of your re-employment date or the date you attain age 21. Otherwise, you will enter the Plan on the exact day on which you attain age 21 and complete one month of service after your re-employment date with a Participating Employer.

Eligibility for Rollover Contributions—If you are re-employed by a Participating Employer, you are eligible to make Rollover contributions on your date of rehire.

Eligibility for Catch-up Contributions—If you are re-employed by a Participating Employer, you can begin making Catch-up contributions at age 50 or older, provided you are eligible to make Pre-tax contributions to the RSP. In the calendar year you reach age 50, you can contribute Catch-up contributions anytime in that calendar year. You are eligible to contribute up to the Catch-up contribution limit if:

- You have contributed up to the Pre-tax contribution limit of 50 percent of your eligible earnings, or
- You reach the IRS pre-tax dollar limit during the plan year. For information on current IRS limits, visit vanguard.com/contributionlimits.

Correspondence

All correspondence regarding the RSP is sent to your home address as listed in your employer's Human Resources Information System (HRIS). You are responsible for updating any change of address in HRIS or reporting any change of address to your manager. If you are no longer employed by FedEx, call Vanguard Participant Services at 1.800.523.1188, to change your address.

Enrollment

The RSP is structured as a Qualified Automatic Contribution Arrangement (QACA), which means the IRS safe harbor designation applies. The Plan's structure as a QACA means:

- Once eligible for participation in the Plan, employees must be automatically enrolled no later than the earlier of the pay date for the second payroll period beginning after the date the eligibility notification is provided, or the first pay date that occurs at least 30 days after the eligibility notification is provided.
- Once enrolled, participants may choose not to participate or to change their contribution rates. Matching contributions are 100 percent vested after you complete one year of service. The match formula for a QACA is defined under "Company Match" in the "Sources of Contributions" subsection of this section.

* HCEs in the RSP are not allowed to make After-tax contributions. In 2018, an HCE is defined as an employee who earned in excess of \$120,000 in eligible earnings during 2017.

Automatic Enrollment Through One Step®

Shortly before you become eligible to participate in the RSP, you will receive eligibility notification from Vanguard that explains the One Step® program.

One Step includes three automatic features: enrollment, investment selection and annual savings rate increases. You have the option to change or cancel any of these features if you wish, as instructed under “Opting Out of One Step” in this subsection.

Here’s how One Step works:

If you are a newly hired employee:

- You will be automatically enrolled at a contribution rate of 3 percent of your eligible earnings within 14 days of your plan entry date (the date you attain age 21 and complete one month of employment).
- Your contributions will be invested automatically in the Vanguard® Target Retirement Trust closest to the year in which you will attain age 65. See “Investment Options” in this section for details. Once enrolled, you may change your investment allocation at any time.
- After one year of employment, in March of each subsequent year, your contribution rate will increase automatically by one percentage point (unless you choose a different contribution level) until it reaches 10 percent of your eligible earnings.

If you are automatically enrolled in the RSP and subsequently are on any type of unpaid leave of absence, including short- or long-term disability, your automatic enrollment contributions will continue with your next paycheck unless you opt out or change your contribution election.

If you do not wish to participate in the RSP, you must contact Vanguard Participant Services as soon as possible after receiving your eligibility notification.

As a result of the One Step program, you are deemed to have:

- Enrolled in the RSP starting at a contribution rate of 3 percent.
- Your eligible earnings reduce by an additional 1 percent each year, until such Pre-tax contributions reach 10 percent of your eligible earnings.
- Enrolled in a date-specific Vanguard Target Retirement Trust, based on your age and an assumed retirement age of 65.
- Agreed to be bound by all terms and conditions of the RSP.

Investments in Target Retirement Trusts are subject to the risks of their underlying investments. The year in the investment name refers to the approximate year (the target date) when an investor in the trust would retire and leave the workforce. The trust will gradually shift its emphasis from more aggressive investments to more conservative ones based on its target date. An investment in a Target Retirement Trust is not guaranteed at any time, including on or after the target date.

It is important to note that you can increase or decrease your contribution rate and/or change your investment options at any time. You may also change your annual automatic increase rate—to 1 percent, 2 percent or 3 percent—and have the increase occur in March or in any other month you designate. You may automatically increase your Pre-tax contributions up to 50 percent of your eligible earnings.

If you are a rehired employee, special rules apply to your enrollment when you return to the Company. Generally, if you have been separated from service for less than 24 months and were automatically enrolled in the Plan prior to your termination, and following rehire you fail to choose to participate in the RSP, you will be automatically re-enrolled at the same Pre-tax contribution rate in effect prior to your termination. In addition, any automatic contribution rate increases that would have occurred during that time will be applied. Rehires terminated from service for at least 24 months will be automatically enrolled with an initial payroll deduction of 3 percent. This savings rate will be increased by one percentage point until such Pre-tax contributions reach 10 percent of your eligible earnings.

Opting Out of One Step

If you choose not to be enrolled in the RSP automatically through One Step, you may opt out by contacting Vanguard Participant Services as soon as possible following receipt of your eligibility notification. Once you are enrolled, money will be automatically taken from your pay and contributed to your 401(k) plan account. It's important to remember that you may "opt out," or elect not to make any contributions, if you wish. To opt out, contact Vanguard Participant Services by logging in to vanguard.com/retirementplans at any time or call a Vanguard Participant Services associate at 1.800.523.1188 Monday through Friday from 8:30 a.m. – 9 p.m., Eastern time (7:30 a.m. – 8 p.m., Central time). If you do nothing, RSP contributions will be deducted from each of your paychecks on a pre-tax basis.

New hires have the option to withdraw all payroll deferrals (adjusted for gains or losses) within 90 days of the first automatic withdrawal. This "permissible withdrawal" is not subject to any early withdrawal penalty and is included in your gross income for the year in which the withdrawal occurs. To request a permissible withdrawal, you must contact Vanguard Participant Services at 1.800.523.1188.

Enroll in the RSP on Your Own

If you opt out of automatic enrollment through One Step, you can enroll on your own at any time using Vanguard's automated VOICE® Network or online at vanguard.com/enroll.

Enroll using Vanguard's 24-hour interactive VOICE Network:

- Call 1.800.523.1188. To use VOICE you will need a Personal Identification Number (PIN). To create a PIN, follow the prompts.

Spanish-speaking: Call 1.800.828.4487.

Hearing-impaired: Call 1.800.523.8004.

The VOICE Network guides you through the enrollment process for payroll deferral percentage elections and selecting your investment options. Written confirmation of your payroll deduction and investment choices will be mailed to your home address within seven business days.

- Enroll online at vanguard.com/enroll:
 - Enter vanguard.com/enroll in your computer's browser.
 - Follow the online instructions to register and enroll. You will need your Plan number (093111).

Your Vanguard Personal Identification Number (PIN)

Your PIN is confidential. It is important that you keep your PIN in a secure location; you will not be able to access your accounts through the VOICE Network without it. If you forget your PIN, follow the prompts to create a new one. Your PIN is not required to speak to a Vanguard Participant Services associate.

Your Cost

The performance returns as stated on the Fund or Trust Fact Sheets and your quarterly statements issued by Vanguard show the various investment options' **net** returns, after expenses have been deducted. The expenses for each investment option are explicitly stated on the Fund or Trust Fact Sheets and on your statements and may vary from investment to investment offered in the RSP. Expenses deducted are declared in terms of basis points; therefore, the larger your balance in the RSP, the larger your expenses will be. You pay management fees for the investments in the RSP through expense ratios of the investments in your account and administrative expenses such as loan origination fees. FedEx pays for the recordkeeping expenses of the RSP*. You may access investment performance information on vanguard.com/retirementplans.

If you separate from employment or retire and elect to maintain a balance in the RSP, a record keeping fee will be deducted from your plan account beginning in the calendar quarter following the quarter in which you separate from employment.

* The Vanguard International Value Fund only offers Investor share class, which covers part of the recordkeeping cost. This arrangement is reviewed periodically and may be changed in the future.

Designating a Beneficiary

It is important that you name the person or persons you wish to receive benefits upon your death. You can name your beneficiary(ies) online at **vanguard.com/retirementplans**. Once you have logged in to your account, click on “Menu,” “My Profile” and “Beneficiaries.” You cannot use your employer’s HRIS to designate a beneficiary. You also have the option to complete an RSP beneficiary form provided by Vanguard and return it to Vanguard at the address on the form. Beneficiary forms can be obtained by contacting Vanguard Participant Services at 1.800.523.1188.

If you choose to name a person(s) under the age of majority (i.e., a minor) as primary or secondary beneficiary(ies), as applicable, any vested death benefit payment will be made only to the legal guardian of the minor. In the event of your death, Vanguard must receive acceptable legal documentation which establishes the guardianship of the minor(s).

If you are married at the time of your death, your spouse is automatically the beneficiary unless your spouse previously consented to the designation of another person as your beneficiary on the beneficiary form. Your spouse’s written consent must have been witnessed by a notary public. The completed, signed beneficiary designation must be on file with Vanguard prior to the date of your death. It is important that you periodically review your beneficiary designation, which appears on your quarterly statement, because the most recent valid beneficiary form on file determines who receives any death benefits.

If your primary beneficiary dies before your balance in the RSP is distributed, your account is paid to the named contingent beneficiary.

Effective December 31, 2017, if you are not married at the time of your death and no beneficiary has been designated, your account is paid to your estate.

You can name your beneficiary(ies) online at **vanguard.com/retirementplans**. Once you have logged in to your account; click on “Menu,” “My Profile” and “Beneficiaries.” **You cannot use your employer’s HRIS to designate a beneficiary.**

Definition of a Spouse

For purposes of the RSP, all references to “spouse” shall mean a legally married spouse as recognized under the laws of the state or other jurisdiction in which the marriage is established, consistent with U.S. federal tax laws; and a common-law spouse as defined by the state law where common-law marital status is established. A spouse includes a common-law spouse and same-gender spouse; and a common law spouse may be of the same gender. A former spouse shall be treated as the spouse to the extent provided under a Qualified Domestic Relations Order (QDRO) as described in Section 414(p) of the Code. The Plan Administrator may rely on the participant’s written statement regarding such participant’s marital status.

A common-law marriage will be valid only where recognized in the applicable state jurisdiction, provided you have submitted the required affidavit of common-law marriage to Vanguard Participant Services.

Contributions

The following types of contributions can be made to the RSP:

- Pre-tax contributions.
- Employer Matching contributions (Company match).
- After-tax contributions.
- Catch-up contributions.
- Rollover contributions.

All RSP contributions are held in a trust fund. The cash assets for the RSP are managed and invested by the trustee, as directed by you. Pre-tax, After-tax and Catch-up contributions are based on your eligible earnings.

Eligible Earnings

Eligible earnings include wages, salary, overtime earnings and other earnings such as commissions, job performance and incentive bonuses (excluding Long Term Incentive [LTI]). Also included are license premiums, line duty and longevity pay and shift premiums.

Eligible earnings include pay prior to pre-tax deductions for health care and dependent care, Pre tax, After-tax and, if applicable, Catch-up contributions to the FedEx Corporation Retirement Savings Plan (RSP).

Eligible earnings do not include earnings such as daily allowance, imputed income from life insurance coverage, per diem and disability benefits provided by Participating Employers, reimbursed expenses, cash or noncash fringe benefits, moving and other relocation expenses, deferred compensation, amounts realized from the exercise of stock options (or from the sale, exchange or disposition of stock acquired under stock options or stock bonus plans), amounts paid under a severance program or arrangement, or contributions made by Participating Employers to qualified retirement benefit plans. Nor do eligible earnings, for the purpose of this definition, include expatriate pay items.

Sources of Contributions

Pre-tax Contributions

You can contribute from 1 percent to 50 percent per paycheck of your eligible earnings in 1 percent increments on a pre-tax basis through payroll deductions.

Your Pre-tax contributions grow tax-deferred. Since your contributions are deducted from your paycheck before taxes are calculated and withheld, your taxable income for the year is reduced and you pay less in income taxes.

Contributions are deposited shortly after each pay period (one to five business days) to your Pre-tax Contribution Account.

The IRS limits the annual dollar amount a participant may contribute during a calendar year. For 2018, the amount is \$18,500. After 2018, the dollar limit may be adjusted from time to time for increases in the cost-of-living index. For current IRS limits, visit vanguard.com/contributionlimits.

Once you reach an IRS or RSP limit, your contributions will cease automatically for that plan year and then restart the next January, unless you elect otherwise before the first paycheck of the new year is processed.

Company Match

The RSP is structured as a QACA. For each plan year that the RSP continues to be a QACA, FedEx will provide Company match on the total of Pre-tax and, if eligible, Catch-up contributions, up to the maximum percentage of eligible earnings as follows:

- 100 percent on the first 1 percent of eligible earnings you contribute.
- 50 percent on the next 5 percent of eligible earnings you contribute.

You are 100 percent vested in any Company match after you have completed one year of service (12 months of employment). You are 100 percent vested immediately in your payroll contributions.

For each year the RSP is a QACA, FedEx will perform a calculation to determine if there are any differences between the Company match participants received and the Company match participants would have received had their Pre-tax contributions been made equally throughout the prior plan year. FedEx will make an additional Company match, called a True-up matching contribution, to reconcile any differences. The True-up matching contributions are made as soon as administratively possible and eligible employees are able to see the True-up matching contribution reflected in their RSP account generally by the end of the fiscal year.

After-tax Contributions

You can contribute from 1 percent to 20 percent per paycheck of your eligible earnings in 1 percent increments. The actual percentage is subject to FedEx review due to government limits. These savings are not pre-tax, but earnings on your savings grow tax-deferred.

Contributions are deposited shortly after each pay period (one to five business days) to your After-tax Contribution Account. Once you reach an IRS or RSP limit, your contributions will cease automatically for that plan year and then restart the next January, unless you elect otherwise before the first paycheck of the new year is processed.

There is an exception if you are an HCE as defined by the IRS. You are not permitted to make After-tax contributions. For a definition of HCE, see "Important Limits on Contributions" in this section. Each January, participants contributing more than 0 percent in After-tax contributions and changing from non-highly compensated to a highly compensated status will be notified by Vanguard that they can no longer make After-tax contributions. Participants changing from a highly compensated to a non-highly compensated status will be notified by Vanguard of their ability to increase their After-tax contribution above 0 percent.

Catch-up Contributions

Eligible participants may elect to make additional pre-tax Catch-up contributions. Catch-up contributions help to increase your retirement savings by allowing you to contribute over the IRS contribution limit or the RSP limit, if lower. To be eligible, you must be age 50 or older, or attain age 50 by the end of the calendar year. You are eligible to contribute up to the Catch-up contribution limit if:

- You have contributed up to the Pre-tax contribution limit of 50 percent of your eligible earnings, or
- You reach the IRS pre-tax dollar limit during the plan year.

To make Catch-up contributions, you can elect a separate pre-tax Catch-up payroll deduction by designating a percentage from 1 percent to 30 percent per paycheck.

See "Important Limits on Contributions" in this section for additional information on Catch-up contributions.

Your Catch-up contributions may not exceed a specified dollar limit in any one calendar year. For 2018, this amount is \$6,000. The annual dollar limit may be adjusted from time to time to account for increases in the cost-of-living index.

To make a Catch-up contribution election, contact Vanguard Participant Services at 1.800.523.1188 or online at vanguard.com/retirementplans. See "Changing the Amount You Save" in this section for details. Catch-up contributions will be effective as soon as administratively possible after your election. Once you reach an IRS or RSP limit, your contributions will cease automatically for that plan year and then restart in the next January, unless you elect otherwise before the first paycheck of the new year is processed.

Contributions are deposited shortly after each pay period (one to five business days) to your Catch-up Contribution Account.

Rollover Contributions

If you were a participant in a tax-qualified plan of a former employer, you can transfer (roll over) your former account balance to the RSP upon meeting certain criteria. However, if you were employed by one of the FedEx Controlled Group Members, you are not eligible to make a rollover contribution from your prior FedEx 401(k) plan.

You are eligible to roll over contributions from a previous non-FedEx employer as soon as you are employed. If you want to make a rollover, call Vanguard Participant Services at 1.800.523.1188.

Comparison Chart of Pre-tax, After-tax and Catch-up Contributions

Plan Feature	Contribution Type		
	Pre-tax	After-tax	Catch-up
Purpose	Retirement savings	Long-term savings	Retirement savings
Eligibility	Attain age 21 and one month of employment.	Same as Pre-tax contributions.	Same as Pre-tax contributions, but must be age 50 or older, or will reach age 50 by end of the calendar year.
Amount you can contribute For government limits, see "Important Limits on Contributions" in this section.	Subject to government limits: <ul style="list-style-type: none"> • 1% to 50% of eligible earnings. 	Subject to government limits: <ul style="list-style-type: none"> • Non-highly compensated employees: 1% to 20% of eligible earnings. • HCE: not permitted.* 	From 1% to 30% of eligible earnings up to the calendar year limit if: <ul style="list-style-type: none"> • You have contributed up to the Pre-tax contribution limit of 50%, or • You reach the IRS dollar limit during the plan year.
Company match	<ul style="list-style-type: none"> • 100% on the first 1% of eligible earnings you contribute. • 50% on the next 5% of eligible earnings you contribute. <p>Note: The Company match formula is applied to the total of Pre-tax and Catch-up contributions.</p> <p>Note: The RSP is structured as a QACA. For each plan year that the RSP continues to be a QACA, FedEx contributes a Company match.</p>	None	Same as Pre-tax contributions.
Income taxes	<p>Pre-tax contributions not included in taxable income when made.</p> <p>Pre-tax contributions and earnings not taxed until withdrawn. In limited situations, favorable tax treatment may be available.</p> <p>10% additional federal excise tax for early withdrawals may apply.</p> <p>Required 20% income tax withheld on distributions/ withdrawals that are eligible to be rolled over and not directly transferred to an eligible retirement plan, which includes an Individual Retirement Account (IRA) or Roth IRA (if eligible). Taxable distributions/withdrawals that are not eligible to be rolled over are subject to a 10% income tax withholding. In this situation, you have the option to waive the 10% withholding amount.</p>	<p>After-tax contributions included in taxable income when made.</p> <p>Earnings on After-tax contributions not taxed until withdrawn.</p> <p>10% additional federal excise tax on earnings for early withdrawals may apply.</p> <p>Required 20% income tax withheld from earnings on distributions/ withdrawals which have not been previously taxed that are eligible to be rolled over and not directly transferred to an eligible retirement plan, which includes an IRA or Roth IRA (if eligible). Taxable distributions/ withdrawals of earnings that are not eligible to be rolled over are subject to a 10% income tax withholding. In this situation, you have the option to waive the 10% withholding amount.</p>	Same as Pre-tax contributions.

* HCEs in the RSP are not allowed to make After-tax contributions. In 2018, an HCE is defined as an employee who earned in excess of \$120,000 in eligible earnings during 2017.

Plan Feature	Contribution Type		
	Pre-tax	After-tax	Catch-up
Withdrawals	<p>Your Pre-tax contributions can only be withdrawn for the following reasons:</p> <ul style="list-style-type: none"> • Age 59½. • Financial hardship (\$500 minimum). • Death or disability. • Employment termination. • Retirement. <p>When a hardship distribution is issued, your Pre-tax, After-tax and Catch-up contributions are suspended for a period of six months following receipt of the hardship distribution.</p> <p>There is a nonrefundable processing fee for each approved hardship withdrawal.</p>	<p>Regular withdrawals allowed each plan year. Withdrawals are processed within one week upon Vanguard's receipt of the withdrawal application.</p> <p>When a hardship distribution is issued, your Pre-tax, After-tax and Catch-up contributions are suspended for a period of six months following receipt of the hardship distribution.</p>	Same as Pre-tax contributions.
Loans	<p>\$1,000 minimum; maximum is lesser of 50% of all account balances or \$50,000 subject to restrictions if you had a loan in the past 12 months. Only one loan at a time. Must wait one year from the payoff to apply for another loan.</p> <p>Repayment period is 12 to 120 months for principal residence loans. For all other types of loans, repayment period is 12 to 60 months. A nonrefundable loan processing fee applies for each loan initiated through vanguard.com/retirementplans or through the VOICE Network. There is an additional fee for loans initiated through a Vanguard associate.</p>	Same as Pre-tax contributions.	Same as Pre-tax contributions.

Changing the Amount You Save

You can change the amount you contribute to the RSP at any time. Contact Vanguard Participant Services at 1.800.523.1188 or online at vanguard.com/retirementplans to:

- Increase or decrease your contribution percentage(s).
- Stop your contributions, or
- Re-enroll if you have stopped your contributions.

Your contribution change will begin as soon as administratively possible.

To Change the Amount You Save

- Call Vanguard Participant Services at 1.800.523.1188.
 - Have your Social Security number, Plan number (093111) and PIN ready. The VOICE Network will guide you through the enrollment process for payroll deductions and investment options. (If you wish to speak with a Vanguard associate at any time during the call, press 0.)
 - Written confirmation of your payroll deduction and investment choices will be mailed to you within seven business days.
- Contact Vanguard Participant Services online at vanguard.com/retirementplans. You will need to be registered. You will need your Social Security number and Plan number (093111) to register.
 - Enter user name and password.
 - Click “*Make a Change*,” then follow online instructions.

For more information or if you have questions, call Vanguard Participant Services at 1.800.523.1188.

Benefits Upon Return From a Military Leave of Absence (MLOA)

Your period of qualifying military service in the U.S. armed forces will be included in calculating your eligibility in the RSP if you return to employment and have satisfied the requirements of the Uniformed Services Employment and Reemployment Rights Act (USERRA) within the period specified after the date you are released from active duty. You must present proof of your activation date and release from active duty date to your manager.

You may make up any missed Pre-tax, After-tax and, if applicable, Catch-up contributions. These make-up contributions may be made over a period that is three times the period of your military service, not to exceed five years. Make-up contributions are calculated using your imputed military pay upon your return from MLOA. Any missed Company match will be credited in the same amount as if you had been at work during your period of MLOA. These will be credited as you make up your Pre-tax contributions. Please note that a true-up calculation for Company match will only be performed for make-up contributions.

Contributions may not exceed the applicable limits for the year in which they would have been contributed. Your loan payments will be suspended while you are on MLOA and your loan term for repayment purposes will be adjusted based on your MLOA.

Important: *If you wish to make up any missed contributions for your military leave period, you must contact Vanguard to initiate this process. For more information, call Vanguard Participant Services at 1.800.523.1188.*

Important Limits on Contributions

Nondiscrimination Test

For years that the RSP does not qualify to be structured as a QACA, the IRS safe harbor designation will not apply. That means FedEx will be required to test Pre-tax, After-tax and Matching contributions to make sure the RSP does not favor HCEs. The contribution limit for HCEs is based on the average percentage of eligible earnings saved by non-HCEs. Based on annual testing results, HCEs may be limited in the amount they can contribute. As defined by the IRS, you are considered an HCE in 2018 if you earned more than \$120,000 in eligible earnings during 2017. The IRS periodically changes the amount of eligible earnings used to determine who is an HCE.

HCE Limits on After-tax Contributions

HCEs in the RSP are prohibited from making After-tax contributions.

You are considered an HCE as defined by the IRS for the plan year 2018 (January 1, 2018 through December 31, 2018) if your eligible earnings exceeded \$120,000 in 2017.

The IRS periodically changes the amount of eligible earnings used to determine who is an HCE. For current IRS limits, visit vanguard.com/contributionlimits.

Employee Tax-deferred Contribution Limit

The amount of Pre-tax contributions may not exceed a specified dollar limit in any one calendar year. For 2018, this limit is \$18,500. After 2018, the dollar limit may be adjusted from time to time for increases in the cost-of-living index. For current IRS limits, visit vanguard.com/contributionlimits.

Once you reach the limit, your contributions should cease automatically and restart in January of the following year, unless you elect otherwise before the first paycheck of the new year is processed. If the limit is exceeded, any excess contributions (adjusted for allocable earnings and losses) will be refunded to you (in most cases) or re-characterized as Catch-up contributions, if eligible. Please call Vanguard Participant Services at 1.800.523.1188, if you have questions.

Maximum Compensation Limit

The IRS limits the maximum compensation that can be used to determine your benefits under the retirement plans. The limit for 2018 is \$275,000. The limit is indexed by the Secretary of the Treasury based on increases in the cost of living. The limit may be increased each plan year.

Retirement Savings Plan Contribution Limit

The amount that can be contributed annually to the RSP is limited. This limit applies to all contributions made through Pre-tax contributions, After-tax contributions and the Company match on your Pre-tax contributions.

For the plan year January 1 through December 31, 2018, the limit is the lesser of:

- 100 percent of your eligible earnings, or
- \$55,000 (subject to annual IRS change).

This limit is scheduled to be indexed by the Secretary of the Treasury based on increases in the cost of living. If contributions during the plan year (January 1 through December 31) to your defined contribution accounts exceed the plan contribution limit, the excess contributions (plus earnings) will be reduced in the following order and returned to you:

- After-tax contributions.
- Pre-tax contributions.
- Company match.

For information on current IRS limits, visit vanguard.com/contributionlimits.

Retirement Savings Plan Accounts

References to "account" in this *YRB* generally refer to all of your various accounts taken together. However, a series of separate recordkeeping accounts will be established and maintained under the RSP to record and track contributions, withdrawals and distributions made by you and by your Participating Employer on your behalf, as well as earnings and losses on such amounts.

Note: The accounts named below will only appear on your RSP statement if they apply specifically to your account.

The specific accounts that may be established for you are:

Account Name	Description
Pre-tax Contribution Account	This account is for Pre-tax contributions. This account also holds amounts previously held in the FedEx Ground and Freight Retirement Savings Plan (Ground RSP) "Before-tax Account," amounts previously held in the "Elective Deferral Account" of the FedEx Freight Retirement Savings Plan (Freight RSP) and amounts previously held in the "Prior Company Pre-tax" Account of the RSP.
Employer Matching Contribution Account	This account is for Company match contributions. This account also holds amounts previously held in the Freight RSP "Matching Contribution Account."
After-tax Contribution Account	This account is for After-tax contributions and also holds amounts previously held in the Ground RSP "Prior After-tax Account I."
Catch-up Contribution Account	This account is for additional Pre-tax contributions made by eligible participants age 50 and older.
Rollover Account	This account is for your Pre-tax and After-tax rollover contributions from a prior non-FedEx employer's tax-qualified retirement plan.
Military Leave Pre-tax Contribution Account	This account is for amounts attributable to make up Pre-tax contributions on behalf of a participant following a period of qualifying military service.
Military Leave After-tax Contribution Account	This account is for amounts attributable to make up After-tax contributions on behalf of a participant following a period of qualifying military service.
Military Leave Employer Matching Contribution Account	This account is for amounts attributable to Employer Matching contributions on behalf of a participant's make-up contributions following a period of qualifying military service.
Military Leave Catch-up Contribution Account	This account is for amounts attributable to make up Catch-up contributions on behalf of a participant following a period of qualifying military service.
QNEC Account	This account is for amounts attributable to qualified non-elective contributions.

The following accounts are no longer funded by the Participating Employers:

Account Name	Description
Profit Sharing Contributions Account	<p>This account holds assets attributable to the following sources:</p> <p>Regular Employer Contributions: Made in Employer stock (formerly known as the “Employer Stock Account,” “Investment Stock Account” or “Stock Ownership Account”)—Attributable to your share, if any, of FedEx Express’ profit sharing stock contributions.</p> <p>Regular Employer Contributions: Made in cash (formerly known as the “Regular Employer Account” or “Cash Account”)—Attributable to your share, if any, of FedEx Express’ profit sharing cash contributions.</p> <p>Profit Sharing Contributions: Attributable to profit sharing contributions made to the Ground RSP on behalf of eligible employees of the former Viking Northeastern (Coles), and Southwestern (Central) Division employees and held in the Profit Sharing Account of the Ground RSP. Also holds profit sharing contributions previously held in the Discretionary Contribution Account of the Freight RSP on behalf of eligible employees of FedEx Freight System, Inc. and the former FedEx Freight East, Inc.</p>
Military Leave Profit Sharing Account	This account is for amounts attributable to profit sharing contributions on behalf of a participant following a period of qualifying military service.
Company Stock Distribution Account (also known as the Investment Credit Stock Account)	This account is for contributions made by FedEx before 1987. The value of this account is not available for loans or in-service withdrawals, including hardship withdrawals, due to federal regulations. Your stock in this account cannot be withdrawn until retirement, termination, disability or death.
Company ESOP Account	Formerly known as the “ESOP Account,” this account reflects contributions made under the Federal Express Corporation Employee Stock Ownership Plan. The value of your ESOP account is not available for loans or withdrawals. No additional contributions can be made to your ESOP account.
Prior Company Match Account	This account is for amounts attributable to Matching Employer Contributions for periods prior to July 1, 1996, in the former Ground RSP.
Prior Company Transfer Account	<p>Formerly known as the “Transfer Account,” this account is for any amounts directly transferred into the RSP due to the 2000 acquisitions of McGraw-Hill Companies, Inc., World Tariff, Limited, and Tower Group International. The Prior Company Transfer Account includes the following sources:</p> <ul style="list-style-type: none"> • Prior Company Pre-tax. • Prior Company Rollover. • Prior Company Employer Contribution. • Prior Employer Match. • Prior Company After-tax.
Stock Bonus Account	This account is for amounts transferred into the Plan from the FedEx Ground Package System, Inc. and Certain Affiliates Stock Bonus Plan (formerly known as the Caliber System, Inc. Stock Bonus Plan) effective July 1, 2000.
Prior Before-tax Account I	This account is for amounts attributable to Before-tax contributions for periods prior to July 1, 1996, in the former Ground RSP.
Company Match I Account	This account is for amounts attributable to company match contributions for periods prior to October 1, 2005, in the former Ground RSP.

Account Statements

As a RSP participant, you receive a statement of your accounts each calendar quarter. The statement, which lists your account balances, contributions and other activity, is sent about two to three weeks after the end of the quarter. Recent statements are also available at vanguard.com/retirementplans.

Vesting

Vesting refers to your right to receive a benefit when you terminate employment, subject to the distribution rules (see “Distributions” in this section for details). You are vested in the Company match after one year of elapsed service (12 months of employment). You are vested immediately in your payroll contributions.

Personal Online Advisor, powered by Financial Engines

The RSP offers an advice service to help you with your investment decisions: **Personal Online Advisor**, powered by Financial Engines. Personal Online Advisor is an independent online sub-advisory investment service that forecasts your chances of reaching your retirement goals, provides specific fund recommendations and helps you monitor your investments. By accessing this tool, you will receive ongoing advice about your total portfolio—your RSP investments as well as any other assets you choose to include. Personal Online Advisor is available to you at no cost.

For more information or to access Personal Online Advisor, log in to your account at vanguard.com/retirementplans. On the left side of the page, click “*Review my performance.*” Then, select “*Get help planning for retirement.*” Choose the “*Do It Yourself*” tab and click “*Get Started.*”

Employees who have a mailing address outside of the United States, or a mailing address in Guam or the U.S. Virgin Islands, are not eligible for Personal Online Advisor.

Vanguard Managed Account Program, powered by Financial Engines

Vanguard offers a fee-based Managed Account Program (VMAP™), powered by Financial Engines, which selects your investments, periodically makes changes to your asset mix to suit your goals and provides a quarterly portfolio report. The fee for VMAP is no more than 0.4 percent of your account balance per year—less than one-half of one percent—deducted monthly from your account. That’s \$5 per month for each \$15,000 in your account. There is a \$60 annual minimum fee and discounts are available for balances of more than \$100,000.

For more information or to access VMAP, log in to your account at vanguard.com/retirementplans. At the bottom of the home page, click “*Get Advice.*” (If you have multiple accounts at Vanguard, you may need to select Employer plans after you log in.) Or call a VMAP specialist at 1.800.310.9228 Monday through Friday from 8:30 a.m. – 9 p.m., Eastern time (7:30 a.m. – 8 p.m., Central time).

The following groups are not eligible for the VMAP:

- Employees who have a mailing address outside of the United States, or a mailing address in Guam or the U.S. Virgin Islands.
- Section 16 insiders.

Vanguard Financial Planning Service

Vanguard Financial Planning Service is fee-based and is available to all participants. The service is offered free of charge to participants who are age 55 or older or who have balances greater than \$500,000 at Vanguard. Otherwise, any applicable fee will be billed and must be paid with assets outside of the Plan.

To start, you will need to complete an online questionnaire regarding your financial goals and current portfolio. Then schedule a phone consultation with an advisor who can provide professional financial guidance.

If you want even more guidance, your financial advisor may suggest you take advantage of a Vanguard Financial Plan, which is complimentary if you satisfy the age or balance requirements.

The financial plan created for you can:

- Include an appropriate asset allocation strategy for your situation.
- Project whether your current savings rate will help you meet your targeted retirement goals.
- Suggest what to do if there is a projected shortfall.
- Estimate how much you can safely spend each year in retirement.

Once you are enrolled in the FedEx 401(k) Plan, follow these steps to view your Plan's advice services online:

- Log in to your account at vanguard.com/retirementplans.
- Click "Get Advice" at the bottom of the home page.
- Select "Do It Yourself."

Investor Questionnaire

In addition to these services, the RSP offers Vanguard's *Investor Questionnaire* to provide asset allocation recommendations based on your time horizon and risk tolerance. You may access the *Investor Questionnaire* online at vanguard.com/assetmix.

Investment Options

No investment is without risk. Since your choices could have a substantial impact on the amount you ultimately receive from the RSP, you should consider your investments carefully.

If you are automatically enrolled in the RSP as part of the One Step program, the Target Retirement Trust closest to the year in which you will attain age 65 will be the default investment for your contributions.

If you would like to change your investment(s), the RSP offers a diversified lineup of investment options. To learn more about the following Vanguard mutual funds, contact Vanguard Participant Services at 1.800.523.1188 or at vanguard.com.

The investment options in the RSP are organized into three tiers:

- **All-In-One Options:** Vanguard Target Retirement Trusts.
- **Core Options:** Index-based and money market funds, plus a stable value investment.
- **Supplemental Options:** Actively managed funds.

For more information on your RSP investment options, go to fedexrsp.vanguard-education.com/ekit or contact Vanguard Participant Services at 1.800.523.1188. To use the website, click on the "Menu" tab, then click the "Research Funds" tab. Next, click the link titled "Funds in My Plan." Select the investment tier you want to research. (View the Fund or Trust Fact Sheet for information such as investment objective, expense ratio and fund performance.)

All-In-One Options: Vanguard Target Retirement Trusts

Vanguard Target Retirement Trusts provide a professionally maintained, diversified mix of investments that shifts emphasis to more conservative investments as you move closer to retirement.

With one investment selection, you can create a diversified portfolio that aligns your investments with your goals. Depending on your needs, investing in a single Target Retirement Trust could provide diversification and is designed to keep your assets invested appropriately for someone in your stage of life, up to and including your retirement years.

Investments in Target Retirement Trusts are subject to the risks of their underlying investments. The year in the investment name refers to the approximate year (the target date) when an investor would retire and leave the workforce. The trust will gradually shift its emphasis from more aggressive investments (stocks) to more conservative ones (bonds and short-term reserves) based on its target date. An investment in a Target Retirement Trust is not guaranteed at any time, including on or after the target date.

Consider choosing the investment with the date that's closest to the year when you expect to retire.

Potential fund choice	Designed for investors retiring in...	Investment mix*
Vanguard Target Retirement 2065 Trust Select	2063 or later	89.4% stocks, 9.9% bonds, 0.7% short-term reserves
Vanguard Target Retirement 2060 Trust Select	2058 to 2062	89.4% stocks, 9.9% bonds, 0.7% short-term reserves
Vanguard Target Retirement 2055 Trust Select	2053 to 2057	89.95% stocks, 9.98% bonds, 0.07% short-term reserves
Vanguard Target Retirement 2050 Trust Select	2048 to 2052	89.8% stocks, 10% bonds, 0.2% short-term reserves
Vanguard Target Retirement 2045 Trust Select	2043 to 2047	89.9% stocks, 10% bonds, 0.1% short-term reserves
Vanguard Target Retirement 2040 Trust Select	2038 to 2042	86.8% stocks, 13.1% bonds, 0.1% short-term reserves
Vanguard Target Retirement 2035 Trust Select	2033 to 2037	79.4% stocks, 20.5% bonds, 0.1% short-term reserves
Vanguard Target Retirement 2030 Trust Select	2028 to 2032	71.26% stocks, 28.72% bonds, 0.02% short-term reserves
Vanguard Target Retirement 2025 Trust Select	2023 to 2027	63.83% stocks, 36.14% bonds, 0.03% short-term reserves
Vanguard Target Retirement 2020 Trust Select	2018 to 2022	55.9% stocks, 44% bonds, 0.1% short-term reserves
Vanguard Target Retirement 2015 Trust Select	2013 to 2017	44.2% stocks, 55.8% bonds
Vanguard Target Retirement Income Trust Select**	2012 or earlier	30% stocks, 69.9% bonds, 0.1% short-term reserves

Please note that while the Target Retirement Trusts shift to more conservative asset allocations as participants' ages increase, the investment continues to have exposure to stocks. For example, the Target Retirement Income Trust is for retirees who may need to draw income. If you invest in this Trust, at age 65 your investments will have an allocation of 30 percent stocks and 70 percent bonds. On average, individuals who retire at age 65 may expect to enjoy 17 to 20 years in retirement, and many will enjoy even longer lives. The investment allocation for each Target Retirement Trust factors in average life expectancy after the target date is reached and, as a result, continues to have exposure to stocks during the retirement years, to recognize the still-lengthy investment horizon and to fend off inflationary pressure. Participants/investors who need to access their account balances more rapidly in their retirement years might need to consider shifting their asset allocations to even more conservative investment options as they near retirement.

All investing is subject to risk. Each Target Retirement Trust invests in several broadly diversified Vanguard investments—primarily low-cost Vanguard index funds.

As previously explained, Target Retirement Trusts are single-fund options that automatically shift their emphasis to more conservative investments over time. However, it is important to know that the investment manager can make changes to the investment mix—even if those changes will create more risk. Therefore, it is still a good idea to periodically check your assets so that you can assess whether the Target Retirement Trust you chose still meets your needs. Diversification does not ensure a profit or protect against a loss in a declining market. Investments in bond funds are subject to interest rate, credit and inflation risk.

* Target asset allocations for the investments. Allocations for the date-specific investments will shift (from stocks to bonds and short-term reserves) over time based on an assumed retirement age of 65.

** The Income Trust is designed for retirees.

Fund Name	Fund Type	Objective	Risk Level
Vanguard® Target Retirement Income Trust Select	Balanced (stocks and bonds)	Seeks to provide current income and some capital appreciation.	Conservative to moderate
Vanguard Target Retirement 2015 Trust Select	Balanced (stocks and bonds)	Seeks to provide capital appreciation and current income (consistent with its current asset allocation).	Moderate
Vanguard Target Retirement 2020 Trust Select	Balanced (stocks and bonds)	Seeks to provide capital appreciation and current income (consistent with its current asset allocation).	Moderate
Vanguard Target Retirement 2025 Trust Select	Balanced (stocks and bonds)	Seeks to provide capital appreciation and current income (consistent with its current asset allocation).	Moderate
Vanguard Target Retirement 2030 Trust Select	Balanced (stocks and bonds)	Seeks to provide capital appreciation and current income (consistent with its current asset allocation).	Moderate to aggressive
Vanguard Target Retirement 2035 Trust Select	Balanced (stocks and bonds)	Seeks to provide capital appreciation and current income (consistent with its current asset allocation).	Moderate to aggressive
Vanguard Target Retirement 2040 Trust Select	Balanced (stocks and bonds)	Seeks to provide capital appreciation and current income (consistent with its current asset allocation).	Moderate to aggressive
Vanguard Target Retirement 2045 Trust Select	Balanced (stocks and bonds)	Seeks to provide capital appreciation and current income (consistent with its current asset allocation).	Moderate to aggressive
Vanguard Target Retirement 2050 Trust Select	Balanced (stocks and bonds)	Seeks to provide capital appreciation and current income (consistent with its current asset allocation).	Moderate to aggressive
Vanguard Target Retirement 2055 Trust Select	Balanced (stocks and bonds)	Seeks to provide capital appreciation and current income (consistent with its current asset allocation).	Moderate to aggressive
Vanguard Target Retirement 2060 Trust Select	Balanced (stocks and bonds)	Seeks to provide capital appreciation and current income (consistent with its current asset allocation).	Moderate to aggressive
Vanguard Target Retirement 2065 Trust Select	Balanced (stocks and bonds)	Seeks to provide capital appreciation and current income (consistent with its current asset allocation).	Moderate to aggressive

Each Target Retirement Trust is designed to reach an allocation of 70 percent bonds and 30 percent stocks within seven years after its target date—making the asset allocation substantially similar to that of the Income Trust. Once a Target Retirement Trust reaches that point, Vanguard expects to merge it with the Income Trust. The Income Trust seeks to provide current income and some capital appreciation to retirees.

Core Options: Index-based and Money Market Funds, Plus a Stable Value Investment

If you have knowledge and understanding and wish to create your own diversified investment mix, you may want to start with this tier. The tier is composed mostly of index-based investments, also known as passively managed funds.

Index funds generally use a buy-and-hold strategy to try to track the performance of a given market. In other words, these funds replicate as closely as possible a particular index (for example, the S&P 500). Why would anyone invest in an index fund and earn just what the market earns? Because index funds generally cost less to run than actively managed

funds, whose managers try to outperform the market. That means they can provide low-cost access to broad segments of the stock and bond markets.

You may create your own portfolio mix by choosing from this tier alone or in combination with investments in the Supplemental options.

For more information about making investment choices, see “Personal Online Advisor, powered by Financial Engines” “Vanguard Managed Account Program, powered by Financial Engines,” and “Investor Questionnaire” in this section.

Fund Name/Ticker Symbol	Fund Type	Objective	Risk Level
Vanguard Prime Money Market Fund Admiral Shares VMRXX	Money market	Seeks to provide current income while maintaining liquidity and a stable share price of \$1.	Conservative
Vanguard Retirement Savings Trust II No ticker symbol	Stable value	Seeks to provide current and stable income while maintaining a stable share value of \$1.	Conservative
Vanguard Institutional Total Bond Market Index Trust No ticker symbol	Bond	Seeks to track the performance of a broad, market-weighted bond index.	Conservative to moderate
Vanguard Institutional 500 Index Trust No ticker symbol	Domestic stock	Seeks to track the performance of a benchmark index that measures the investment return of large-capitalization stocks.	Moderate to aggressive
Vanguard Extended Institutional Market Index Trust No ticker symbol	Domestic stock	Seeks to track the performance of a benchmark index that measures the investment return of small- and mid-capitalization stocks.	Aggressive
Vanguard Institutional Total International Stock Market Index Trust No ticker symbol	International stock	Seeks to track the performance of a benchmark index that measures the investment return of stocks issued by companies located in developed and emerging markets, excluding the United States.	Aggressive

Supplemental Options: Actively Managed Funds

The funds in this tier are actively managed and can help you diversify and fine-tune your investment mix with more specialized investments.

In actively managed funds, investment managers select specific investments with the goal of outperforming an investment benchmark (for example, the S&P 500). Because more work goes into researching and choosing specific investments, an actively managed fund can cost more to run than a passively managed fund. But these funds can be useful if you want to invest in a specific segment of the stock or bond markets.

Keep in mind that it's difficult to identify which market segments are likely to outperform others. And funds that concentrate on a relatively narrow market sector face the risk of higher share-price volatility. For these reasons, you may want to consider using this tier as a supplement to the broader investments of the core options.

In the event a proxy decision needs to be made regarding shares of a Vanguard mutual fund, the Vanguard fund shares will be voted by the fiduciary for the FedEx 401(k) Plans in accordance with the investment guides for the Plan.

Fund Name/Ticker Symbol	Fund Type	Objective	Risk Level
Vanguard Inflation-Protected Securities Fund Institutional Shares VIPIX	Bond	Seeks to provide investors inflation protection and income consistent with investment in inflation-indexed securities.	Conservative to moderate
Janus Core Plus Fixed Income Collective Fund; Class - II No ticker symbol	Bond	Seeks to obtain maximum total return, consistent with preservation of capital.	Moderate
Vanguard Wellington™ Fund Admiral Shares VWENX	Balanced (stocks and bonds)	Seeks to provide long-term capital appreciation and reasonable current income.	Moderate
Vanguard Windsor™ Fund Admiral Shares VWNEX	Domestic stock	Seeks to provide long-term capital appreciation and income.	Moderate to aggressive
Vanguard PRIMECAP Fund Admiral Shares VPMAX	Domestic stock	Seeks to provide long-term capital appreciation.	Aggressive
Vanguard International Growth Fund Admiral Shares VWILX	International stock	Seeks to provide long-term capital appreciation.	Aggressive
Vanguard International Value Fund VTRIX	International stock	Seeks to provide long-term capital appreciation.	Aggressive

Certain investment options in the 401(k) Plan, such as Vanguard Target Retirement Trusts, Vanguard Retirement Savings Trust II and Janus Core Plus Fixed Income Collective Fund, do not have prospectuses. You may obtain more information about these options, including investment fact sheets, by logging in to your account at vanguard.com/retirementplans or by calling Vanguard at 1.800.523.1188.

Vanguard Target Retirement Trusts and Vanguard Retirement Savings Trust II are not mutual funds. They are collective trusts available only to tax-qualified plans and their eligible participants. The collective trust mandates are managed by Vanguard Fiduciary Trust Company, a subsidiary of The Vanguard Group, Inc.

A Note About Risk

While U.S. Treasury or government agency securities provide substantial protection against credit risk, they do not protect investors against price changes due to changing interest rates. While the market values of government securities are not guaranteed and may fluctuate, these securities are guaranteed as to the timely payment of principal and interest. Foreign investing involves additional risks including currency fluctuations and political uncertainty.

FedEx Corporation Stock Fund

This unregistered custom separate account is composed of shares of FedEx Corporation common stock (Company stock), in addition to a money market security for liquidity purposes that arose as a result of contributions to the Profit Sharing Contributions Account, Company Stock Distribution Account (also known as the Investment Credit Stock Account), Company ESOP Account, Prior Company Match Account and Stock Bonus Account. The following accounts that were merged into the RSP from the Ground RSP also hold Company Stock: Pre-tax Contribution Account, Employer Matching Contribution Account and Rollover Account. This fund is closed to new contributions or investments. You may exchange out of the FedEx Corporation Stock Fund into other funds in your account at any time. If you do elect to exchange out of the FedEx Corporation Stock Fund, it is important for

you to be aware of certain consequences once your shares are exchanged and the proceeds reinvested in other investment funds:

- Because FedEx Corporation stock is not an investment option in the RSP, you cannot exchange assets into the FedEx Corporation Stock Fund; an exchange out is one-way.
- Currently shares in the FedEx Corporation Stock Fund can be distributed in-kind, which means you can receive a distribution at retirement or termination in shares of stock. Once shares are exchanged out of the fund, an in-kind distribution is no longer available.
- Special federal income tax treatment is afforded to employer securities that have increased in value relative to their cost basis and are distributed as part of a lump-sum distribution from a qualified retirement plan. If you elect to exchange out of the FedEx Corporation Stock Fund, you will lose any potential benefit from this tax treatment. You should contact a tax advisor for more information.

When trading FedEx stock, you will not be directly charged for the sale of the stock. Your commission costs for a particular business day's overall trading will be incorporated into the Participant Transaction Price for that business day. Vanguard's commission on FedEx stock sold in the RSP is typically 1 cent to 3 cents per share. For a FedEx Corporation Stock Fund exchange request to be executed on the same business day, generally it must be completed by 1 p.m., Eastern time (12 p.m., Central time and 10 a.m., Pacific time).

Annually, every participant with one or more units to his/her credit in the FedEx Corporation Stock Fund receives proxy solicitation materials and instructions on voting Company stock. All voting instructions will be submitted to Vanguard Fiduciary Trust Company (the "Trustee"). The Trustee will hold voting records in confidence. In the event a proxy decision needs to be made regarding shares of a Vanguard mutual fund, the Vanguard fund shares will be voted by the fiduciary for the FedEx 401(k) Plans in accordance with the investment guidelines for the Plan.

Because it concentrates on a single stock, the FedEx Corporation Stock Fund is considered riskier than a stock mutual fund, which is diversified.

Policies That Affect Your Investment Direction

While the RSP allows a great deal of flexibility for you to choose your investments, Vanguard has established policies to discourage short-term trading and to help eliminate the negative impact of market timing or other strategies that may raise transaction costs of the investment funds for all fund shareholders.

A summary of each policy is provided below. Please refer to the prospectus of each investment fund for a more detailed summary, as well as any changes to these policies.

Competing Funds Policy

Under the competing funds policy, you are agreeing to certain limitations imposed by issuers of investment contracts when you invest in Vanguard Retirement Savings Trust II. Exchanges from the trust into short-term bond funds and money market funds are not generally permitted because these funds have similar investment objectives and are designated as competing funds. In the RSP, the Vanguard Prime Money Market Admiral Shares and the Vanguard Inflation-Protected Securities Fund Institutional Shares are designated as competing funds.

You can transfer money from Vanguard Retirement Savings Trust II into a stock fund, a balanced fund, or an intermediate- or a long-term bond fund at any time. However, the money must remain there for 90 days before you can transfer it into a shorter-term bond or money market fund (such as Vanguard Prime Money Market Admiral Shares or Vanguard Inflation-Protected Securities Fund Institutional Shares).

This investment restriction is imposed by the financial institutions that issue the contracts in Vanguard Retirement Savings Trust II's portfolio. The restriction is designed to discourage frequent shifting of money from one fund to another to take advantage of slight changes in interest rates. Such frequent transfers drive up the cost of managing the Vanguard Retirement Savings Trust II, which harms all Vanguard Retirement Savings Trust II investors.

Please refer to the prospectus of each investment fund for a more detailed summary, as well as any changes to these policies. **Note:** The Janus Core Plus Fixed Income Collective Fund is a commingled investment trust (CIT), not a mutual fund. No prospectus is available because CITs are not included in the definition of a registered security and regulated investment company under various securities laws. Other CITs within the 401(k) are the Vanguard Retirement Savings Trust II and the Vanguard Target Retirement Select Trusts.

Frequent-trading Policy

A frequent-trading policy applies to all investment options in the RSP, with the exception of Vanguard Retirement Savings Trust II and Vanguard Prime Money Market Fund Institutional Shares. Under this policy, if you exchange money out of an investment, you will not be able to exchange money back into the same investment within 30 calendar days. The term "exchange" refers to a transaction in which proceeds from a redemption of investment shares in a plan are used to purchase another investment offered within the RSP.

Please note that the 30-day restriction only applies to exchanges **into** an investment and does not apply to transactions such as contributions, distributions and loans. You may always exchange money **out** of any investment at any time. In addition, the 30-day restriction described above will not apply to any change that you make to the investment of **future** contributions. The prospectus for each investment option gives a more detailed description of restrictions on investment exchanges, including any changes made to this policy. You can request a copy of the prospectus by calling Vanguard Participant Services at 1.800.523.1188 or online at **vanguard.com**.

This policy will **not** apply to the following:

- Vanguard Retirement Savings Trust II and Vanguard Prime Money Market Admiral Shares.
- Purchases of shares with participant payroll or employer contributions or loan repayments.
- Purchases of shares with dividends or capital gains distributions.
- Distributions, loans and in-service withdrawals from the RSP.
- Redemptions of shares as part of a plan termination or at the direction of the RSP.
- Redemptions of shares by Vanguard to pay fund or account fees.
- Share or asset transfers or rollovers.
- Re-registration of shares.
- Conversions of shares from one share class to another in the same investment.

Employee Retirement Income Security Act (ERISA) Section 404(c)

The RSP is intended to satisfy the requirements of Section 404(c) of the Employee Retirement Income Security Act (ERISA). In general, this means that investment losses caused by your investment decisions will not give you a right against any plan fiduciary, including FedEx, the trustee or any named fiduciary. Therefore, FedEx Corporation, the RSP's Participating Employers, the Trustee or any named fiduciary will **not** be liable for those losses. Since you alone will be responsible for the losses or gains that result from your investment decisions, it is very important that you carefully consider the investment options available to you and periodically re-evaluate your options.

You should note that in the event a proxy voting decision needs to be made regarding shares of a Vanguard mutual fund, the Vanguard fund shares will be voted by the fiduciary for the RSP in accordance with the investment guidelines for the RSP.

How to Select or Change Your Investment Options

Your Choices

The RSP's investment lineup is organized into three tiers: All-in-one, Core, and Supplemental options. Consider choosing a single All-in-one option or create your own mix from the Core and/or Supplemental options as long as the total equals 100 percent, such as:

- 100 percent in one investment option.
- 45 percent in one investment option, 55 percent in another.
- 50 percent in each of two different investment options.
- 50 percent in one investment option, 15 percent in one option and 35 percent in one option, or
- 10 percent in each of six different investment options and 40 percent in one investment option.

Note: Selections may be made in 1 percent increments.

There are two ways you can change your investment choices:

- You can exchange your existing balance among your investment options.
- You can also change your investment choices for future contributions at any time.

Each investment change is independent of the other. To change both existing balance and future contributions, you must make two independent changes. Changes may be made any day, 24 hours a day subject to limitations as set forth in each investment option's prospectus. However, you can only change your investment choices for your existing balances once during any business day. Once you have made a change in your investment choices for your existing balances, you must wait until the following business day to make another change.

How to Request a Change

Vanguard provides an automated service that allows you to select or change your investment options. Changes can be made any day, 24 hours a day, online at vanguard.com/retirementplans or by calling the VOICE Network at 1.800.523.1188. You can also speak to a Vanguard associate between 7:30 a.m. and 8 p.m., Central time, Monday through Friday, by calling Vanguard Participant Services at 1.800.523.1188.

If you make elections/changes before the stock market closes (generally 4 p.m., Eastern time, 3 p.m. Central time and 1 p.m. Pacific time), your elections/changes are based on that day's closing price. If you make elections/changes after the stock market closes, your elections/changes will be based on the next business day's closing price.

Vanguard will send a written confirmation of your elections or changes to your home address within seven business days.

For more information about any fund, including investment objectives, risks, charges and expenses, call Vanguard Participant Services at 1.800.523.1188 to obtain a prospectus or, if available, a summary prospectus. The prospectus contains this and other important information about the fund. Read and consider the prospectus information carefully before you invest. You can also download Vanguard fund prospectuses at vanguard.com.

* Vanguard Retirement Savings Trust II is not a mutual fund. It is a collective trust available only to tax-qualified plans and their eligible participants. Investment objectives, risks, charges, expenses and other important information should be considered carefully before investing. The collective trust mandates are managed by Vanguard Fiduciary Trust Company, a wholly owned subsidiary of The Vanguard Group, Inc.

The Vanguard Group has partnered with Financial Engines to provide sub advisory services to the Vanguard Managed Account Program and Personal Online Advisor. Financial Engines is an independent, registered investment advisor that does not sell investments or receive commission for the investments it recommends. Advisory services are provided by Vanguard Advisers, Inc. (VAI), a federally registered investment advisor and an affiliate of The Vanguard Group, Inc. (Vanguard). Vanguard is owned by the Vanguard funds, which are distributed by Vanguard Marketing Corporation, a registered broker-dealer affiliated with VAI and Vanguard. Neither Vanguard, Financial Engines, nor their respective affiliates guarantee future results.

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Vanguard Prime Money Market Fund

*The fund is only available to retail investors (natural persons). You could lose money by investing in the fund. Although a money market fund seeks to preserve the value of your investment at \$1 per share, it cannot guarantee it will do so. The fund may impose a fee upon sale of your shares or may temporarily suspend your ability to sell shares if the fund's liquidity falls below required minimums because of market conditions or other factors. An investment in the fund is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. The fund's sponsor has no legal obligation to provide financial support to the fund, and you should not expect that the sponsor will provide financial support to the fund at any time.**

Benefit Availability

The RSP has provisions for withdrawals, loans and distributions as described in the following subsections.

When requesting a loan and withdrawal at the same time, please speak with a Vanguard associate at 1.800.523.1188, instead of accessing VOICE, to receive guidance regarding the order and timing of your benefit.

Withdrawals

Eligibility for Withdrawals

The following withdrawals are available from the RSP. Your ability to make a withdrawal depends on a number of different factors:

- Your age.
- The circumstances for the withdrawal.
- When withdrawals are allowed (subject to limitations).

If you were employed by a Participating Employer of another FedEx 401(k) Plan and transfer to a Participating Employer of the RSP, you may be eligible to take an in-service withdrawal or a hardship withdrawal from your former FedEx 401(k) Plan. Please refer to the "Withdrawals" section in the YRB of your former FedEx 401(k) Plan or call Vanguard Participant Services at 1.800.523.1188.

For a complete description of all account types referred to in this section, see "Retirement Savings Plan Accounts" in this section.

In-Service Withdrawal

You can make the following in-service withdrawals if you are under age 59½. Based on the availability of assets in your account, you are allowed in-service withdrawals each plan year. Funds are withdrawn from your account in the following order: After-tax Contribution Account, Military Leave After-tax Contribution Account, Prior Company After-tax source (this is in the Account titled "Prior Company Transfer Account"), Profit Sharing Contributions Account, Military Leave Profit Sharing Account, Prior Company Employer Contribution source (this is in the Prior Company Transfer Account), Rollover Account, Prior Company Rollover source (this is in the Prior Company Transfer Account) and Prior Company Match Account.

Note: If you are under age 59½, you are not allowed in-service withdrawals from your Pre-tax or Catch-up Contribution Account, your Prior Pre-tax Contribution Account (if applicable) or your Military Leave Pre-tax or Catch-up Contribution Accounts (if applicable).

After age 59½, you can make withdrawals from any of your vested accounts except the Company Stock Distribution Account (also known as the Investment Credit Stock Account), Stock Bonus Account and Company ESOP Account as long as you have the assets available.

Hardship Withdrawal

Withdrawals are made for hardship reasons from the following accounts: Company Match I and III Account, Prior Company Match Account, Pre-tax/401(k) Contribution Account, Prior Pre-tax Contribution Account, Military Leave Pre-tax/401(k) Contribution Account, Prior Company Pre-tax Account, Catch-up Contribution Account and Military Leave Catch-up Contribution Account.

Hardship withdrawals may be made at any time for a minimum of \$500; however, you must first take out any available loans and in-service withdrawals from the RSP. A processing fee will be deducted from your plan account once your hardship withdrawal is processed. The fee will not be assessed if you do not return your application or if your hardship request or application is rejected.

To be considered a hardship, there must be a **bona fide** need for funds for one of the following reasons:

- Medical expenses incurred, or to be incurred, by you or your dependents that are not covered by health insurance.* You may be required to provide a statement from the insurance company that payment is being denied.
- Closing cost and down payment necessary to purchase your primary residence (excludes mortgage payments and home closings that have already occurred).

* **Note:** This hardship provision allows for a withdrawal from the RSP to cover the amount not covered by insurance benefits. Government regulations for retirement and savings plans change frequently. Changes to the withdrawal provisions may be necessary to comply with future legislation.

You are prohibited from making contributions to all Plans** for six consecutive months following the receipt of a hardship distribution.

** All Plans maintained by FedEx Corporation means all qualified and nonqualified deferred compensation Plans, all stock option, stock purchase or similar Plans, including the FedEx Corporation Employee Stock Purchase Plan.

- Tuition payment, educational fees and room and board expenses for the next semester, quarter or 12-month period of post-secondary education for you or your dependents. Any Participating Employer-paid tuition reimbursement for which you are eligible will be considered before paying a hardship withdrawal.
 - Prevention of your eviction from your primary residence or the foreclosure of your mortgage on primary residence.
 - Expenses incurred for the funeral or burial of a deceased parent, spouse, child or dependent.
 - Repair of damage to principal residence if the expenses qualify as a casualty deduction.*
 - Hardships caused by natural disasters to principal residence or place of employment that is a location identified as a covered disaster area as described by IRS Announcements.*
- Complete the Application and return it to Vanguard, along with the required supporting documentation, to the following:

Regular Mail	Overnight Mail
ATTN: FedEx Corporation Retirement Savings Plan—Plan number 093111 The Vanguard Group P.O. Box 1101 Valley Forge, PA 19482-1101	ATTN: FedEx Corporation Retirement Savings Plan—Plan number 093111 The Vanguard Group 100 Vanguard Blvd. Malvern, PA 19355

You should retain a copy of all supporting documentation submitted as proof of your financial hardship. All supporting documentation must be dated within 90 days of your withdrawal request. The type of supporting documentation required depends on the reason for your financial hardship. Examples of the required supporting documents are included in the Hardship Withdrawal Application that you receive when you initiate your withdrawal request.

All documentation should be dated, authorized and on appropriate paper (i.e., contain the institution's logo, letterhead). Photocopies and faxed copies will be accepted. Non-English documentation will be referred back to you to provide a certified English translation. Vanguard shall be entitled to rely on any such certified English translations as if it were the original documentation. Documentation that is ambiguous, questionable or related to an unusual situation or does not otherwise meet the standards outlined in these procedures will be referred to the Plan Administrator's attention for final determination.

Vanguard will not be responsible for verifying the authenticity of any of the supporting documents.

For information about required supporting documentation, log in to vanguard.com/retirementplans. You will need to be registered. You will need your Social Security number and Plan number (093111) to register.

For more information or if you have questions, call Vanguard Participant Services at 1.800.523.1188.

Requesting a Hardship Withdrawal

- Call Vanguard Participant Services at 1.800.523.1188 to request a Hardship Withdrawal Application ("Application"). Vanguard will send you an Application the next business day. You should receive your Application in the mail within seven to 10 days of initiating your withdrawal. If you have registered for secure online account access, your Application will also be available for download through the Secure Message Center within two to 24 hours of your request. You must log in to your account at vanguard.com/retirementplans to access it. The Application will remain valid for 45 days from the date of the application.

* **Note:** This hardship provision allows for a withdrawal from the RSP to cover the amount not covered by insurance benefits. Government regulations for retirement and savings plans change frequently. Changes to the withdrawal provisions may be necessary to comply with future legislation.

You are prohibited from making contributions to all Plans** for six consecutive months following the receipt of a hardship distribution.

** All Plans maintained by FedEx Corporation means all qualified and nonqualified deferred compensation Plans, all stock option, stock purchase or similar Plans, including the FedEx Corporation Employee Stock Purchase Plan.

- Your request will be forwarded to Vanguard’s Hardship Determination Team for review and processing. If the Application and the supporting documentation meet the requirements provided under the terms of the Plan, the request will be approved and submitted for processing. If approved, your check will be mailed within one week. You may also request to receive your hardship withdrawal via Electronic Bank Transfer (EBT).

If the Application and/or supporting documentation is incomplete or does not meet the terms of the Plan, or applicable laws or regulations under ERISA or the Code, you will be contacted by phone or letter* and asked to provide additional information to substantiate your request. You can provide additional written documentation to substantiate the original amount of the request provided the Application has not expired.

- If the requested amount exceeds the amount substantiated in the supporting documentation (including any amounts for taxes and/or penalties), you will be contacted via phone or letter to approve the lesser amount. Upon verbal or written approval by you, if the lesser amount meets the Plan minimum the hardship will be processed.

You will **not** be contacted for further approval if the requested amount exceeds the amount substantiated in the supporting documentation (including any amounts for taxes and/or penalties); and the discrepancy is not more than \$25 or 2.5 percent of the requested hardship withdrawal amount, whichever is greater.

- If there are insufficient funds in your account due to market value fluctuation and as a result, the original amount of the request cannot be satisfied, the withdrawal will be processed if the maximum amount available meets the Plan minimum. If a withdrawal cannot be processed due to the decrease in account value, the Application will be returned to you with a letter stating that the withdrawal cannot be processed.

Withdrawal Tax Considerations

You will be responsible for paying any federal, state, local or foreign taxes on a distribution or withdrawal (except for your actual After-tax contributions that were already taxed). If you are under age 59½, withdrawals may be subject to an additional 10 percent federal excise tax unless one of the following exceptions applies:

- As an active employee, you are at least age 59½.
- You terminate employment during or after the year you reach age 55.
- You die.
- You become disabled. See “Disability” in the “Distributions” subsection of this section for details.
- You incur medical expenses that do not exceed the medical deduction limits allowed by the IRS for personal income tax purposes.
- Payments are made because of a Qualified Domestic Relations Order (QDRO). See “Payments to an Alternate Payee” in the “Distributions” subsection of this section for details.
- Payments are made to the IRS due to a tax levy.

As required by the IRS, 20 percent of your taxable in-service withdrawal, except hardship withdrawals, is automatically withheld for federal income tax purposes unless the withdrawal is directly transferred (rolled over) from the RSP to a qualified rollover IRA, a Roth IRA (if eligible) or another qualified retirement plan. Hardship withdrawals are not eligible to be rolled over.

Withdrawal of After-tax contributions made before January 1, 1987, does not have to include earnings; however, withdrawal of After-tax contributions made after December 31, 1986, must include earnings on the principal amount withdrawn. To the extent required by law, Vanguard will make the appropriate withholding for tax purposes.

* A letter will be mailed to you if Vanguard is unable to reach you by phone, or if you do not contact Vanguard Participant Services within 48 hours. For information on how to access the Plan’s claim and appeals process, see “Claims and Appeals” in the “Plan Administration” section.

Loans

Funds Available for Loans

You may only make a loan against your accounts if you are actively at work. You repay the loan through payroll deductions. The loan will be made from your accounts in the following order (any assets included in a loan that are attributable to the FedEx Corporation Stock Fund will be paid in the form of cash instead of stock certificates):

- After-tax Contribution Account, Military Leave After-tax Contribution Account and the Prior Company Transfer Account source entitled, Prior Company After-tax.
- Profit Sharing Contributions Account, Military Leave Profit Sharing Account and the Prior Company Transfer Account source entitled, Prior Company Employer Contribution.
- Prior Company Match Account.
- Employer Matching Contribution Account, Military Leave Employer Matching Contribution Account, Prior Company Transfer Account source, Prior Employer Match and Company Match I Account.
- Rollover Account and the Prior Company Transfer Account source entitled, Prior Company Rollover.
- Pre-tax Contribution Account (employee contributions), Military Leave Pre-tax Contribution Account, Catch-up Contribution Account, Military Leave Catch-up Contribution Account, Prior Company Transfer Account source, Prior Company Pre-tax and Prior Before-tax Account I.

Loan Rules

The most you can borrow is half of your account balance as of the date your loan is issued, up to a total of \$50,000. The \$50,000 limit is reduced by your highest outstanding loan balance within all FedEx 401(k) Plans during the last 12 months. If your requested loan amount decreases due to market fluctuation, your loan will be issued for the amount available.

Note: To minimize the possibility that your available loan amount may decrease due to fluctuating market conditions, on the day of your loan request, consider investing your RSP accounts in the money market fund available until your loan has been issued.

The minimum amount you can borrow is \$1,000.

You have to register to access **vanguard.com**, and will need your Social Security number and Plan number (093111) to register.

- Enter user name and password.
- Select “View Plan Rules/Access My Money/Loans/Loan Repayment Schedules.”

A nonrefundable loan processing fee is required for each loan. The amount of your loan request must cover the loan fee, which will be deducted from your loan amount when your loan is processed. A nonrefundable loan processing fee applies for each loan initiated through **vanguard.com** or through the VOICE Network. There is an additional fee for loans initiated through a Vanguard associate. Fees are reviewed periodically.

You may have only one loan outstanding in the RSP at a time. You are not eligible for another loan in the RSP for one year after the final payment on your previous loan has been posted to your account (see “Loan Default Rules” in this subsection for details). Outstanding loan balances may be paid off early. The loan repayment period is a minimum of 12 months and a maximum of 60 months for all new loans (other than principal residence loans). Principal residence loans must be used for the acquisition of your principal residence and may be extended to 10 years. The rate charged is set monthly and is equal to the prevailing prime rate charged by a major national bank. Once your loan is processed, the applicable rate is set and applies over the term of the loan.

Contact Vanguard Participant Services to initiate a principal residence loan. Vanguard will review all requests for principal residence loans **before** they are processed. When you request a principal residence loan you will receive an application and must return that application to Vanguard with documentation required for the loan. You must send a copy of your purchase agreement or your mortgage agreement. The documentation must be dated within 90 days of your loan request. For additional information about the loan process, contact Vanguard Participant Services.

If you terminate, retire, die, become disabled or choose to receive all account balances, the loan balance becomes due. If you do not make a full repayment, your loan balance will be treated as a taxable distribution. You may contact Vanguard Participant Services at 1.800.523.1188 to obtain a loan payoff amount in order to prevent this taxable distribution. See “Loan Default Rules” in this subsection for a description of the grace period for required repayment.

If you transfer to a different FedEx Operating Company but are still employed by a FedEx Controlled Group Member:

- If the FedEx Controlled Group Member you transfer to participates in another FedEx 401(k) Plan and uses a different payroll system, you may complete an application to have loan repayments continue through automatic deductions from your personal checking or savings accounts on a monthly basis. Contact Vanguard Participant Services at 1.800.523.1188 to request an ACH application.
- If the FedEx Controlled Group Member you transfer to participates in your existing FedEx 401(k) Plan, you may continue your loan payments through payroll deductions. Your loan payment, however, may need to be re-amortized if your pay frequency changes when transferring to a new operating company.

Applying for a Loan	
Contact Vanguard Participant Services at 1.800.523.1188 or online at vanguard.com/retirementplans to request a loan.	
General Purpose Loan	Principal Residence Loan
Your check will be processed within one week after your request—generally the next business day. No paperwork is required. You also will receive a promissory note regarding the terms of your loan from Vanguard for your files.	Vanguard will send you an application packet within seven to 10 business days. Sign and return the application with required documentation (a copy of your purchase agreement or your mortgage agreement) to Vanguard. Upon receipt of your application and supporting documentation, Vanguard will review your request, and, if your paperwork is in good order, process your loan within three business days. Allow seven to 10 days for delivery of your check. You may also request to receive your loan via Electronic Bank Transfer (EBT).

Loan Default Rules

Default on a loan will occur when you fail to make a required repayment within the grace period allowed in the RSP. The grace period ends on the last day of the calendar quarter following the calendar quarter in which your last scheduled payment was due or made, whichever is first, not to exceed the required five-year limit for a general-purpose loan plus the grace period (allow five days prior to the due date for processing). The grace period is different for an approved non-military unpaid leave of absence and a military leave of absence.

While on an approved non-military unpaid leave of absence or unpaid suspension, you may suspend your loan payment for a maximum of 12 months or your loan end date, whichever is first. Upon your return to work, your loan payment deductions should resume. If your loan payment does not resume, contact your payroll department. Your loan end date will be extended by the period of non-military unpaid leave of absence or unpaid suspension, but not beyond the 12-month statutory limit per occurrence or the five-year limit for a general-purpose loan. At the end of your loan term, a balloon payment may be required for any principal and accrued interest for the period you were on a non-military leave of absence.

While on a military leave of absence, your loan payment will be suspended for the duration of your military leave, subject to plan provisions. Upon your return to work, your loan payments should resume. If your loan payment does not resume, contact your payroll department. Your loan end date will be extended by the period of the military leave of absence. At the end of your loan term, a balloon payment may be required for any principal and accrued interest for the period you were on leave.

If you default on the payment of principal and interest due, the account in which you have been given a security interest will be permanently reduced by the amount of the outstanding loan as soon as assets in your plan accounts are distributable.

Even if assets in your accounts cannot be distributed when the loan is defaulted, a distribution will be deemed to have occurred with the resulting tax consequences and issuance of a tax statement. (Any taxable portion may be subject to an excise tax in addition to federal, state and local income tax.) Although the loan will be taxable to you, it will remain outstanding under the RSP and will not be offset until your account is available for distribution. You will be unable to take a new loan from the RSP until you repay the full amount of your deemed distribution plus applicable accrued interest. The deemed distribution will count as an outstanding loan against the maximum number of loans available. Once you repay your deemed distribution balance with accrued interest, you may then be eligible to receive a new loan subject to the RSP's restrictions. The one-year wait between loans will restart on the date your deemed distribution is repaid.

Call Vanguard Participant Services at 1.800.523.1188 to request information on paying off your defaulted loan.

Distributions

Retirement or Termination of Employment

Following your termination from employment or retirement, but no earlier than 45 days following your termination or retirement, you may elect to receive a total (lump sum) or partial distribution from your plan account at any time. You may:

- Receive your account balance in annual, semi-annual, quarterly or monthly installments, to be paid over a period not to exceed your life expectancy. Once installments start, the amount of each payment is determined by dividing your account balance at the time of payment by the number of installments remaining to be paid.
- Elect to receive distributions in any amount you wish, beginning and ending as you direct.

Unless you choose otherwise, your account balance will remain in the RSP until you attain age 70½, at which time you will be required to receive minimum required distributions beginning no later than April 1 of the following year.

Vanguard will send information to apply for your benefits no earlier than 45 days following your termination or retirement date as reflected in your employer's HRIS. If your balance is greater than \$1,000, you may choose to defer your payment until you attain age 70½. You will be required to receive minimum required distributions no later than April 1 of the year following the year that you attain age 70½. See "Deferred Payments for Terminated Employees" in this subsection for details. Once you terminate employment or retire, you may elect a total or partial distribution from your account(s) at any time.

If your account balance is \$1,000 or less, your account balance is distributed as soon as administratively possible after 45 days from your date of termination from employment or retirement. See "Total Distribution Forms of Payment" in this subsection for details.

If you terminate employment with a Participating Employer and become employed by another FedEx Controlled Group Member or foreign affiliate that is not a Participating Employer, you will not be eligible to receive a distribution or to roll over your RSP balance to a retirement plan sponsored by a non-participating FedEx Controlled Group Member or foreign affiliate. This applies as long as you are an active employee with any FedEx Controlled Group Member or foreign affiliate. You may, however, be eligible to take an in-service withdrawal, hardship withdrawal, or loan from your former RSP. You can also continue to manage your investment options. Once you terminate again and are no longer employed by any FedEx Controlled Group Member or foreign affiliate, you may receive a one-time payment of your entire account balance or you may choose another distribution option as described above.

Additionally, if you have an outstanding loan balance in the RSP when you terminate employment with a Participating Employer, any unpaid balance is considered a distribution from your account and is subject to all applicable taxes unless you repay the outstanding loan balance in full prior to the end of the grace period and before you request distribution of your account. The grace period ends on the last day of the calendar quarter following the calendar quarter in which your last scheduled payment was due or made.

Active Employees Age 70½ or Older

If you are actively employed with a FedEx Controlled Group Member or foreign affiliate at the time you reach age 70½, you are not required to take a distribution. If you would like to take a distribution, see “Withdrawals” in this section for details.

Death

If you die while actively employed, while on an approved leave of absence (including military leave) or following your termination of employment or retirement, your beneficiary will be eligible to receive your entire account balance. Your beneficiary will be required to submit proof of your death to Vanguard.

If your beneficiary is your spouse and your account balance is \$1,000 or less, your balance will be paid out as soon as administratively possible. If your balance is greater than \$1,000 and your spouse is your beneficiary, your spouse can receive your entire account balance as soon as administratively possible. Your spouse can also choose to defer payment of the benefit until the later of December 31 of the calendar year following your death or December 31 of the calendar year in which you would have attained age 70½, at which time he/she will be required to receive minimum required distributions.

If your beneficiary is not your spouse and your account balance is \$1,000 or less, your account balance will be paid as soon as administratively possible. If your balance is greater than \$1,000, your beneficiary can receive your entire account balance as soon as administratively possible. Your beneficiary must receive a lump-sum distribution by December 31 of the calendar year containing the fifth anniversary of your (the participant’s) death. Your beneficiary may also request a rollover into an inherited IRA during this time period.

Filing an Application for Benefits—Death

- Your beneficiary must notify Vanguard Participant Services at 1.800.523.1188 of your death and submit necessary information to Vanguard.
- Vanguard will verify the beneficiary and coordinate the distribution process. Vanguard will mail the beneficiary detailed information regarding the distribution.

Disability

If you become disabled, regardless of age, you may be eligible to receive a one-time distribution of your entire account balance. You also may request any of the withdrawal options provided for in the RSP subject to your eligibility. For this purpose, disability means a participant’s inability, because of a medically determinable physical or mental impairment, to perform the duties of his/her regular occupation. The earliest date on which you can receive a distribution due to your disability is the earlier of:

- 24 months after the date on which you are determined, in the discretion of the Administrator, to be disabled.
- The date on which you become eligible for Social Security disability benefits, or
- The date on which you submit satisfactory medical evidence of terminal illness.

Call Vanguard at 1.800.523.1188 for more details and/or to request a Disability Eligibility Application.

Deferred Payments for Terminated Employees

If you terminate employment with all FedEx Controlled Group Members and foreign affiliates and your RSP account balance totals more than \$1,000, you may defer receiving your benefits up to age 70½.

You are required to start taking distributions no later than April 1 of the calendar year following the **later of** the calendar year in which you attain age 70½ or the calendar year you terminate employment with FedEx. Minimum required distributions that are made because you have reached age 70½ are not eligible for a direct rollover. If you want your payment to be made before age 70½, you must call Vanguard Participant Services at 1.800.523.1188 to request a distribution.

Payments to an Alternate Payee

A court may issue a Domestic Relations Order (DRO) under state domestic relations law directing the Plan Administrator to pay all or a portion of your RSP benefit to an alternate payee.

A QDRO is a judgment, decree or order, made in accordance with domestic relations law and subject to provisions under federal law, that requires the Plan Administrator to pay all or a portion of your benefit to an alternate payee, a spouse, a former spouse or a dependent who is recognized under a QDRO as being entitled to receive all or part of your benefit.

The Plan Administrator is ultimately responsible for determining if a DRO is qualified as a QDRO. A third-party administrator has been hired to review DROs and to determine if they meet the requirements of a QDRO. All inquiries about QDROs should be directed to:

Regular Mail

FedEx Qualified Order Center
P.O. Box 1433
Lincolnshire, IL 60069-1433
Phone: Toll free 1.855.604.6221,
Monday through Friday, 8 a.m. – 6 p.m. Central time
Fax: 847.554.1969
Online: qocenter.com

Overnight Mail

FedEx Qualified Order Center
4 Overlook Point
Lincolnshire, IL 60069-1433

You may call 1.855.604.6221 (toll free) to speak with a representative or request governing procedures, which are provided without charge.

Total Distribution Forms of Payment

You may choose to have your balance in the RSP paid in one of the following methods:

- **Lump Sum:** Provides a one-time payment of your entire balance in the RSP.
- **Installment Payment:** Provides payment of your account balance in the RSP in annual, semi-annual, quarterly or monthly installments, to be paid over a period not to exceed your life expectancy. Once installments start, the amount of each payment is determined by dividing your account balance at the time of payment by the number of installments remaining to be paid.

- **Direct Rollover:** Provides a payment of your balance in the RSP to a qualified rollover IRA, a Roth IRA (if eligible) or another qualified retirement plan. By selecting this payment option, you can defer income taxes and avoid excise taxes.

The IRS imposes mandatory withholding on your taxable distribution on payments made directly to you. To avoid the 20 percent withholding tax, you may request a direct rollover distribution be made to a qualified rollover IRA, a Roth IRA (if eligible) or another qualified retirement plan. If you receive a distribution prior to age 59½ and do not roll it over, any taxable portion of your distribution may be subject to a 10 percent federal excise tax in addition to federal, state and local income tax. However, if you terminate employment with FedEx on or after age 55, you may not be subject to a 10 percent federal excise tax.

If your account balance is \$1,000 or less and you do not elect otherwise, your account will be automatically paid to you in a lump sum as soon as administratively possible after the end of the quarter following the quarter in which you terminate employment. Applicable taxes will be withheld and a check will be mailed to your home address on file with Vanguard.

You should consider your form of payment carefully. Once your payment has been processed, your elected option cannot be changed. It is recommended that you consult with a tax advisor before making your decision.

Taxation on Distributions

See “Withdrawal Tax Considerations” in the “Withdrawals” subsection of this section for details.

Accessing Your Account by Telephone

- Call Vanguard Participant Services at 1.800.523.1188 from a touch-tone phone.
 - Spanish-speaking: Call 1.800.828.4487.
 - Hearing-impaired: Call 1.800.523.8004.
- The VOICE Network will guide you through the enrollment process for payroll deductions and investment options. (If you wish to speak with a Vanguard associate at any time during the call, press 0.)

What To Do When

Overview

Note: References to FedEx or Company include all FedEx Companies participating in the retirement plan.

Various life events affect your benefits under the retirement plans described in this Summary Plan Description (SPD). The following subsections address some specific life events, a general summary of how they affect your Plans as well as next steps to consider in each instance.

Benefits After Employment Termination

Retirement Plan or Program	Benefits
FedEx Corporation Employees' Pension Plan (pension plan)	<p>Following termination of employment from all FedEx Controlled Group Members and foreign affiliates for benefits accrued under the:</p> <p>Traditional Pension Benefit (TPB) formula</p> <ul style="list-style-type: none"> If vested, may receive monthly benefits as early as age 55 (reduction for commencement prior to normal retirement age). <p>Portable Pension Account (PPA) formula</p> <ul style="list-style-type: none"> If vested, may receive benefits. <p>Payments may not be deferred past age 70½.</p>
FedEx Corporation Retirement Savings Plan (RSP)	<p>Distribution available no earlier than 45 days following termination of employment from all FedEx Controlled Group Members and foreign affiliates or defer payment up to age 70½, at which time required minimum distributions will begin.</p>

Pension Plan

If you are vested when you terminate employment with all FedEx Controlled Group Members and foreign affiliates, and you have an accrued benefit under the TPB and/or PPA formula, you are eligible to receive a vested benefit from the pension plan.

If you have an accrued benefit under the:

- **TPB Formula:** Your vested TPB will be based upon your years of credited service for benefit accrual and your final average earnings. The FedEx Retirement Service Center (RSC) calculates your benefit and sends you a Statement of Deferred Vested Benefit 75 days following your termination date. You are eligible to receive monthly benefits as early as age 55.
- **PPA Formula:** Your vested PPA accrued benefit will be based on compensation credits, interest credits and, if eligible, transition compensation credits. You can elect to receive your PPA benefit following your termination of employment from all FedEx Controlled Group Members and foreign affiliates. It is your responsibility to notify the RSC by phone at 1.855.604.6221 or online at retirement.fedex.com, no earlier than 90 days but at least 30 days before you want your pension plan benefits to begin. For additional information, see the "Portable Pension Account (PPA) Formula" section.

Please make sure you inform the RSC of any address changes.

RSP

You are eligible to receive a distribution of your entire account balance. For more information, see the "Retirement Savings Plan (RSP)," "Distributions" and "Withdrawal Tax Considerations" section/subsections.

If your account balance is \$1,000 or less, your account will be paid as soon as administratively possible but no sooner than 45 days following your date of termination.

If your account balance is greater than \$1,000, you may defer payment of your account balance in the RSP until age 70½, at which time required minimum distributions will begin. If you maintain a balance in the plan after you separate from employment or retire, a recordkeeping fee will be deducted from your plan account beginning in the calendar quarter following the quarter in which you separate from employment.

You are required to start taking distributions no later than April 1 of the calendar year following **the later of** the calendar year that you attain age 70½ or the calendar year that you terminate employment with FedEx. Minimum required distributions that are made because you have reached age 70½ are not eligible for a direct rollover. While your money remains in the RSP, you can continue to direct your investments.

If you terminate or retire from a Participating Employer and are rehired by another Participating Employer or any FedEx Controlled Group Member or foreign affiliate (for a list of FedEx Controlled Group Members, see “Plan Eligibility Scope and Guidelines” in the “Introduction” section), you will not be eligible to receive a distribution or to roll over your RSP account to another FedEx-sponsored retirement plan.

You may, however, be eligible to take an in-service withdrawal or a hardship withdrawal from your former FedEx 401(k) Plan.

No earlier than 45 days following your termination or retirement date, Vanguard will send you information to apply for your benefits. If you have an outstanding loan from the RSP, any unpaid balance is considered a distribution from your account and is subject to all applicable taxes unless you repay the outstanding loan balance in full before you request distribution of your account. For more information, contact Vanguard Participant Services at 1.800.523.1188.

If you die after you terminate or retire, your beneficiary(ies) will be able to receive your entire account balance. Your beneficiary(ies) will be required to submit proof of your death and valid government-issued identification.

Benefits After Retirement

Note: References to FedEx or Company include all FedEx Companies participating in that retirement plan or program.

You are eligible for most of the retiree benefits described in this section after you retire or terminate employment from all FedEx Controlled Group Members and foreign affiliates and meet the required age and years of service for a particular benefit. If you do not meet the age and service requirements for a particular retiree benefit, see “Benefits After Employment Termination” in this section.

Here are some key points about retiree benefits.

Retirement Plan or Program	Benefits
Pension Plan	<p>Following termination of employment from all FedEx Controlled Group Members and foreign affiliates for benefits accrued under the:</p> <p>TPB formula</p> <ul style="list-style-type: none"> If vested, may receive monthly benefits as early as age 55 (reduction for commencement prior to normal retirement age). <p>PPA formula</p> <ul style="list-style-type: none"> If vested, may receive benefits. <p>Payments may not be deferred past age 70½.</p>
RSP	<p>Distribution available no earlier than 45 days following termination of employment from all FedEx Controlled Group Members and foreign affiliates or defer payment up to age 70½, at which time required minimum distributions will begin.</p>

Pension Plan

Under the **TPB** formula, if you are normal retirement age (see “Retirement Dates” in the “Pension Plan” section for details) or older and are vested when you retire, you are eligible for a normal retirement benefit if you are no longer employed by any FedEx Controlled Group Member or foreign affiliate.

If you are between age 55 and normal retirement age (see “Retirement Dates” in the “Pension Plan” section for details) and are vested, you are eligible for an early retirement benefit from the pension plan based on your years of credited service for benefit accrual and your final average earnings. See “Making Application for Commencing Your Pension Plan Benefit” in the “Pension Plan” section for details.

If you are vested, you may commence payment of your accrued benefit under the PPA at any time after your termination of employment with all FedEx Controlled Group Members and foreign affiliates.

RSP

You are eligible to receive a partial distribution or distribution of your entire account balance. For more information, see the “Retirement Savings Plan (RSP),” “Distributions” and “Withdrawal Tax Considerations” section/subsections.

If your account balance is \$1,000 or less, your account will be paid as soon as administratively possible, but no sooner than 45 days from your date of termination or retirement.

If your account balance is greater than \$1,000, you may defer payment of your account balance in the RSP until age 70½, at which time required minimum distributions will begin. If you maintain a balance in the plan after you separate from employment or retire, a recordkeeping fee will be deducted from your plan account beginning in the calendar quarter following the quarter in which you separate from employment.

You are required to start taking distributions **no later** than April 1 of the calendar year following the later of the calendar year that you attain age 70½ or the calendar year that you terminate employment with FedEx. Minimum required distributions that are made because you have reached age 70½ are not eligible for a direct rollover. While your money remains in the RSP, you can continue to direct your investments.

If you terminate or retire from a Participating Employer and are rehired by another Participating Employer or any FedEx Controlled Group Member or foreign affiliate (for a list of FedEx Controlled Group Members, see “Plan Eligibility Scope and Guidelines” in the “Introduction” section), you will not be eligible to receive a distribution or to roll over your RSP account to another FedEx-sponsored retirement plan. You may, however, be eligible to take an in-service withdrawal or a hardship withdrawal from your former FedEx 401(k) Plan.

No earlier than 45 days following your termination or retirement date, Vanguard will send you information to apply for your benefits. If you have an outstanding loan from the RSP, any unpaid balance is considered a distribution from your account and is subject to all applicable taxes unless you repay the outstanding loan balance in full before you request distribution of your account. For more information, contact Vanguard Participant Services at 1.800.523.1188.

If you die after you terminate or retire, your beneficiary(ies) will be able to receive your entire account balance. Your beneficiary(ies) will be required to submit proof of your death and valid government-issued identification.

Benefits for Your Survivors—If You Die While an Active Employee

Note: References to FedEx or Company include all FedEx Companies participating in that retirement plan or program.

If you die while you're still an active employee of FedEx, your eligible survivors may be entitled to continue some of your retirement benefits. Some key provisions are listed below.

Retirement Plan or Program	Benefits
Pension Plan	<p>TPB formula</p> <p>If vested on your date of death, your spouse is eligible to receive part of your accrued benefit from the pension plan based on your years of credited service for benefit accrual and your final average earnings. Benefits accrued under the TPB formula were capped as of May 31, 2008.</p> <p>PPA formula</p> <p>If vested on your date of death, your spouse or other designated beneficiary(ies) may commence payment of your accrued benefit from the pension plan based on compensation credits, interest credits and, if eligible, transition compensation credits.</p>
RSP	Beneficiary(ies) receives account balance, if any.

Pension Plan

Under the TPB formula, if you were vested on your date of death, your spouse is eligible to receive part of your benefit from the pension plan based on your years of credited service for benefit accrual and your final average earnings. The RSC calculates the accrued benefit and sends your spouse a Statement of Deferred Beneficiary Benefit within 30 days after being notified of your death.

Once all required application forms have been received by the RSC, your spouse may receive monthly benefits as early as the first day of the month after the later of:

- What would have been your 55th birthday, or
- Your date of death.

See "Survivor Benefits" in the "Traditional Pension Benefit (TPB) Formula" section for details.

Under the PPA formula, if you were vested on your date of death, your surviving spouse or designated beneficiary is eligible to receive your entire accrued benefit under the PPA formula. If you were married, your spouse (if designated as your beneficiary), will be entitled to receive an immediate monthly annuity benefit based on the value of your total PPA, payable as an annuity for the life of your spouse. Upon proper application, your spouse may elect to receive a lump-sum payment of the PPA benefit in lieu of the annuity provided.

If you were married, your spouse will receive your death benefit unless there is a waiver and spousal consent on file. If you were married and someone other than your spouse is your designated beneficiary, your beneficiary will be entitled to receive a lump-sum payment of the PPA benefit.

If you were unmarried, your designated beneficiary(ies) will be entitled to receive a lump-sum payment of the PPA accrued benefit. If you are unmarried and you do not have a designated beneficiary, the full PPA vested benefit will be paid according to the pension plan. See "Designating a Beneficiary" in the "Portable Pension Account (PPA) Formula" section for details.

To designate someone other than your spouse as a beneficiary, you must submit a Preretirement Beneficiary Authorization form. If you are married, your spouse must waive his/her rights to his/her survivor benefit, and consent to a non-spouse beneficiary by completing this same form.

See “Survivor Benefits” in the “Portable Pension Account (PPA) Formula” section for details.

Note: Payment to the survivor will not begin until after proper application is made. See “Making Application for Commencing Your Pension Benefit” in the “Pension Plan” section for details.

RSP

Your beneficiary will be eligible to receive your entire account balance. Vanguard sends your designated beneficiary(ies) an application for benefits after being notified of your death. Your beneficiary will be required to submit proof of your death to Vanguard. See “Distributions” in the “Retirement Savings Plan (RSP)” section for details. If you did not have a designated beneficiary, your account is paid according to the RSP. See “Designating a Beneficiary” in the “Retirement Savings Plan (RSP)” section for details.

Benefits for Your Survivors—If You Die After You Retire

Note: References to FedEx or Company include all FedEx Companies participating in that retirement plan or program.

If you die after your retirement from FedEx, your eligible survivors may be entitled to continue the following retirement benefits. Some key provisions are mentioned below.

Retirement Plan or Program	Benefits
Pension Plan	Spouse or beneficiary receives benefit, if any, in accordance with the specific form of payment elected by the participant.
RSP	Beneficiary receives account balance, if any.

Pension Plan

If you die after your benefits have commenced, and you had selected a form of payment that provides for a survivor benefit, your beneficiary(ies) will receive benefits in accordance with the form of payment you selected at retirement.

Note: Payment to the survivor will not begin until after proper application is made including proof of death if a lump sum is to be paid. See “Making Application for Commencing Your Pension Plan Benefit” in the “Pension Plan” section for details.

RSP

Your beneficiary will be eligible to receive your entire account balance. Vanguard sends your designated beneficiary(ies) an application for benefits after being notified of your death. Your beneficiary will be required to submit proof of your death to Vanguard. See “Distributions” in the “Retirement Savings Plan (RSP)” section for details. If you did not have a designated beneficiary, your account is paid according to the RSP. See “Designating a Beneficiary” in the “Retirement Savings Plan (RSP)” section for details.

Benefits During a Paid Leave of Absence

Note: References to FedEx or Company include all FedEx Companies participating in that retirement plan or program.

The effect of a paid leave of absence (e.g., disability or Workers’ Compensation) on your retirement plans is described here.

Retirement Plan or Program	Benefits
Pension Plan (Express Employers)	You may continue to earn service during medical and disability leaves. See “Crediting Years of Service During a Disability (Express Employers Only)” in the “Crediting Service” subsection of the “Pension Plan” section for details.
RSP	Distributions available due to disability. See “Disability” in the “Distributions” subsection of the “Retirement Savings Plan (RSP)” section. Participants may be eligible for suspension of loan repayments while on leave. See “Loan Default Rules” in the “Loans” subsection of the “Retirement Savings Plan (RSP)” section for details.

Pension Plan (Express Employers Only)

If you are receiving disability benefits under the STD Plan, the LTD Plan or Worker's Compensation, you may be eligible for continued credited service for eligibility, vesting and benefit accrual. See "Crediting Years of Service During a Disability (Express Employers Only)" in the "Crediting Service" subsection of the "Pension Plan" section for details.

RSP

If you qualify for disability under the RSP, you may be eligible to receive a distribution of your entire account balance, regardless of your age and years of service. If you have an outstanding loan from the RSP, any unpaid balance is considered a distribution from your account and is subject to all applicable taxes. Contact Vanguard Participant Services at 1.800.523.1188, to request an application to receive a distribution of your account balance. See "Disability" in the "Distributions" subsection of the "Retirement Savings Plan (RSP)" section for details.

If you are on an approved paid leave of absence, you may change your deferral percentage and investments at any time during the leave. You may also be eligible to take a withdrawal from the Plan. See "Withdrawals" in the "Retirement Savings Plan (RSP)" section for details.

Benefits During an Unpaid Leave of Absence

Note: References to FedEx or Company include all FedEx Companies participating in that retirement plan or program.

If you have an unpaid leave of absence (e.g., personal or medical leave), some of your retirement benefits may be continued. The effect of an unpaid leave of absence on your retirement plans is described here.

Retirement Plan or Program	Benefits
Pension Plan	Years of credited service generally do not include periods of unpaid leaves of absence. See "Crediting Service" in the "Pension Plan" section for details.
RSP	Participants may be eligible for suspension of loan repayments while on leave. See "Loan Default Rules" in the "Loans" subsection of the "Retirement Savings Plan (RSP)" section for details.

Pension Plan

Years of credited service generally do not include periods of unpaid leaves of absence. See "Crediting Service" in the "Pension Plan" section for details.

RSP

If you are on an approved unpaid leave of absence, you may change your deferral percentage and investments at any time during the leave. You may also be eligible to take a withdrawal from the Plan; however, you will not be eligible to take a loan while on leave of absence. See "Withdrawals" in the "Retirement Savings Plan (RSP)" section for details. If you have an outstanding loan at the time you begin your leave, you may be eligible for suspension of loan payments while on leave. See "Loan Default Rules" in the "Loans" subsection of the section for details.

Benefits During a Military Leave of Absence (MLOA)

Note: References to FedEx or Company include all FedEx Companies participating in that retirement plan or program.

If you are on an approved Military Leave of Absence (MLOA), based on your employer's Human Resources policy(ies), some of your benefits can be continued. The effect of an MLOA on your retirement plans participation is summarized here.

Retirement Plan or Program	Benefits
Pension Plan	Your MLOA will be included in determining your years of credited service for eligibility, vesting and benefit accrual if you return to active employment and have satisfied the requirements of the Uniformed Services Employment and Reemployment Rights Act (USERRA) within the period specified after you are released from active duty. See "Crediting Hours During Active Military Service" in the "Crediting Service" subsection of the "Pension Plan" section for details.
RSP	<p>If you return to active employment and have satisfied the requirements of USERRA within the period specified after you are released from active duty, you may make up any missed Pre-tax, After-tax and, if eligible, Catch-up contributions. Make-up contributions are calculated using your imputed military pay upon your return from MLOA. Any missed Employer Matching contributions on your Pre-tax contributions will be credited monthly as you make up your contributions. Your loan payments will be suspended while you are on MLOA. See "Benefits Upon Return From a Military Leave of Absence (MLOA)" in the "Retirement Savings Plan (RSP)" section for details.</p> <p>Contributions may not exceed the applicable limits for the year in which they would have been contributed.</p> <p>IMPORTANT: If you wish to initiate make-up contributions, you must contact Vanguard to begin the process.</p> <p>For more information, call Vanguard Participant Services at 1.800.523.1188.</p>

Benefits During an Unpaid Suspension

Note: References to FedEx or Company include all FedEx Companies participating in that retirement plan or program.

If you are on an unpaid suspension, the effect of a suspension on your retirement plans is described here.

Retirement Plan or Program	Benefits
Pension Plan	You do not accrue hours of service for eligibility, vesting or benefit accrual during your period of unpaid suspension.
RSP	Participants may be eligible for suspension of loan repayments while on unpaid suspension. See "Loan Default Rules" in the "Loans" subsection of the "Retirement Savings Plan (RSP)" section for details.

Pension Plan

You do not accrue hours of service for eligibility, vesting or benefit accrual during your period of unpaid suspension. Contact the RSC at 1.855.604.6221 if you have questions.

RSP

If you are on an unpaid suspension, you may change your deferral percentage and investments at any time. You may also be eligible to take a withdrawal from the Plan; however, you will not be eligible to take a loan while on unpaid suspension. See "Withdrawals" in the "Retirement Savings Plan (RSP)" section for details. If you have an outstanding loan at the time you begin your unpaid suspension, you may be eligible for suspension of loan payments while on leave. See "Loan Default Rules" in the "Loans" subsection of the "Retirement Savings Plan (RSP)" section for details.

Appendix A

General Rules For Calculating Your Traditional Pension Benefit (TPB)

This section illustrates the benefit calculations for employees who have accrued a benefit under the TPB formula and worked solely for a Ground Company and terminated on or after June 1, 2000, or worked solely for an Express Employer on or after June 1, 1989.

Employees of a Ground Company who terminated before June 1, 2000, should see "Appendix C." Employees who worked for both a Ground Employer and an Express Employer should see "Appendix B" for more information on how your TPB is calculated if you have worked for multiple FedEx Participating Employers.

Eligible Earnings

For information on eligible earnings for your TPB, see "Eligible Earnings" in the "Pension Plan" section.

Final Average Earnings

Final average earnings means the average of your eligible earnings for the highest five whole calendar years while you were employed by any FedEx Controlled Group Member. If you have less than five whole calendar years of earnings when you terminate employment, your eligible earnings for all completed calendar years are averaged. If your eligible earnings during your last partial calendar year of employment are greater than any whole calendar year of eligible earnings, the partial year will replace your lowest year in calculating your benefit. If you do not have at least one full calendar year of earnings while you were employed by any FedEx Controlled Group Member, average earnings will be calculated by annualizing the partial year of earnings.

Eligible earnings paid after May 31, 2008, are not considered in calculating your accrued benefit under the TPB formula.

For Ground Company employees who terminated employment before June 1, 2000, final average earnings is defined as the average earnings you received from FedEx Ground Package System, Inc., FedEx Custom Critical, Inc., FedEx Supply Chain Systems, Inc. and any other Participating Employer in the Prior Plan during the final 60 consecutive months immediately preceding your separation date. Breaks in service, as defined in the FedEx Corporation Employees' Pension Plan (pension plan), if any, are ignored when determining consecutive months. Nevertheless, if you terminate employment or retire on or after June 1, 2000, but before June 30, 2001, and the use of final average earnings as defined in the first paragraph above would result in a lower benefit than if your benefit were calculated based on the definition provided above in this paragraph, then the definition set forth in this paragraph will be used.

Average Annual Earnings (Employees of Ground Companies Only)

Average annual earnings means the average of your eligible earnings earned during your final 20 years (240 months) of credited service for benefit accrual earned at FedEx Ground Package System, Inc., FedEx Custom Critical, Inc., FedEx Supply Chain Systems, Inc. and any other Participating Employer in the Prior Plan. Any breaks in service will be disregarded in determining your average earnings for the 20 years. Eligible earnings paid after May 31, 2008, are not considered in calculating your accrued benefit under the TPB formula.

Normal Retirement Benefit Calculation Attributable to Employment With an Express Employer

For terminations on or after June 1, 1989, your normal retirement benefit under the TPB formula of the pension plan is calculated as follows:

$$\frac{\text{Final Average Earnings}^*}{\text{Years of Credited Service for Benefit Accrual}^{**} \text{ (up to 25 years)}} \times \frac{2\%}{\text{Annual Traditional Pension Benefit}} =$$

To calculate your monthly TPB benefit, you would divide the annual benefit by 12 (months).

An Example: Calculating a Normal Retirement Benefit Under the TPB Formula

Assume you are vested and retiring on your normal retirement date. If you have 25 years of credited service for benefit accrual at May 31, 2008, and average earnings of \$33,000 at May 31, 2008, your normal retirement benefit would be calculated as shown below:

$$\frac{\$33,000}{\text{average earnings}} \times \frac{25}{\text{years of credited service for benefit accrual}} \times \frac{0.02}{2\%} = \frac{\$16,500}{\text{annual benefit under the TPB formula}}$$

$$\frac{\$16,500}{\text{above total}} \div \frac{12}{\text{months}} = \frac{\$1,375}{\text{monthly benefit}}$$

You would receive \$1,375 a month for your life based on the Straight Life Annuity form of payment. If you elect one of the other available forms of payment, your monthly TPB payment amount will be different. See "Forms of Payment" in the "Traditional Pension Benefit (TPB) Formula" section for details.

To perform personalized pension plan benefit calculations, eligible participants can log in to retirement.fedex.com and use the Project Your Retirement Income tool. If you are terminated, have a remaining accrued benefit in the pension plan and previously established a User ID and password, you may continue to use your User ID and password to access the site to perform calculations.

Normal Retirement Benefit Calculation For Employment At FedEx Ground Package System, Inc.

Effective June 1, 2000

The benefit for participants employed by FedEx Ground Package System, Inc., is determined based on the formula below. However, benefits accrued through the Prior Plan as of May 31, 2000, will not be reduced as a result of the formula put in place on June 1, 2000. This means your vested pension benefit will not be less than the amount accrued through May 31, 2000, based on the three benefit formulas that were in effect at that time. These formulas are described in this section ("Appendix A").

* Final average earnings are the average of your eligible earnings for the highest five whole calendar years while you are employed with any FedEx Controlled Group Member and consider your eligible earnings through May 31, 2008.

** Credited service for benefit accrual was capped as of May 31, 2003, for participants who elected in 2003 to accrue future benefits under the Portable Pension Account (PPA) formula; or as of May 31, 2008, for all other eligible participants. **Note:** If you were paid a lump sum under the TPB formula which you did not repay as allowed under the pension plan, all credited service for benefit accrual from your rehire date through May 31, 2008, up to a maximum of 25 years of service, will be used in determining your benefit under the TPB formula. Benefit accrual service for which you were paid a lump sum will not be considered for purposes of applying the 25-year service maximum under the TPB formula.

Your normal retirement benefit under the TPB formula of the pension plan is calculated as the sum of (a) plus (b), up to a maximum of 50 percent of your final average earnings:

- (a) 40 percent of your final average earnings* reduced by a fraction, the numerator of which is your years of credited service for benefit accrual through May 31, 2000 (not to exceed 30 years), and the denominator of which is 30, plus
- (b) 2 percent of your final average earnings* multiplied by your years of credited service for benefit accrual** after May 31, 2000 (not to exceed 25 years).

Your years of credited service for benefit accrual are adjusted for any period of part-time employment before June 1, 2001. You will not be credited with a year of credited service for benefit accrual during any year in which you accrue less than 1,000 hours of service.

To calculate your monthly TPB benefit, you would divide the annual benefit by 12 (months).

An Example: Calculating a Normal Retirement Benefit Under the TPB Formula (for your employment with FedEx Ground Package System, Inc.)

Assume you are vested and retiring on your normal retirement date and you have 15 years of credited service for benefit accrual through June 1, 2000, and an additional eight years for the period beginning on June 1, 2000, and ending May 31, 2008. Assume you chose to remain under the TPB formula in 2003 and your final average earnings at May 31, 2008, are \$45,000, your normal retirement benefit would be calculated as shown below:

$$\begin{aligned} & \text{a) } 40\% \times \$45,000 \times 15/30 = \$9,000 \\ & \qquad \qquad \qquad \text{plus} \\ & \text{b) } 2\% \times \$45,000 \times 8 \text{ years} = \$7,200 \\ & \qquad \qquad \qquad \text{equals} \\ & \$16,200 \div 12 \text{ (months)} = \$1,350 \text{ monthly benefit} \end{aligned}$$

Your maximum benefit = $50\% \times \$45,000$ (final average earnings) = $\$22,500 \div 12$ (months) = $\$1,875$ monthly benefit.

Since \$1,350 is less than your maximum benefit, you would receive \$1,350 a month for your life based on the Straight Life Annuity form of payment. If you elect one of the other available forms of payment, your monthly TPB payment amount will be different. See "Forms of Payment" in the "Traditional Pension Benefit (TPB) Formula" section for details.

To perform personalized pension plan benefit calculations, eligible participants can log in to **retirement.fedex.com** and use the Project Your Retirement Income tool. If you are terminated, have a remaining accrued benefit in the pension plan and previously established a User ID and password, you may continue to use your User ID and password to access the site and perform calculations.

Normal Retirement Benefit Calculation For Employment At FedEx Supply Chain or Custom Critical Inc.

Your annual pension benefit is the greater of the Regular Benefit formula described under (a), the Minimum Benefit formula described under (b), or the High Five formula described under (c).

* Final average earnings are the average of your eligible earnings for the highest five whole calendar years while you are employed with any FedEx Controlled Group Member and consider your eligible earnings through May 31, 2008.

** Credited service for benefit accrual was capped as of May 31, 2003, for participants who elected in 2003 to accrue future benefits under the PPA formula; or as of May 31, 2008, for all other eligible participants.

Regular Benefit Formula

- (a) (1) If your average annual earnings* are \$45,000 or less, 2 percent of average annual earnings*, multiplied by your years of credited service for benefit accrual** (maximum 30 years).
- (2) If your average annual earnings* are more than \$45,000, 1.75 percent of your average annual earnings* up to \$45,000 plus 1.5 percent of your Average Annual Earnings* over \$45,000, with that sum multiplied by your years of credited service for benefit accrual** (maximum 30 years).

Minimum Benefit Formula

- (b) (1) For average annual earnings* of \$45,000 or less: \$16,200 x (a maximum of 30 years of credited service for benefit accrual** divided by 30).
- (2) For average annual earnings* over \$45,000: \$27,000 x (a maximum of 30 years of credited service for benefit accrual** divided by 30).

For each year in which you are classified as a part-time employee, your credited service for benefit accrual will be proportionately reduced if you accrue less than 2,000 hours of service during that year. You will not be credited with a year of service for any year during which you accrue less than 1,000 hours of service.

High Five Formula

- (c) 40 percent of your final average earnings* x (a maximum of 30 years of credited service for benefit accrual** divided by 30).

For each year in which you are classified as a part-time employee, your credited service for benefit accrual will be proportionately reduced if you accrue less than 2,000 hours of service during that year. You will not be credited with a year of service for any year during which you accrue less than 1,000 hours of service.

An Example: Calculating a Normal Retirement Benefit Under the TPB Formula (for your employment with FedEx Supply Chain Systems, Inc. or FedEx Custom Critical, Inc.)

To illustrate how the above three formulas work, here's an example. Assume you retire at age 65, have average annual earnings at May 31, 2008, of \$40,000 and final average earnings at May 31, 2008, of \$42,000 and earned 30 years of full-time credited service for benefit accrual at May 31, 2008.

Your monthly retirement benefit will be calculated as follows:

Regular Benefit formula

2% of average annual earnings of \$45,000 or less (.02 x \$40,000)	\$800
Years of credited service for benefit accrual	x 30
Your pension under the Regular Benefit formula would be:	\$24,000 a year or \$2,000 a month

Minimum Benefit formula

Since you have 30 years of credited service for benefit accrual, and your average annual earnings are less than \$45,000, your pension under the Minimum Benefit formula would be:	\$16,200 a year or \$1,350 a month
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High Five formula

Since you have 30 years of credited service for benefit accrual, your pension under the High Five formula would be 40% x \$42,000:	\$16,800 a year or \$1,400 a month
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Since the benefit under the Regular Benefit formula is the largest amount of the three, the amount you would receive under the pension plan will be equal to \$24,000 a year or \$2,000 a month.

* Final average earnings and average annual earnings only consider your eligible earnings through May 31, 2008.

** Credited service for benefit accrual was capped as of May 31, 2003, for participants who elected in 2003 to accrue future benefits under the PPA formula; or as of May 31, 2008, for all other eligible participants.

Early Retirement Benefit Calculation

Your early retirement benefit is calculated the same way as your normal retirement benefit. However, if you choose to commence payments before your normal retirement date, your normal retirement benefit is reduced by .25 percent (.0025 or 1/12 of 3 percent) for each month your Annuity Starting Date precedes your normal retirement date. This reduction is made because your payments start sooner than they would at normal retirement and are expected to continue for a longer period of time.

Note: Any early retirement reduction as described above will be based on the benefit Annuity Starting Date that precedes your normal retirement date. For example, a participant with a normal retirement age of 60 terminates at age 55 and elects not to commence his/her pension plan benefit until age 58; therefore, his/her pension plan benefit would be reduced by 6 percent. (There is a 3 percent reduction for each year prior to normal retirement age or .0025 (1/12th of 3 percent) for each month you retire early.)

An Example: Calculating an Early Retirement Benefit Under the TPB Formula

Assume you are vested, retiring on your early retirement date (age 55), your normal retirement age is 60 and your normal retirement benefit based on the Straight Life Annuity form of payment is \$1,000 per month. At age 55, you would receive:

$$\frac{60}{\text{number of months payment commences before age 60}} \times \frac{.0025}{\text{reduction}} = \underline{\mathbf{0.15}}$$

$$\frac{0.15}{\text{above}} \times \frac{\$1,000}{\text{monthly benefit at normal retirement}} = \underline{\mathbf{\$150}}$$

$$\frac{\$1,000}{\text{monthly benefit at normal retirement}} - \frac{\$150}{\text{early retirement reduction}} = \underline{\mathbf{\$850}}$$

monthly benefit at early retirement date

You would receive \$850 a month for your life starting on your early retirement date based on the Straight Life Annuity form of payment. If you elect one of the other available forms of payment, your monthly TPB payment amount will be different. See "Forms of Payment" in the "Traditional Pension Benefit (TPB) Formula" section for details.

To perform personalized pension plan benefit calculations, participants can log in to retirement.fedex.com and use the Project Your Retirement Income tool.

Terminated Vested Benefit

If you are vested when you terminate employment with all FedEx Controlled Group Members and foreign affiliates, you will be eligible for a vested benefit payable as early as your early retirement date. The amount of this benefit is based on two items:

- The pension plan formula and definitions applicable at the time you terminate employment with a Participating Employer, including the benefit percentage, your years of credited service for benefit accrual and your average earnings. Remember, benefits accrued under the TPB formula were capped as of May 31, 2008.
- Your age at the time you decide to commence your retirement benefits.

For example, if you want benefits to commence at your normal retirement date, your pension plan benefit is calculated in the same manner as the normal retirement benefit. If you want benefits to commence between the ages of 55 and your normal retirement age, your benefit is calculated in the same manner as the early retirement benefit.

If the present value of your total benefit accrued under the pension plan (i.e., the TPB formula, if any, plus the PPA formula) is \$1,000 or less, you will receive your total vested accrued benefit under the pension plan in a lump-sum payment.

The FedEx Retirement Service Center will send you a Statement of Deferred Vested Benefit no later than 75 days after your termination date is entered in your employer's Human Resources Information System (HRIS). The Statement of Deferred Vested Benefit will show the amount of your monthly benefit payable at your normal retirement date.

Note: To request a retirement kit, you must contact the FedEx Retirement Service Center by phone at 1.855.604.6221 or online via the My Retirement Benefits website at **retirement.fedex.com**, at least 30 days prior to your anticipated Annuity Starting Date but no earlier than 90 days. Representatives are available at the FedEx Retirement Service Center Monday through Friday from 8 a.m. – 6 p.m., Central time.

Appendix B

Calculating Your TPB if You Have Service At Both a Ground Employer and Express Employer Before 6/1/2008

The section titled "Calculating Your Benefit if You Have Worked for Multiple Participating Employers" under this "Appendix B," illustrates the benefit calculations for employees who have transferred from one FedEx Company to another.

Calculating Your Benefit if You Have Worked for Multiple Participating Employers

If you have worked for more than one FedEx Controlled Group Member that is a Participating Employer in the FedEx Corporation Employees' Pension Plan (pension plan), your TPB may be calculated based on multiple formulas. Your total benefit will be equal to the benefit you accrued while employed at FedEx Ground Package System, Inc., FedEx Custom Critical, Inc. or FedEx Supply Chain Systems, Inc., plus the benefit you accrued while employed by an Express Employer. Payment of your total benefit must begin on the

same date. Please contact the FedEx Retirement Service Center (RSC) by phone at 1.855.604.6221 or online at **retirement.fedex.com**, for information concerning the payment of your benefit.

Note: Benefits accrued under the TPB formula described in this "Appendix B" were capped as of May 31, 2008. As a result, eligible earnings paid after May 31, 2008, are not considered in calculating your accrued benefit under the TPB formula. In addition, credited service for benefit accrual is capped as of May 31, 2003, for those who chose to accrue future benefits under the Portable Pension Account (PPA) formula in 2003, and at May 31, 2008, for all other eligible employees.

Unless otherwise noted, benefits while at these employers may be calculated using the following formula(s):

- Express Employer*—Formula A.
- FedEx Ground Package System—Formula B.
- Supply Chain Systems, Custom Critical—Formula C.

If you now work for FedEx Ground Package System, Inc., but you transferred from:

- **An Express Employer at any time:**
 - Your benefit is calculated as **B** plus **A** (reference the formulas below).
 - Your benefit from all formulas generally is payable at age 60.
- **FedEx Ground Package System, Inc., FedEx Custom Critical, Inc. or FedEx Supply Chain Systems, Inc. after June 1, 2000:**
 - Your benefit will be calculated under the formula in effect for each employer while you are a participant in the pension plan. For example, if you were hired at FedEx Supply Chain Systems, Inc., and transferred to FedEx Ground Package System, Inc., on August 1, 2002, your benefit will be calculated under the FedEx Supply Chain Systems, Inc., formula (formula **C**) for the period you worked through July 31, 2002. Any benefits accrued beginning August 1, 2002, would be calculated under formula **B**.

* Express Employers (see the earlier section titled "Participating Employers" for the definition of Express Employers).

- In this case, the portion of your benefit accrued while at FedEx Ground Package System, Inc., generally is payable at age 60. Any portion accrued while at FedEx Custom Critical, Inc., or FedEx Supply Chain Systems, Inc., generally is payable at age 65.
- **FedEx Ground Package System, Inc., FedEx Custom Critical, Inc., or FedEx Supply Chain Systems, Inc. on or before June 1, 2000, and you have been actively employed at FedEx Ground Package System, Inc., since June 1, 2000:**
 - Your benefit will be calculated under the formula in effect for FedEx Ground Package System, Inc. (formula **B**). All of your credited service for benefit accrual while at FedEx Ground Package System, Inc., FedEx Custom Critical, Inc., and FedEx Supply Chain Systems, Inc., will be counted when calculating your benefit.
 - Your accrued benefit generally is payable at age 60.

If you now work for FedEx Custom Critical, Inc., or FedEx Supply Chain Systems, Inc., but you transferred from:

- **An Express Employer:**
 - Your benefit is calculated as **C** plus **A** (reference the formulas below). The portion of your benefit accrued under formula C generally is payable at age 65. The portion of your benefit accrued under formula A generally is payable at normal retirement age of 60.
- **Or were rehired from FedEx Ground Package System, Inc., FedEx Custom Critical, Inc. or FedEx Supply Chain Systems, Inc., before June 1, 2000:**
 - Your benefit is calculated using formula **C** for all your years of credited service for benefit accrual, as long as you do not transfer back to FedEx Ground Package System, Inc.
 - Your benefit generally is payable at a normal retirement age of 65.

- **FedEx Ground Package System, Inc., on or after June 1, 2000:**

- Your benefit will be calculated under the formula in effect for each employer while you are a participant in the pension plan. For example, if you were hired at FedEx Ground Package System, Inc., and transferred to FedEx Supply Chain Systems, Inc., on August 1, 2002, your benefit will be calculated under formula **B** for the period you worked through July 31, 2002. Any benefits accrued beginning August 1, 2002, would be calculated under formula **C**.
- In this case, the portion of your benefit accrued while at FedEx Ground Package System, Inc., generally is payable at a normal retirement age of 60. Any portion accrued while an employee of FedEx Custom Critical, Inc., or FedEx Supply Chain Systems, Inc.; AutoQuik, Inc., or UrgentFreight, Inc., generally is payable at a normal retirement age of 65.

Formulas

The formulas referred to above are as follows:

Formula A

2% x average earnings* x years of credited service for benefit accrual accrued while at an Express Employer (up to 25 years)

Formula B

40% x average earnings* x years of credited service for benefit accrual** with FedEx Ground Package System, Inc., accrued before June 1, 2000 (up to 30 years) ÷ 30

plus

2% x average earnings* x years of credited service for benefit accrual** with FedEx Ground Package System, Inc., accrued on or after June 1, 2000 (up to 25 years)

The maximum annual benefit you are eligible to accrue under this formula is 50 percent of your average earnings.

* Based on the average of your highest five years' eligible earnings with all Controlled Group Members.

** Your years of credited service for benefit accrual are adjusted for any period of part-time employment before June 1, 2001.

Formula C

You receive the highest of the following three formulas:

Regular Benefit Formula	<p>If your Average Annual Earnings are \$45,000 or less...</p> <p>2% x average annual earnings*</p> <p>x</p> <p>years of credited service for benefit accrual with FedEx Ground Package System, Inc., FedEx Custom Critical, Inc., and FedEx Supply Chain Systems, Inc. (up to 30 years)</p>	<p>If your Average Annual Earnings are over \$45,000...</p> <p>$[(1.75\% \times \\$45,000) + 1.5\% \times (\text{average annual earnings}^* - \\$45,000)]$</p> <p>x</p> <p>years of credited service for benefit accrual with FedEx Ground Package System, Inc., FedEx Custom Critical, Inc., and FedEx Supply Chain Systems, Inc. (up to 30 years)</p>
Minimum Benefit Formula	<p>If your Average Annual Earnings are \$45,000 or less...</p> <p>\$16,200</p> <p>x</p> <p>years of credited service for benefit accrual** with FedEx Ground Package System, Inc., FedEx Custom Critical, Inc. and FedEx Supply Chain Systems, Inc. (up to 30 years) ÷ 30</p>	<p>If your Average Annual Earnings are over \$45,000...</p> <p>\$27,000</p> <p>x</p> <p>years of credited service for benefit accrual** with FedEx Ground Package System, Inc., FedEx Custom Critical, Inc. and FedEx Supply Chain Systems, Inc. (up to 30 years) ÷ 30</p>
High Five Formula	<p>40% x final average earnings***</p> <p>x</p> <p>years of credited service for benefit accrual** with FedEx Ground Package System, Inc., FedEx Custom Critical, Inc. and FedEx Supply Chain Systems, Inc. (up to 30 years) ÷ 30</p>	

Appendix C

Calculating Your TPB Under the Former FedEx Ground Package System, Inc.

If you worked for a Ground Company and accrued a benefit under the FedEx Ground Package System, Inc. Pension Plan prior to June 1, 2000, this Appendix describes the way your benefit is determined. If you continued to be employed on or after June 1, 2000, the benefit calculated in this section may apply as a minimum.

Calculating Your TPB Under Certain Affiliates Career Reward Pension Plan Prior to 6/1/2000

If you worked for a Ground Company and accrued a benefit under the Certain Affiliates Career Reward Pension Plan prior to June 1, 2000, this Appendix describes the way your benefit is determined. If you continued to be employed on or after June 1, 2000, the benefit calculated in this section may apply as a minimum.

* FedEx Ground Package System, Inc., FedEx Custom Critical, Inc. and FedEx Supply Chain Systems, Inc., earnings only.

** Your years of credited service for benefit accrual are adjusted for part-time employment. You will not be credited with a year of service for any year in which you accrue less than 1,000 hours of service.

*** Based on the average of your highest five years' eligible earnings with all Controlled Group Members.

FedEx Ground Package System, Inc. and Certain Affiliates Career Reward Pension Plan Before 6/1/2000

Definitions

For purposes of calculating your accrued benefit, the following terms have the following meanings.

Accrued Benefit

Your accrued benefit under the FedEx Ground Package System, Inc. and Certain Affiliates Career Reward Pension Plan as of June 1, 2001, is equal to your normal retirement benefit or early retirement benefit, whichever one you qualify for and choose to take in accordance with the terms of the FedEx Corporation Employees' Pension Plan (pension plan).

Accrued Benefit as of May 31, 2000. Your accrued benefit under the FedEx Ground Package System, Inc. and Certain Affiliates Career Reward Pension Plan was frozen as of May 31, 2000. Your frozen accrued benefit is equal to the greater of the Regular Benefit formula described under (a), the Minimum Benefit formula described under (b) or the Final Five formula described under (c).

Regular Benefit Formula

- (a) (1) If your average annual earnings is \$45,000 or less, 2 percent of average annual earnings, multiplied by your years of credited service for benefit accrual (maximum 30 years).
- (2) If your average annual earnings is more than \$45,000, 1.75 percent of your average annual earnings up to \$45,000 plus 1.5 percent of your average annual earnings over \$45,000, with that sum multiplied by your years of credited service for benefit accrual (maximum 30 years).

Minimum Benefit Formula

- (b) (1) For average annual earnings of \$45,000 or less: upon retirement at age 65 with 30 or more years of credited service for benefit accrual, an annual pension of \$16,200.
- (2) For average annual earnings over \$45,000: upon retirement at age 65 with 30 or more years of credited service for benefit accrual, an annual pension of \$27,000.

If you have less than 30 years of credited service for benefit accrual, the benefit under this section (b) will be proportionately reduced based on your actual credited service for benefit accrual at retirement, including an adjustment for service in other than a full-time capacity.

Final Five Formula

- (c) 40 percent of your Final Average Earnings. If you have less than 30 years of credited service for benefit accrual, the benefit under this section (c) will be proportionately reduced based on your actual credited service for benefit accrual at retirement, including an adjustment for service in other than a full-time capacity.

Example Number One

To illustrate how the above three formulas work, here's an example. Assume you retire at age 65, have average annual earnings of \$40,000 and Final Average Earnings of \$42,000 and earned 30 years of credited service for benefit accrual. Your monthly retirement benefit will be calculated as follows:

Regular Benefit formula

2% of average annual earnings of \$45,000 or less (.02 x \$40,000)	\$800
Years of credited service for benefit accrual	x 30
Your pension under the Regular Benefit formula would be:	\$24,000 a year or \$2,000 a month

Minimum Benefit formula

Since you have 30 years of credited service for benefit accrual, and your average annual earnings are less than \$45,000, your pension under the Minimum Benefit formula would be:	\$16,200 a year or \$1,350 a month
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Final Five formula

Since you have 30 years of credited service for benefit accrual, your pension under the Final Five formula would be 40% x \$42,000:	\$16,800 a year or \$1,400 a month
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Since the benefit under the Regular Benefit formula is the largest amount of the three, the amount you would receive under the Plan will be equal to \$24,000 a year or \$2,000 a month.

Example Number Two

Assume you retire on your normal retirement age after being credited with 30 years of credited service for benefit accrual and your average annual earnings are \$53,000, and that your Final Average Earnings are \$69,000. Your pension will be calculated in the following manner:

Regular Benefit formula

1.75% of average annual earnings of \$45,000 (.0175 x \$45,000)	\$787.50
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Plus

1.5% of average annual earnings in excess of \$45,000 (.015 x \$8,000)	\$120.00
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Total: \$907.50

Years of credited service for benefit accrual	x 30
Your pension under the Regular Benefit formula would be:	\$27,225 a year or \$2,268.75 a month

Minimum Benefit formula

Since you have 30 years of credited service for benefit accrual and your average annual earnings are greater than \$45,000, your pension under the Minimum Benefit formula would be:	\$27,000 a year or \$2,250 a month
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Final Five formula

Since you have 30 years of credited service for benefit accrual, your pension under the Final Five formula would be 40% x \$69,000:	\$27,600 a year or \$2,300 a month
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Since the benefit under the Final Five formula is the largest amount of the three, the amount you would receive under the Plan will be equal to \$27,600 a year or \$2,300 a month.

Average Annual Earnings Received by a Ground Participant From FedEx Ground Package System, Inc., FedEx Custom Critical, Inc. and FedEx Supply Chain Systems, Inc.

Average Annual Earnings means the average of your eligible earnings (including base pay, bonuses, overtime, sick pay, salary continuation, vacation and incentive compensation, except any incentive compensation paid in the year following the year you terminate employment unless you are immediately entitled to begin a retirement benefit at the time you separate from employment) earned during the 240 consecutive months you worked immediately before your retirement date. Any breaks in service will be disregarded in determining your average earnings for the 20 years.

Break in Service. Prior to June 1, 2001, a "Break in Service" means any 12 consecutive months of absence from FedEx Corporation and its Controlled Group Members.

Credited Service for Benefit Accrual. Prior to June 1, 2001, you earned credited service for benefit accrual for each month of employment as an eligible employee. If you had less than 12 months of service, your months of service are added together on the basis that any 12 months of service equals one year of credited service for benefit accrual. If you are eligible to participate and are classified as other than a full-time employee, a special provision applies in calculating the credited service for benefit accrual earned before June 1, 2001, for the Minimum and Final Five formulas. Your credited service for benefit accrual for each plan year during which you are so classified will be proportionately reduced if you accrue less than 2,000 hours of service during that year. You will not be credited with any credited service for benefit accrual for a year during which you accrue less than 1,000 hours of service.

Credited Service for Vesting. Prior to June 1, 2001, the Plan determined credited service for vesting by using the elapsed time method, which generally measures service from your date of hire through your separation from service. In computing your service prior to June 1, 2001, one year of credited service for vesting is 365 days and fractional parts of a year will be counted in months. The number of days employed in the first month of your employment and the last month of your employment will be added together and you will receive credit for one additional month if the total number of days is 15 or more, and two additional months if the total number of days is 45 or more. Your service will be adjusted for any breaks in service.

Early Retirement Age. For participants who retired prior to June 1, 2000, early retirement is available only to a participant who terminated after attaining age 55 and completing 10 years of credited service for vesting. For participants who terminated on or after June 1, 2000, and prior to June 1, 2001, early retirement age is the date a participant attains age 55 and completes five years of credited service for vesting.

Early Retirement Benefit. The following early retirement factors were used to calculate your early retirement benefit if you separated employment from the Controlled Group Member or transferred to a non-Participating Employer prior to June 1, 2000:

Age Benefits Commence	Percentage of Normal Retirement Accrued Benefit
55	55%
56	61%
57	67%
58	73%
59	79%
60	85%
61	88%
62	91%
63	94%
64	97%
65	100%

Eligible Earnings. For plan years beginning prior to June 1, 2001, your eligible earnings for purposes of this pension plan are the earnings you earn for a plan year prior to any reduction under a salary reduction agreement you enter with your employer pursuant to a 401(k) Plan or a Cafeteria Plan maintained by your employer, including your base pay, commissions, overtime, vacation and incentive compensation (except Long Term Incentive [LTI]).

Final Average Earnings. If you retired or terminated employment before June 1, 2000, Final Average Earnings is defined as the average eligible earnings you received from FedEx Ground Package System, Inc., FedEx Custom Critical, Inc., FedEx Supply Chain Systems, Inc. and any other Participating Employers in the Prior Plan during the final 60 consecutive months immediately preceding your separation date.

Nevertheless, if you terminated employment or retired on or after June 1, 2000, but before June 30, 2001, and the use of Final Average Earnings would result in a lower benefit than if your benefit were calculated based on the definition provided in the paragraph above, the definition set forth in the above paragraph will be used.

Plan Year. Prior to June 1, 2001, the Plan Year was the calendar year.

Retirement Services Department
FedEx Corporate Services, Inc.
December 2017

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