

Below are answers to more questions about the coming policy changes being implemented on May 4 (see issue 14 of *For Your Information* for an overview of these policy changes). These answers continue the series begun in issue 13 of *For Your Information*, which were numbered 1-16.

**Q17. How will the new lower termination threshold of six occurrences be implemented? If I already have six occurrences, will I be terminated on May 4?**

A17. Effective May 4, all employees will have their oldest three occurrences during the previous 12 months dropped, to a minimum of zero occurrences, and these dropped occurrences will no longer count against them for purposes of performance improvement. Any current discipline for attendance or tardiness will remain effective.

**Q18. My sick time balance is currently over 80 days. Will the sick time I have saved up drop down to 80 days on May 4?**

A18. No, you will keep your sick time balance, but you will not accrue additional time until your balance drops below 80 days.

**Q19. If my pay is cut and my position is later eliminated, at what rate will my unused vacation be paid out?**

A19. If your position is eliminated due to the DHL or ABX restructuring within one year after a cut in pay, your unused, earned and accrued vacation will be paid out at your rate of pay as of Feb. 23, 2009.

**Q20. I have accrued five weeks of vacation. Will I lose some of this vacation time on May 4?**

A20. No, you will keep what you have accrued, but on May 4 the rate at which you accrue vacation time will be reduced to the new maximum rate of 0.076923077 vacation hours for every hour paid. On your next anniversary date, you will be awarded the total of your vacation accruals.

**Q21. Will the gross-up of previously earned productivity bonuses be on a separate check? Will taxes be included?**

A21. The additional amount will be included on a separate check (or direct deposit) issued the week of March 30. The actual amount of the check will vary, depending on your level of tax withholding, your tax jurisdiction, and the number of months you earned a bonus.

**Q22. I am not enrolled in the 401(k) plan. Do I have to sign up for one because the 5% Plan has replaced the Pension plan?**

A22. Employees transferred from the Retirement Income Plan to the 5% Defined Contribution Plan who do not have a 401(k) account will have one established for them by the company when the deposit occurs. No action is necessary on the employee's part. The money will be deposited into the age-appropriate Freedom Fund. Once the money has been deposited, the employee may specify changes to the account as usual at 401k.com or by calling (800) 835-5095.

**Q23. Is the company match to the 401(k) considered part of the 5% contribution?**

A23. No. The 5% contribution is in addition to employee contributions and company matches in your 401(k).

**Q24. FYI issue 14 said less common Dangerous Activities restrictions applied under the new long-term disability benefit coverage. Does that include snow skiing? What about water skiing?**

A24. Snow skiing and water skiing are not included on the Dangerous Activities exclusion list and therefore would be covered activities. The certificate of coverage will be mailed to participants the week of March 30.

**Q25. I was eligible for a cash award under the Excellent Attendance program. Those awards were replaced by the Productivity Bonus, but the Productivity plan didn't start until July 1, 2008. What about my good attendance during the first half of 2008?**

A25. ABX Air will provide a pro-rated award for the first six months of 2008 to those employees who were eligible for a cash award under the Excellent Attendance program. The award will be issued on a separate check.

**Q26. Is severance still being offered to those whose positions are eliminated?**

A26. Yes. Currently there is no scheduled end date to the DHL-sponsored severance.

**Q27. What are the next steps in ABX Air's restructuring plan?**

A27. The plan calls for each department to hold meetings by April 3 to share what their new structure will look like, taking into account the needs of the business. During the two-week period after that, management in each area will meet with employees to discuss individual positions and pay rates. By April 17 we expect that everyone will know whether and where they will fit into the new structure.

**Q28. Will all of the restructuring take place on May 4?**

A28. No. Some restructuring may take place earlier or later, depending on where individual departments are in the process, what the needs of the business are, and due to the changing nature of the workforce. Our goal is to allow enough flexibility to individual departments so that the transition is as smooth as possible under the circumstances.

Please forward your questions to your management, Employee Relations, our CEO Joe.Hete@abxair.com, our President John.Grabber@abxair.com, or our Vice President of Human Resources John.Starkovich@abxair.com.