

April 27, 2020

North American Air Freight Fuel Surcharge

UPS Supply Chain Solutions uses an index-based fuel surcharge for North American Air Freight that is adjusted bimonthly. The surcharge is based on an average of the weekly prices of the *U.S. Gulf Coast Spot Prices for Kerosene-Type Jet Fuel* as reported by the US Department of Energy for the two weeks prior to the adjustment. Changes to the fuel surcharge are effective on the first and sixteenth of each month. The fuel surcharge for May 1st is \$0.260/lb. based on the prior two week's *U.S. Gulf Coast Spot Prices for Kerosene-Type Jet Fuel* of \$0.6920 per gallon.

Fuel Surcharge History:

| May 1st 2020 | \$0.260/lb | |
|----------------|------------|--|
| April 2020 | \$0.290/lb | |
| March 2020 | \$0.305/lb | |
| February 2020 | \$0.311/lb | |
| January 2020 | \$0.308/lb | |
| December 2019 | \$0.311/lb | |
| November 2019 | \$0.311/lb | |
| October 2019 | \$0.308/lb | |
| September 2019 | \$0.314/lb | |
| August 2019 | \$0.308/lb | |
| July 2019 | \$0.317/lb | |
| June 2019 | \$0.317/lb | |

The minimum charge is \$15.00.*

UPS 3 Day Freightsm service fuel surcharge is capped at \$0.139/lb for shipments within the contiguous 48 United States and Canada. UPS 3 Day Freight shipments to or from Alaska, Hawaii, and Puerto Rico will receive the North American Air Freight Fuel Surcharge in effect at the time of shipment.

Note: Fuel surcharges are conditioned upon variables and are subject to fluctuation. Fuel surcharge rates, thresholds and methods of calculation are subject to change without prior notice. U.S. Department of Energy data and all other third-party data relayed herein and calculations thereupon are for convenience only and without warranty as to accuracy or timeliness, strictly subject to independent customer verification. In the event U.S. Gulf Coast Spot Prices for Kerosene Type Jet Fuel is below the posted thresholds, UPS will apply a fuel surcharge of \$0.260/lb. UPS will update the table to reflect additional price ranges and corresponding fuel surcharge rates should the U.S. Gulf Coast Spot Prices for Kerosene Type Jet Fuel exceed the posted thresholds.

^{*}Minimum effective July 1, 2014

| urs supply cr | iain Solutions North A | merican Air Freight Fuel Surcharge |
|-----------------|------------------------|------------------------------------|
| Fuel Cost Range | | |
| From: | <u>To:</u> | Fuel Surcharge |
| 1.000 | 1.049 | 26.0 Cents/Pound |
| 1.050 | 1.099 | 26.3 Cents/Pound |
| 1.100 | 1.149 | 26.6 Cents/Pound |
| 1.150 | 1.199 | 26.9 Cents/Pound |
| 1.200 | 1.249 | 27.2 Cents/Pound |
| 1.250 | 1.299 | 27.5 Cents/Pound |
| 1.300 | 1.349 | 27.8 Cents/Pound |
| 1.350 | 1.399 | 28.1 Cents/Pound |
| 1.400 | 1.449 | 28.4 Cents/Pound |
| 1.450 | 1.499 | 28.7 Cents/Pound |
| 1.500 | 1.549 | 29.0 Cents/Pound |
| 1.550 | 1.599 | 29.3 Cents/Pound |
| | | |
| 1.600 | 1.649 | 29.6 Cents/Pound |
| 1.650 | 1.699 | 29.9 Cents/Pound |
| 1.700 | 1.749 | 30.2 Cents/Pound |
| 1.750 | 1.799 | 30.5 Cents/Pound |
| 1.800 | 1.849 | 30.8 Cents/Pound |
| 1.850 | 1.899 | 31.1 Cents/Pound |
| 1.900 | 1.949 | 31.4 Cents/Pound |
| 1.950 | 1.999 | 31.7 Cents/Pound |
| 2.000 | 2.049 | 32.0 Cents/Pound |
| 2.050 | 2.099 | 32.3 Cents/Pound |
| 2.100 | 2.149 | 32.6 Cents/Pound |
| 2.150 | 2.199 | 32.9 Cents/Pound |
| 2.200 | 2.249 | 33.2 Cents/Pound |
| 2.250 | 2.299 | 33.5 Cents/Pound |
| 2.300 | 2.349 | 33.8 Cents/Pound |
| 2.350 | 2.399 | 34.1 Cents/Pound |
| 2.400 | 2.449 | 34.4 Cents/Pound |
| 2.450 | 2.499 | 34.7 Cents/Pound |

Above Thresholds Effective February 1, 2015

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