



August 30, 2010

Intermodal Fuel Surcharge

UPS Supply Chain Solutions fuel surcharges are indexed to the *On-Highway Diesel Fuel Prices*, as reported by the U.S. Department of Energy and published on its website each Monday*. Fuel surcharge rates are updated weekly and are applied to shipments originating Tuesday through the following Monday. The Intermodal fuel surcharge for August 31 – September 7 is 22.50%, based on the published diesel fuel price of \$2.938 per gallon on August 30, 2010.

The following table illustrates the surcharge:

| UPS Supply Chain Solutions LTL Fuel Surcharge | | | | | | | | |
|--|----------------|--------|-----------|----------------|--------|-----------|----------------|--------|
| Based on: <i>On-Highway Diesel Fuel Prices</i> , as reported by the U.S. Department of Energy (D.O.E.) and published on its Web site each Monday at 4:00 pm Eastern* | | | | | | | | |
| At least: | But less than: | Rate | At least: | But less than: | Rate | At least: | But less than: | Rate |
| \$2.42 | \$2.46 | 16.50% | \$2.82 | \$2.86 | 21.50% | \$3.22 | \$3.26 | 26.50% |
| \$2.46 | \$2.50 | 17.00% | \$2.86 | \$2.90 | 22.00% | \$3.26 | \$3.30 | 27.00% |
| \$2.50 | \$2.54 | 17.50% | \$2.90 | \$2.94 | 22.50% | \$3.30 | \$3.34 | 27.50% |
| \$2.54 | \$2.58 | 18.00% | \$2.94 | \$2.98 | 23.00% | \$3.34 | \$3.38 | 28.00% |
| \$2.58 | \$2.62 | 18.50% | \$2.98 | \$3.02 | 23.50% | \$3.38 | \$3.42 | 28.50% |
| \$2.62 | \$2.66 | 19.00% | \$3.02 | \$3.06 | 24.00% | \$3.42 | \$3.46 | 29.00% |
| \$2.66 | \$2.70 | 19.50% | \$3.06 | \$3.10 | 24.50% | \$3.46 | \$3.50 | 29.50% |
| \$2.70 | \$2.74 | 20.00% | \$3.10 | \$3.14 | 25.00% | \$3.50 | \$3.54 | 30.00% |
| \$2.74 | \$2.78 | 20.50% | \$3.14 | \$3.18 | 25.50% | \$3.54 | \$3.58 | 30.50% |
| \$2.78 | \$2.82 | 21.00% | \$3.18 | \$3.22 | 26.00% | \$3.58 | \$3.62 | 31.00% |

Note: Fuel surcharge percentages and thresholds are subject to change without prior notice. This table does not represent the complete fuel index. In the event *On-Highway Diesel Fuel Prices* approach the highest or lowest amounts currently shown, UPS will update the table to reflect additional price ranges and corresponding fuel surcharge rates.

*In the event the U.S. Department of Energy does not update its *On-Highway Diesel Fuel Prices* on a given Monday, the UPS Supply Chain Solutions fuel surcharge will be updated on the day the U.S. Department of Energy updates its website.