

**ADDENDUM TO THE  
VOLUNTARY JOB PROTECTION MOU**

United Parcel Service Co. (UPS) and the Independent Pilots Association (IPA), having met and discussed the level of savings generated by the crewmembers who volunteered pursuant to the Voluntary Job Protection Memorandum of Understanding dated April 29, 2009 (MOU), agree to the following:

(1) Pursuant to the MOU, UPS has the right to determine the savings generated by the volunteers. The minimal number of savings which UPS has credited IPA with are as follows: 2009-\$25,100,000; 2010-\$36,900,000; and 2011-\$26,500,000. The total minimum dollar amount to be credited toward the MOU savings targets are \$88,500,000. The parties agree to continue to discuss the calculation of these savings and agree that the numbers may be increased if the parties mutually agree in writing to do so. UPS accepts the savings generated by the MOU as sufficient to trigger the furlough protection provided in paragraph (i) on the first page of the MOU. However, UPS's position is that this initial bid did not meet the savings targets for 2009, 2010, or 2011. As a result, UPS' acceptance of the MOU through January 1, 2010 is conditioned upon IPA's agreement that it will conduct another volunteer bidding period from November 23 through December 11, 2009, with the intent and commitment to eliminate the cumulative savings shortfall for 2009, 2010, and 2011. If the cumulative savings shortfall is not met, the Company shall have the right to cancel the MOU effective January 1, 2010. The November bid will include all of the saving options set forth in the MOU. Additional options may be included by mutual agreement.

(2) Recognizing that additional participation by crewmembers in 2010 and 2011 will be enhanced by how the MOU is implemented, the parties agree that UPS and IPA will meet upon request to review and adjust, if necessary, the terms of the MOU in order to encourage the highest level of participation. Any changes will be by mutual agreement in writing.

(3) Except as modified above, all terms of the April 29, 2009 MOU will remain in effect.

FOR THE ASSOCIATION:

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FOR UPS:

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Date – June 8, 2009