

1. **Ground Fuel Surcharge Discount** - UPS shall provide to Customer a discount of **twenty-five percent (25.0%)** off the applicable Ground Fuel Surcharge as set forth in the table, below, for the Term of this Agreement. Any changes to the table below, with the exception of additional surcharges above what is shown in the table, shall be mutually agreed to by both Customer and UPS. The discount shall apply to the following services:

UPS® Ground  
 UPS Standard™ to Canada and UPS Standard™ to Mexico  
 UPS Standard™ from Canada and UPS Standard™ from Mexico

**Ground Fuel Surcharge Custom Index**

UPS uses an index-based surcharge that is adjusted monthly. Changes to the surcharge will be effective the first Monday of each month. The surcharge will be based on the National U.S. Average On-Highway Diesel Fuel Prices reported by the U.S. Department of Energy for the month that is two months prior to the adjustment. For example, the surcharge for November 2012 is based on the September 2012 National U.S. Average On-Highway Diesel Fuel Price.

National U.S. Average On-highway Diesel Fuel Price (\$/Gallon)		
At Least:	But Less Than:	Surcharge:
\$0.00	\$0.85	0.00%
\$0.85	\$1.07	0.38%
\$1.07	\$1.29	0.75%
\$1.29	\$1.51	1.13%
\$1.51	\$1.73	1.50%
\$1.73	\$1.95	1.88%
\$1.95	\$2.17	2.25%
\$2.17	\$2.39	2.63%
\$2.39	\$2.61	3.00%
\$2.61	\$2.83	3.38%
\$2.83	\$3.05	3.75%
\$3.05	\$3.27	4.13%
\$3.27	\$3.49	4.50%
\$3.49	\$3.71	4.88%
\$3.71	\$3.93	5.25%
\$3.93	\$4.15	5.63%
\$4.15	\$4.37	6.00%
\$4.37	\$4.59	6.38%
\$4.59	\$4.81	6.75%
\$4.81	And Up	7.00%

2. **Air and International Fuel Surcharge Discount** - UPS shall provide to Customer a discount of **twenty-five percent (25.0%)** off the applicable International and Air Fuel Surcharge as set forth in the table, below, for the Term of this Agreement. Any changes to the table below, with the exception of additional surcharges above what is shown in the table, shall be mutually agreed to by both Customer and UPS. The discount shall apply to the following services:

UPS US domestic air services include: UPS Next Day Air® Early A.M.®; UPS Next Day Air®; UPS Next Day Saver®; UPS 2nd Day Air A.M.®; UPS 2nd Day Air®; and UPS 3 Day Select®

UPS US international export services include: UPS Worldwide Express Plus® - Export; UPS Worldwide Express® - Export; UPS Worldwide Express Freight® - Export; UPS Worldwide Saver® - Export; and UPS Worldwide Expedited Services® - Export

UPS US international import services include: UPS Worldwide Express Plus® - Import; UPS Worldwide Express® - Import; UPS Worldwide Express Freight® - Import; UPS Worldwide Saver® - Import; UPS Worldwide Expedited® Service - Import and UPS 3 Day Select® from Canada

### **Air and International Fuel Surcharge Custom Index**

UPS uses an index-based surcharge that is adjusted monthly. Changes to the surcharge will be effective the first Monday of each month. The surcharge will be based on the U.S. Gulf Coast (USGC) prices for kerosene-type jet fuel reported by the U.S. Department of Energy for the month that is two months prior to the adjustment. For example, the surcharge for January 2011 is based on the November 2010 U.S. Gulf Coast (USGC) Jet Fuel Price.

#### **U. S. Gulf Coast (USGC) Jet Fuel Price (USD/Gallon)**

<b>At Least:</b>	<b>But Less Than:</b>	<b>Surcharge:</b>
\$0.00	\$1.059	0.00%
\$1.06	\$1.149	0.38%
\$1.15	\$1.239	0.75%
\$1.24	\$1.329	1.13%
\$1.33	\$1.419	1.50%
\$1.42	\$1.509	1.88%
\$1.51	\$1.599	2.25%
\$1.60	\$1.689	2.63%
\$1.69	\$1.779	3.00%
\$1.78	\$1.869	3.38%
\$1.87	\$1.959	3.75%
\$1.96	\$2.049	4.13%
\$2.05	\$2.139	4.50%
\$2.14	\$2.229	4.88%
\$2.23	\$2.319	5.25%
\$2.32	\$2.409	5.63%
\$2.41	\$2.499	6.00%
\$2.50	\$2.589	6.38%
\$2.59	\$2.679	6.75%
\$2.68	and up	7.00%