

55 Glenlake Parkway, NE
Atlanta, GA 30328



November 17, 2006

Dear UPS Customer,

To help you plan for the coming year, we want you to know about new UPS rates and services that will take effect January 1, 2007.

UPS published Daily Rates will change as follows¹. UPS Ground service to commercial and residential destinations will have the same transportation charge, based on the lower commercial rate, and will increase 4.9%. The Ground residential surcharge that was previously built into the Ground residential rates will now appear as a separate charge on your UPS invoice. 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 air fuel surcharge.

Changes will also be made to accessorial charges in 2007. The Delivery Area Surcharge and Residential Surcharge will both increase by \$0.10. The UPS Returns[®] Services option of 3 UPS Pickup Attempts will increase by \$0.75. The charge for Collect on Delivery (C.O.D.) will increase by \$0.30 per package. Declared Value will increase \$.05 per \$100. The Weekly Service Charge will increase \$1.

UPS Voice NotificationSM is a new service enhancement that provides valuable information to recipients in advance of selected pickup and delivery services. When the shipper provides the recipient's phone number when creating the shipment, the service automatically calls the recipient to provide details on selected shipments, such as a C.O.D. or Call Tag, so that someone can be available to complete the transaction by either providing a required signature, a money order, or giving the driver a return package. For a complete listing of services available for UPS Voice Notification, visit ups.com[®].

On December 1, 2006, you may preview 2007 rates and accessorial charges, and download the *Surcharge Reference Guide*, at ups.com/rates2007. The complete *2007 UPS Rate and Service Guide* will be available for download on the site beginning January 1, 2007. To order a printed copy of the *2007 UPS Rate and Service Guide*, simply place your request at ups.com/serviceguide2007 beginning December 1, 2006. You will need your ups.com My UPS ID and password, UPS account number and ZIP CodeTM to order your guide. Orders will be fulfilled at the end of December.

Conversion from Oversize to Dimensional Weight Billing

Oversize charges for larger packages shipped via UPS Ground services will be replaced with a simpler rate calculation based on dimensional weight. Dimensional weight will only apply to UPS Ground packages measuring three cubic feet (5,184 cubic inches) or larger. Packages measuring less than three cubic feet will continue to be billed based on actual weight. As a result of this change, dimensional weight charges will gradually increase as the package size increases, eliminating significant steps from one Oversize tier to the next.

If the actual weight is greater than 70 pounds, an Additional Handling Charge of \$6.00 will also apply. To offset this cost, we have lowered most UPS Ground rates for packages weighing more than 70 pounds. For more information, please visit ups.com/dimweight2007.

Here are highlights of recently introduced UPS service enhancements, and new services coming in 2007.

No One Offers More Time-Definite Delivery Options to send from the U.S.

UPS will offer unprecedented flexibility and expanded geographic coverage for your UPS International shipments. Choose from three guaranteed, time-definite deliveries:

- **UPS Worldwide Express PlusSM**: UPS now guarantees delivery to more of Asia by 9:00 a.m. from the U.S. Service is guaranteed by 8:30 a.m. or 9:00 a.m. to 30 countries, including 11 new destinations in Asia.
- **UPS Worldwide ExpressSM**: Guaranteed by 10:30 a.m. or 12:00 p.m. to select areas in 45 countries. We've added 12 new destinations in Asia, expanded coverage in western Europe and started service in the U.S. from 12 African countries.
- **UPS Worldwide SaverSM**: Express service with delivery guaranteed by the end of the day. This more economical end of day service is available to over 215 countries and territories, including all 45 countries that have a morning delivery commitment.

For more information, please visit ups.com/express.

Due to the changes in dimensional weight and the expansion of our international services, users of UPS WorldShipTM should install version 9.0 as soon as the CD is received in January. UPS CampusShip[®] and UPS Internet Shipping will be automatically updated.

Expanding our Freight Portfolio

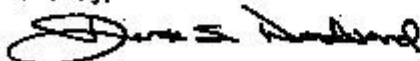
We now handle heavyweight palletized less-than-truckload (LTL) shipments through UPS FreightSM. Shipment preparation and visibility capabilities will be available January 1, 2007, on ups.com:

- **UPS Quantum View Manage**: Will include UPS Freight LTL visibility events, as well as Ocean and Air freight events.
- **UPS Internet Shipping**: Will allow processing of LTL freight shipments and will accept addresses transferred from your WorldShip address book.
- **UPS Billing Data and Billing Analysis Tool**: Will provide package and LTL freight billing information in a common format that can be separately or collectively manipulated.

100 Years of Service

UPS is celebrating a tremendous milestone in our history as 2007 marks our 100th year of service. As you search for ways to expand into new markets, focus on customer service, improve efficiency, and streamline your operations, rest assured that UPS is hard at work developing business solutions to help your company succeed today, tomorrow and for the next 100 years.

Sincerely,



Derek Woodward
Vice President
Business Development

* The net impact of these changes on your shipping costs will vary according to your shipping characteristics and the terms of your agreement with UPS.