

55 Glenlake Parkway, NE
Atlanta, GA 30328



October 29, 2010

Dear UPS Customer,

We appreciate that you have chosen UPS as your trusted logistics provider, relying on us daily to help your business run more efficiently. Getting the most value possible from your business partners has never been more important, especially when these relationships play a crucial role in strategic operations.

Next year, the published rates for our services will be increasing; however, the value we offer through our innovative products and logistics know-how can help you be more competitive, serve your customers better and grow your business.

2011 Rates Information

Effective January 3, 2011, UPS Daily Rates will increase as follows: UPS Ground services will increase a net 4.9% through a combination of a 5.9% increase in rates and a 1% reduction in the UPS Ground fuel surcharge; UPS Air and International services will increase a net 4.9% through a combination of a 6.9% increase in rates and a 2% reduction in the UPS Air and International services fuel surcharge.*

Even with this change, Daily Rates for UPS Next Day Air[®] remain up to 6% lower than our largest U.S. private competitor for similar services.

In addition, effective January 3, 2011, the dimensional weight divisor used to calculate dimensional weight will change from 194 to 166 for domestic U.S. UPS Ground and Air services shipments, and from 166 to 139 for U.S.-origin export shipments. To review these dimensional weight changes, as well as other accessorial changes taking effect on January 3, 2011, visit ups.com/rates on the following dates:

- October 29, 2010: Preview changes to the dimensional weight divisor and other charges, including accessorials.
- November 12, 2010: Preview the 2011 Rates.
- January 3, 2011: Download the *2011 UPS Rate and Service Guide*.

UPS Service and Technology Enhancements

To help you remain agile in a changing marketplace, UPS is always developing new logistics solutions to make your world work better, saving time and reducing overall costs. These enhancements offer not only flexibility to adapt to shifting demands in your industry, but also a competitive advantage.

- **Package and freight in one place** — In addition to UPS WorldShip[®], UPS Air and LTL freight shipping can now be accessed from your desktop with UPS CampusShip[®]. Quantum View[®] Manage will provide enhanced supply chain visibility with notifications based on shipment milestones. Plus, along with small package, you can now manage your LTL billing online at the UPS Billing Center.
- **Increased visibility** — Tracking on ups.com[®] will display more detail about your shipment, including a status bar indicating the progress of your package and alerts for unforeseen events, such as weather