

Carrier Agreement



This Agreement ("Agreement") is made and entered into by and between [REDACTED] ("Customer") and United Parcel Service Inc., an Ohio Company ("UPS").

Pricing. UPS will provide the pickup and delivery services ("Services") as set forth below subject to the terms of this Agreement. These Services will be provided with the incentives ("Incentives") as also set forth below. These Incentives shall only be available to the locations and account numbers approved and identified in **Addendum A**. Account numbers of Customer and its affiliates, each of which is more than fifty percent (50.0%) owned by Customer, may be added or deleted only by mutual written agreement of Customer and UPS and require seven (7) business days notice to UPS to become effective. Customer is prohibited from reselling or offering Incentives to any other party without the prior written consent of UPS and failure to comply with this prohibition may result in immediate cancellation of this Agreement.

Customer acknowledges and agrees that the Incentives and the minimum rates in **Addendum B** are based on and derived from the most recently published UPS Daily Rates available at www.ups.com and are subject to change based on changes to such list rates. Each eligible package (or shipment) and accessorial will receive its applicable Incentive for the term of this Agreement. Incentives are applied on a weekly basis unless otherwise specified. Incentives shall be applied to prepaid outbound shipments unless otherwise noted. This Agreement will be subject to periodic review by UPS for Customer compliance.

Automation. Customer agrees to supply the UPS Service Provider with a hard copy summary manifest at the time that the packages are tendered to UPS for shipment and provide UPS with Timely Upload of electronic Package Level Detail ("PLD") in a form acceptable to UPS. PLD includes, but is not limited to, consignee's full name, complete delivery address, package weight and zone. Timely Upload is defined as the electronic transmission of PLD to UPS at the time the packages are tendered to UPS. Customer agrees to provide smart labels on all packages tendered to UPS. A smart label, as defined herein and described in the current UPS Guide to Labeling, which may be updated from time to time by UPS, includes, but is not limited to, a MaxiCode, Postal Bar Code, current UPS Routing Code, appropriate UPS Service Icon and a UPS IZ Tracking Number Bar Code. Customer further agrees that all shipping locations will use a UPS OnLine or OnLine compatible shipping solution that is approved and authorized by UPS as such.

SurePost. Rates applicable to UPS SurePost Service are set forth at www.ups.com/content/us/en/preferred/lws_index.html.

Custom Payment Terms. Customer agrees to pay for all shipments in full within the time period required by UPS. Refer to Addendum A for payment terms applicable to specified accounts for this agreement. Where included these payment terms supersede any previous payment terms for the specified accounts and represent the number of days from the time the invoice is generated until payment is due. Payment terms contained within this agreement will be applicable for the period in which accounts are part of this agreement after which accounts will revert to the payment terms contained in the UPS Rate and Service Guide and UPS Tariff/Terms and Conditions of Service.

Customer agrees that all invoices will be paid by Electronic Funds Transfer or by check prior to the agreed upon due date. If the payment method changes during the life of this agreement, UPS reserves the right to reevaluate these incentives and adjust accordingly.

Service. All Services provided by UPS shall be pursuant to the UPS Rate and Service Guide and UPS Tariff/Terms and Conditions of Service in effect at the time of shipping, each of which are incorporated herein by reference and which may be subject to change without prior notice and which, together with this Agreement, are the entire agreement and understanding between Customer and UPS relating to the relationship under this Agreement, superseding all prior or contemporaneous agreements or understandings. UPS SurePost Service is provided pursuant to the UPS SurePost Terms of Service, located at www.ups.com/content/us/en/preferred/lws_index.html, which are also incorporated herein by this reference.

Confidentiality. Customer and UPS agree to maintain the confidentiality of this Agreement including its rates, terms and incentives ("Confidential Information") unless disclosure is required by law. Customer agrees not to post or publicly display this Confidential Information.

Offer Expiration and Prior Agreements. This offer is void if not accepted by July 9, 2016 ("Deadline"). Customer may accept Agreement by providing a duly signed copy of this Agreement to UPS by the Deadline. This Agreement supersedes all other agreements between the Customer and UPS regarding these Services. This Agreement is hereby signed and executed by authorized representatives of both parties.

Term. The Incentives contained in this Agreement take effect on the Monday following the signing of this Agreement or the Effective Date, whichever is later and continue until terminated by either party. Either party may terminate this Agreement at any time upon 30 days prior written notice to the other. In addition to these termination rights, UPS shall have the right to terminate the UPS SurePost Service Incentive Program set forth herein immediately (i) if Customer fails to comply with any term of the UPS SurePost , or (ii) if the US Postal Service eliminates or changes the terms under which it provides the Lightweight Parcel Select Service for packages tendered pursuant to UPS SurePost.

UPS

Customer



Addendum A
List of Account Numbers



CARETEK COLORADO TIMBERLINE's UPS accounts identified below shall be included in the Agreement.
The following accounts shall have their activity committed and are eligible for incentives as specified in Addendum B:

ACCOUNT	NAME AND ADDRESS	Payment Terms (Days)	Commodity Tier **
Section 1 :	[REDACTED]	25	06

The following accounts shall have their activity committed as specified in Addendum B:

ACCOUNT	NAME AND ADDRESS
Section 2:	[REDACTED]

*If there is an account number for the same service included in another UPS agreement, such account number will be deemed deleted from such other agreement as of the effective date.

** The commodity tier displayed is for Hundredweight outbound prepaid. For other Hundredweight Billing Options (third party, freight collect and consignee billing) please refer to the Hundredweight Service Contract Agreement. UPS Hundredweight rates and incentives will only apply to UPS accounts with an active Hundredweight Tier (01-07). The stated commodity tier set forth in this Addendum supersedes the commodity tier set forth in any existing Hundredweight Service Contract Agreement between the parties.

Addendum B

Incentives



All incentives contained in this Addendum B apply to the UPS rates in effect at the time of shipment and shall be applied on a weekly basis unless otherwise specified.¹

UPS® Ground - Commercial Package - Prepaid^{FC TP UP RS RTP} - Incentives Off Effective Rates

Weight (lbs)	Zones									
	2	3	4	5	6	7	8	44	45	46
1 - 5	38.00%	38.00%	38.00%	38.00%	38.00%	38.00%	38.00%	38.00%	38.00%	38.00%
6 - 10	41.00%	41.00%	41.00%	41.00%	41.00%	41.00%	41.00%	41.00%	41.00%	41.00%
11 - 20	43.00%	43.00%	43.00%	43.00%	43.00%	43.00%	43.00%	43.00%	43.00%	43.00%
21 - 30	46.00%	46.00%	46.00%	46.00%	46.00%	46.00%	46.00%	46.00%	46.00%	46.00%
31 - 150	48.00%	48.00%	48.00%	48.00%	48.00%	48.00%	48.00%	48.00%	48.00%	48.00%
151 and up	48.00%	48.00%	48.00%	48.00%	48.00%	48.00%	48.00%	48.00%	48.00%	48.00%

Commitment levels for UPS® Ground - Commercial Package - Prepaid are at least \$19,832.13 in base transportation charges per week.

UPS® Ground - Residential Package - Prepaid Frt^{FC TP RS RTP} - Incentives Off Effective Rates

Weight (lbs)	Zones									
	2	3	4	5	6	7	8	44	45	46
1 - 5	35.00%	35.00%	35.00%	35.00%	35.00%	35.00%	35.00%	35.00%	35.00%	35.00%
6 - 10	37.00%	37.00%	37.00%	37.00%	37.00%	37.00%	37.00%	37.00%	37.00%	37.00%
11 - 20	39.00%	39.00%	39.00%	39.00%	39.00%	39.00%	39.00%	39.00%	39.00%	39.00%
21 - 30	42.00%	42.00%	42.00%	42.00%	42.00%	42.00%	42.00%	42.00%	42.00%	42.00%
31 - 150	45.00%	45.00%	45.00%	45.00%	45.00%	45.00%	45.00%	45.00%	45.00%	45.00%
151 and up	45.00%	45.00%	45.00%	45.00%	45.00%	45.00%	45.00%	45.00%	45.00%	45.00%

Commitment levels for UPS® Ground - Residential Package - Prepaid Frt are at least \$15,650.45 in base transportation charges per week.

UPS SurePost® - 1lb or greater - Residential Package - Prepaid - Incentives Off Effective Rates

Weight (lbs)	Zones											
	2	3	4	5	6	7	8	9	10	11	12	13
1 - 9	32.00%	32.00%	32.00%	32.00%	32.00%	32.00%	32.00%	32.00%	32.00%	32.00%	32.00%	32.00%
10 - 70	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
71 and up	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

Commitment levels for UPS SurePost® - 1lb or greater - Residential Package - Prepaid are at least \$38,956.62 in base transportation charges per week.

UPS Worldwide Express® - Export - Letter - Prepaid^{All} - Incentives Off Effective Rates - 57.00%

UPS Worldwide Express® - Export - Document - Prepaid^{All} - Incentives Off Effective Rates - 57.00%

UPS Worldwide Express® - Export - Package - Prepaid^{All} - Incentives Off Effective Rates - 57.00%

UPS Worldwide Express® - Export - Pak - Prepaid^{All} - Incentives Off Effective Rates - 57.00%

UPS Worldwide Express Saver® - Export - Letter - Prepaid^{All} - Incentives Off Effective Rates - 57.00%

UPS Worldwide Express Saver® - Export - Document - Prepaid^{All} - Incentives Off Effective Rates - 57.00%

UPS Worldwide Express Saver® - Export - Package - Prepaid^{All} - Incentives Off Effective Rates - 57.00%

UPS Worldwide Express Saver® - Export - Pak - Prepaid^{All} - Incentives Off Effective Rates - 57.00%

UPS Worldwide Export Express Freight™ Pallet All^{All CL} - Incentives Off Effective Rates

Zones			
ALL	481	482	484
57.00%	15.00%	15.00%	15.00%

UPS Worldwide Expedited® - Export - Document - Prepaid^{All} - Incentives Off Effective Rates - 57.00%

UPS Worldwide Expedited® - Export - Package - Prepaid^{All} - Incentives Off Effective Rates - 57.00%

UPS Standard™ Transborder - Export - Package - Prepaid^{All} - Incentives Off Effective Rates - 25.00%

UPS Standard™ (US - MX) - Export - Document - Prepaid^{All} - Incentives Off Effective Rates - 35.00%

UPS Standard™ (US - MX) - Export - Package - Prepaid^{All} - Incentives Off Effective Rates - 35.00%

UPS Worldwide Express Plus® - Import - Package - Freight Collect^{All} - Incentives Off Effective Rates - 43.00%

UPS Worldwide Express® - Import - Letter - Freight Collect^{All} - Incentives Off Effective Rates - 50.00%

UPS Worldwide Express® - Import - Document - Freight Collect^{All} - Incentives Off Effective Rates - 50.00%

UPS Worldwide Express® - Import - Package - Freight Collect^{All} - Incentives Off Effective Rates - 50.00%

UPS Worldwide Express Saver® - Import - Letter - Freight Collect^{All} - Incentives Off Effective Rates - 50.00%

UPS Worldwide Express Saver® - Import - Document - Freight Collect^{All} - Incentives Off Effective Rates - 50.00%

UPS Worldwide Express Saver® - Import - Package - Freight Collect^{All} - Incentives Off Effective Rates - 50.00%

UPS Worldwide Import Express Freight™ Pallet All^{All CL} - Incentives Off Effective Rates - 30.00%

UPS Worldwide Expedited® - Import - Document - Freight Collect^{All} - Incentives Off Effective Rates - 50.00%

UPS Worldwide Expedited® - Import - Package - Freight Collect^{All} - Incentives Off Effective Rates - 50.00%

UPS Standard™ Transborder - Import - Package - Freight Collect^{All} - Incentives Off Effective Rates - 10.00%

UPS Standard™ (MX to US) - Import - Document - Freight Collect^{All} - Incentives Off Effective Rates - 30.00%

UPS Standard™ (MX to US) - Import - Package - Freight Collect^{All} - Incentives Off Effective Rates - 30.00%

UPS® Ground - Dimensional Weight

Dimensional Weight

UPS will apply the Dimensional Weight (Custom Divisor) factor below for any package shipped using the indicated service . All other services and/or zones not specified will be billed using the Dimensional Weight divisor set forth in the UPS Rate and Service Guide in effect at the time of shipment.

Custom Dimensional Weight Divisor : 225

UPS reserves the right to re-evaluate the package characteristics and adjust the Dimensional Weight (Custom Divisor\ Custom Cubic Inch Threshold) accordingly upon 30 days written notice to Customer.

The incentives stated above are valid from January 30, 2016 to January 19, 2019.

UPS SurePost® - 1lb or greater - Dimensional Weight

Dimensional Weight

UPS will apply the lower of either the Dimensional Weight Threshold factor below or the Dimensional Weight Threshold factor in effect at the time of shipping as indicated in the UPS SurePost Terms of Service, located at www.ups.com/content/us/en/preferred/lws_index.html. All shippers, services and zones not specified will be billed using the Dimensional Weight factor indicated in the UPS SurePost Terms of Service effective at the time of the shipment.

Dimensional Weight (Custom Cubic Inch Threshold) by Zone
ALL
1728

UPS reserves the right to re-evaluate the package characteristics and adjust the Dimensional Weight (Custom Divisor\ Custom Cubic Inch Threshold) accordingly upon 30 days written notice to Customer.

Portfolio Tier Incentive

Each eligible package will receive an incentive per the following schedule based on a 52 week rolling average of eligible packages tendered to UPS. The band determination is based on the cumulative base transportation charges per week (excluding accessoriels and surcharges, unless otherwise specified). The incentives will be administered on a weekly basis.

Service(s)	Base Weekly Transportation Charges Bands - (\$)						
	0.01 - 53,524.99	53,525.00 - 73,594.99	73,595.00 - 93,664.99	93,665.00 - 113,734.99	113,735.00 - 167,259.99	167,260.00 - 200,709.99	200,710.00 and up
UPS Next Day Air® - Letter - Prepaid Frt ^{FC TP UP RS RTP}	0.00%	50.40%	57.60%	64.80%	72.00%	72.50%	73.00%
UPS Next Day Air® - Package - Prepaid Frt ^{FC TP UP RS RTP}	0.00%	50.40%	57.60%	64.80%	72.00%	72.50%	73.00%

Service(s)	Base Weekly Transportation Charges Bands - (\$)						
	0.01 - 53,524.99	53,525.00 - 73,594.99	73,595.00 - 93,664.99	93,665.00 - 113,734.99	113,735.00 - 167,259.99	167,260.00 - 200,709.99	200,710.00 and up
UPS Next Day Air Saver® - Letter - Prepaid Frt ^{FC TP UP}	0.00%	50.40%	57.60%	64.80%	72.00%	72.50%	73.00%
UPS Next Day Air Saver® - Package - Prepaid Frt ^{FC TP}	0.00%	50.40%	57.60%	64.80%	72.00%	72.50%	73.00%
UPS 2nd Day Air A.M.® - Commercial Letter - Prepaid ^{FC TP UP}	0.00%	45.50%	52.00%	58.50%	65.00%	66.00%	67.00%
UPS 2nd Day Air A.M.® - Commercial Package - Prepaid ^{FC TP UP}	0.00%	45.50%	52.00%	58.50%	65.00%	66.00%	67.00%
UPS 2nd Day Air® - Letter - Prepaid Frt ^{FC TP UP RS RTP}	0.00%	45.50%	52.00%	58.50%	65.00%	66.00%	67.00%
UPS 2nd Day Air® - Package - Prepaid Frt ^{FC TP UP RS RTP}	0.00%	45.50%	52.00%	58.50%	65.00%	66.00%	67.00%
UPS 3 Day Select® - Package - Prepaid Frt ^{FC TP UP RS RTP}	0.00%	42.00%	48.00%	54.00%	60.00%	61.00%	62.00%
UPS® Ground - Commercial Package - Prepaid ^{FC TP UP RS RTP}	0.00%	7.00%	8.00%	9.00%	10.00%	11.00%	12.00%
UPS® Ground - Residential Package - Prepaid Frt ^{FC TP RS RTP}	0.00%	7.00%	8.00%	9.00%	10.00%	11.00%	12.00%
UPS® Ground - Hundredweight - Package - Regular Pickup ^{FC TP UP}	0.00%	31.50%	36.00%	40.50%	45.00%	46.00%	47.00%
UPS SurePost® - 1lb or greater - Residential Package - Prepaid	0.00%	14.00%	16.00%	18.00%	20.00%	21.00%	22.00%
UPS Worldwide Express® - Export - Letter - Prepaid ^{All}	0.00%	10.50%	12.00%	13.50%	15.00%	16.00%	17.00%
UPS Worldwide Express® - Export - Document - Prepaid ^{All}	0.00%	10.50%	12.00%	13.50%	15.00%	16.00%	17.00%
UPS Worldwide Express® - Export - Package - Prepaid ^{All}	0.00%	10.50%	12.00%	13.50%	15.00%	16.00%	17.00%
UPS Worldwide Express® - Export - Pak - Prepaid ^{All}	0.00%	10.50%	12.00%	13.50%	15.00%	16.00%	17.00%
UPS Worldwide Express Saver® - Export - Letter - Prepaid ^{All}	0.00%	10.50%	12.00%	13.50%	15.00%	16.00%	17.00%
UPS Worldwide Express Saver® - Export - Document - Prepaid ^{All}	0.00%	10.50%	12.00%	13.50%	15.00%	16.00%	17.00%
UPS Worldwide Express Saver® - Export - Package - Prepaid ^{All}	0.00%	10.50%	12.00%	13.50%	15.00%	16.00%	17.00%
UPS Worldwide Express Saver® - Export - Pak - Prepaid ^{All}	0.00%	10.50%	12.00%	13.50%	15.00%	16.00%	17.00%
UPS Worldwide Export Express Freight™ Pallet All ^{All CL}	0.00%	10.50%	12.00%	13.50%	15.00%	16.00%	17.00%
UPS Worldwide Expedited® - Export - Document - Prepaid ^{All}	0.00%	10.50%	12.00%	13.50%	15.00%	16.00%	17.00%
UPS Worldwide Expedited® - Export - Package - Prepaid ^{All}	0.00%	10.50%	12.00%	13.50%	15.00%	16.00%	17.00%
UPS Standard™ Transborder - Export - Package - Prepaid ^{All}	0.00%	10.50%	12.00%	13.50%	15.00%	16.00%	17.00%
UPS Standard™ (US - MX) - Export - Document - Prepaid ^{All}	0.00%	10.50%	12.00%	13.50%	15.00%	16.00%	17.00%
UPS Standard™ (US - MX) - Export - Package - Prepaid ^{All}	0.00%	10.50%	12.00%	13.50%	15.00%	16.00%	17.00%
UPS Worldwide Express Plus® - Import - Package - Freight Collect ^{All}	0.00%	10.50%	12.00%	13.50%	15.00%	16.00%	17.00%
UPS Worldwide Express® - Import - Letter - Freight Collect ^{All}	0.00%	10.50%	12.00%	13.50%	15.00%	16.00%	17.00%
UPS Worldwide Express® - Import - Document - Freight Collect ^{All}	0.00%	10.50%	12.00%	13.50%	15.00%	16.00%	17.00%
UPS Worldwide Express® - Import - Package - Freight Collect ^{All}	0.00%	10.50%	12.00%	13.50%	15.00%	16.00%	17.00%
UPS Worldwide Express Saver® - Import - Letter - Freight Collect ^{All}	0.00%	10.50%	12.00%	13.50%	15.00%	16.00%	17.00%

Service(s)	Base Weekly Transportation Charges Bands - (\$)						
	0.01 - 53,524.99	53,525.00 - 73,594.99	73,595.00 - 93,664.99	93,665.00 - 113,734.99	113,735.00 - 167,259.99	167,260.00 - 200,709.99	200,710.00 and up
UPS Worldwide Express Saver® - Import - Document - Freight Collect ^{All}	0.00%	10.50%	12.00%	13.50%	15.00%	16.00%	17.00%
UPS Worldwide Express Saver® - Import - Package - Freight Collect ^{All}	0.00%	10.50%	12.00%	13.50%	15.00%	16.00%	17.00%
UPS Worldwide Import Express Freight™ Pallet All ^{All CL}	0.00%	10.50%	12.00%	13.50%	15.00%	16.00%	17.00%
UPS Worldwide Expedited® - Import - Document - Freight Collect ^{All}	0.00%	10.50%	12.00%	13.50%	15.00%	16.00%	17.00%
UPS Worldwide Expedited® - Import - Package - Freight Collect ^{All}	0.00%	10.50%	12.00%	13.50%	15.00%	16.00%	17.00%
UPS Standard™ Transborder - Import - Package - Freight Collect ^{All}	0.00%	10.50%	12.00%	13.50%	15.00%	16.00%	17.00%
UPS Standard™ (MX to US) - Import - Document - Freight Collect ^{All}	0.00%	10.50%	12.00%	13.50%	15.00%	16.00%	17.00%
UPS Standard™ (MX to US) - Import - Package - Freight Collect ^{All}	0.00%	10.50%	12.00%	13.50%	15.00%	16.00%	17.00%

Average weekly base transportation charges per week will be based on the most recent 52 week(s) (once 52 week(s) have been accumulated) excluding the current billing week. Average weekly base transportation charges per week is defined as the base transportation charges per week from all eligible and committed services for the given time period divided by the number of week(s) in the time period.

The following products will be included in determining the appropriate bands of the customer: Service(s) listed in Group(s) *All Small Package Freight, All International Import, All UPS Freight, All UPS Ground with Freight Pricing** of the Committed Services section at the end of the Addendum B.

For the purposes of determining the appropriate band of the customer, UPS will consider activity by the account numbers specified in Addendum A , Section 2.

Minimum Net Charge

For each shipment, Customer agrees to pay the greater of the (a) net shipment charge based on the above incentives or (b) the minimum net shipment charge. When applicable, Minimum net shipment charge is calculated by deducting the applicable amount (by zone) in the table below from the published list rate for the respective service.

Service: UPS Worldwide Express® - Export - Letter - Prepaid ^{All} - Adjustment to the Rate Per Letter Per Zone (\$)														
081	082	084	901	902	903	904	905	906	907	908	909	911	912	913
-40.00%	-40.00%	-40.00%	-40.00%	-40.00%	-40.00%	-40.00%	-40.00%	-40.00%	-40.00%	-40.00%	-40.00%	-40.00%	-40.00%	-40.00%
(Continued)														
920	921													
-40.00%	-40.00%													

Service: UPS Worldwide Express® - Export - Document - Prepaid ^{All} - Adjustment to the 1 lb Rate Per Shipment Per Zone (\$)														
081	082	084	901	902	903	904	905	906	907	908	909	911	912	913
-40.00%	-40.00%	-40.00%	-40.00%	-40.00%	-40.00%	-40.00%	-40.00%	-40.00%	-40.00%	-40.00%	-40.00%	-40.00%	-40.00%	-40.00%
(Continued)														
920	921													
-40.00%	-40.00%													

Service: UPS Worldwide Express® - Export - Package - Prepaid ^{All} - Adjustment to the 1 lb Rate Per Shipment Per Zone (\$)														
081	082	084	901	902	903	904	905	906	907	908	909	911	912	913
-40.00%	-40.00%	-40.00%	-40.00%	-40.00%	-40.00%	-40.00%	-40.00%	-40.00%	-40.00%	-40.00%	-40.00%	-40.00%	-40.00%	-40.00%
(Continued)														
920	921													
-40.00%	-40.00%													

Service: UPS Worldwide Express® - Export - Pak - Prepaid ^{All} - Adjustment to the 1 lb Rate Per Shipment Per Zone (\$)														
081	082	084	901	902	903	904	905	906	907	908	909	911	912	913
-40.00%	-40.00%	-40.00%	-40.00%	-40.00%	-40.00%	-40.00%	-40.00%	-40.00%	-40.00%	-40.00%	-40.00%	-40.00%	-40.00%	-40.00%
(Continued)														
920	921													
-40.00%	-40.00%													

Service: UPS Worldwide Express Saver® - Export - Letter - Prepaid ^{All} - Adjustment to the Rate Per Letter Per Zone (\$)														
401	402	403	404	405	406	407	408	409	411	412	413	420	421	481
-40.00%	-40.00%	-40.00%	-40.00%	-40.00%	-40.00%	-40.00%	-40.00%	-40.00%	-40.00%	-40.00%	-40.00%	-40.00%	-40.00%	-40.00%

(Continued)
482
484
-40.00%
-40.00%

Service: UPS Worldwide Express Saver® - Export - Document - Prepaid ^{All} - Adjustment to the 1 lb Rate Per Shipment Per Zone (\$)														
401	402	403	404	405	406	407	408	409	411	412	413	420	421	481
-40.00%	-40.00%	-40.00%	-40.00%	-40.00%	-40.00%	-40.00%	-40.00%	-40.00%	-40.00%	-40.00%	-40.00%	-40.00%	-40.00%	-40.00%

(Continued)
482
484
-40.00%
-40.00%

Service: UPS Worldwide Express Saver® - Export - Package - Prepaid ^{All} - Adjustment to the 1 lb Rate Per Shipment Per Zone (\$)														
401	402	403	404	405	406	407	408	409	411	412	413	420	421	481
-40.00%	-40.00%	-40.00%	-40.00%	-40.00%	-40.00%	-40.00%	-40.00%	-40.00%	-40.00%	-40.00%	-40.00%	-40.00%	-40.00%	-40.00%

(Continued)
482
484
-40.00%
-40.00%

Service: UPS Worldwide Express Saver® - Export - Pak - Prepaid ^{All} - Adjustment to the 1 lb Rate Per Shipment Per Zone (\$)														
401	402	403	404	405	406	407	408	409	411	412	413	420	421	481
-40.00%	-40.00%	-40.00%	-40.00%	-40.00%	-40.00%	-40.00%	-40.00%	-40.00%	-40.00%	-40.00%	-40.00%	-40.00%	-40.00%	-40.00%

(Continued)
482
484
-40.00%
-40.00%

Service: UPS Worldwide Expedited® - Export - Document - Prepaid ^{All} - Adjustment to the 1 lb Rate Per Shipment Per Zone (\$)														
071	072	074	601	602	603	604	605	606	607	608	609	611	612	613
-40.00%	-40.00%	-40.00%	-40.00%	-40.00%	-40.00%	-40.00%	-40.00%	-40.00%	-40.00%	-40.00%	-40.00%	-40.00%	-40.00%	-40.00%

(Continued)
620
621
631
632
633
634
635
636
637
638
639
641
642
643
-40.00%
-40.00%
-40.00%
-40.00%
-40.00%
-40.00%
-40.00%
-40.00%
-40.00%
-40.00%
-40.00%
-40.00%
-40.00%

Service: UPS Worldwide Expedited® - Export - Package - Prepaid ^{All} - Adjustment to the 1 lb Rate Per Shipment Per Zone (\$)														
071	072	074	601	602	603	604	605	606	607	608	609	611	612	613
-40.00%	-40.00%	-40.00%	-40.00%	-40.00%	-40.00%	-40.00%	-40.00%	-40.00%	-40.00%	-40.00%	-40.00%	-40.00%	-40.00%	-40.00%

(Continued)
620
621
631
632
633
634
635
636
637
638
639
641
642
643
-40.00%
-40.00%
-40.00%
-40.00%
-40.00%
-40.00%
-40.00%
-40.00%
-40.00%
-40.00%
-40.00%
-40.00%
-40.00%

Service: UPS Standard™ Transborder - Export - Package - Prepaid ^{All} - Adjustment to the 1 lb Rate Per Shipment Per Zone (\$)						
051	052	053	054	055	056	
0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	

Service: UPS Standard™ (US - MX) - Export - Document - Prepaid ^{All} - Adjustment to the 1 lb Rate Per Shipment Per Zone (\$)						
032	033	034	035	036	037	038
-40.00%	-40.00%	-40.00%	-40.00%	-40.00%	-40.00%	-40.00%

Service: UPS Standard™ (US - MX) - Export - Package - Prepaid ^{All} - Adjustment to the 1 lb Rate Per Shipment Per Zone (\$)						
032	033	034	035	036	037	038
-40.00%	-40.00%	-40.00%	-40.00%	-40.00%	-40.00%	-40.00%

Service: UPS Worldwide Express Plus® - Import - Package - Freight Collect ^{All} - Adjustment to the 1 lb Rate Per Shipment Per Zone (\$)													
91	94	951	952	953	954	955	956	957	958	959	961	962	963
-50.00%	-50.00%	-50.00%	-50.00%	-50.00%	-50.00%	-50.00%	-50.00%	-50.00%	-50.00%	-50.00%	-50.00%	-50.00%	

(Continued)	
970	971
-50.00%	-50.00%

Service: UPS Worldwide Express® - Import - Letter - Freight Collect ^{All} - Adjustment to the Rate Per Shipment Per Zone (\$)													
91	94	951	952	953	954	955	956	957	958	959	961	962	963
-50.00%	-50.00%	-50.00%	-50.00%	-50.00%	-50.00%	-50.00%	-50.00%	-50.00%	-50.00%	-50.00%	-50.00%	-50.00%	-50.00%

(Continued)	
970	971
-50.00%	-50.00%

Service: UPS Worldwide Express® - Import - Document - Freight Collect ^{All} - Adjustment to the 1 lb Rate Per Shipment Per Zone (\$)													
91	94	951	952	953	954	955	956	957	958	959	961	962	963
-50.00%	-50.00%	-50.00%	-50.00%	-50.00%	-50.00%	-50.00%	-50.00%	-50.00%	-50.00%	-50.00%	-50.00%	-50.00%	-50.00%

(Continued)	
970	971
-50.00%	-50.00%

Service: UPS Worldwide Express® - Import - Package - Freight Collect ^{All} - Adjustment to the 1 lb Rate Per Shipment Per Zone (\$)													
91	94	951	952	953	954	955	956	957	958	959	961	962	963
-50.00%	-50.00%	-50.00%	-50.00%	-50.00%	-50.00%	-50.00%	-50.00%	-50.00%	-50.00%	-50.00%	-50.00%	-50.00%	-50.00%

(Continued)	
970	971
-50.00%	-50.00%

Service: UPS Worldwide Express Saver® - Import - Letter - Freight Collect ^{All} - Adjustment to the Rate Per Shipment Per Zone (\$)													
451	452	453	454	455	456	457	458	459	461	462	463	470	471
-50.00%	-50.00%	-50.00%	-50.00%	-50.00%	-50.00%	-50.00%	-50.00%	-50.00%	-50.00%	-50.00%	-50.00%	-50.00%	-50.00%

(Continued)	
491	494
-50.00%	-50.00%

Service: UPS Worldwide Express Saver® - Import - Document - Freight Collect ^{All} - Adjustment to the 1 lb Rate Per Shipment Per Zone (\$)													
451	452	453	454	455	456	457	458	459	461	462	463	470	471
-50.00%	-50.00%	-50.00%	-50.00%	-50.00%	-50.00%	-50.00%	-50.00%	-50.00%	-50.00%	-50.00%	-50.00%	-50.00%	-50.00%

(Continued)	
491	494
-50.00%	-50.00%

Service: UPS Worldwide Expedited® - Import - Document - Freight Collect ^{All} - Adjustment to the 1 lb Rate Per Shipment Per Zone (\$)														
61	64	651	652	653	654	655	656	657	658	659	661	662	663	670
-50.00%	-50.00%	-50.00%	-50.00%	-50.00%	-50.00%	-50.00%	-50.00%	-50.00%	-50.00%	-50.00%	-50.00%	-50.00%	-50.00%	

(Continued)	
671	681
-50.00%	-50.00%

Service: UPS Worldwide Expedited® - Import - Package - Freight Collect ^{All} - Adjustment to the 1 lb Rate Per Shipment Per Zone (\$)														
61	64	651	652	653	654	655	656	657	658	659	661	662	663	670
-50.00%	-50.00%	-50.00%	-50.00%	-50.00%	-50.00%	-50.00%	-50.00%	-50.00%	-50.00%	-50.00%	-50.00%	-50.00%	-50.00%	

(Continued)	
671	681
-50.00%	-50.00%

Service: UPS Standard™ Transborder - Import - Package - Freight Collect^{All} - Adjustment to the 1 lb Rate Per Shipment Per Zone (\$)

376	378	380
0.00%	0.00%	0.00%

Service	Minimum Per	Zone	Base Rate	Adjustment
UPS Next Day Air® - Letter - Prepaid Frt ^{FC TP UP RS RTP}	Letter	ALL	UPS Next Day Air® Zone 102	-11.00
UPS Next Day Air® - Package - Prepaid Frt ^{FC TP UP RS RTP}	Package	ALL	UPS Next Day Air® Zone 102 1 lb	-13.75
UPS Next Day Air Saver® - Letter - Prepaid Frt ^{FC TP UP}	Letter	ALL	UPS Next Day Air Saver® Zone 132	-10.15
UPS Next Day Air Saver® - Package - Prepaid Frt ^{FC TP UP}	Package	ALL	UPS Next Day Air Saver® Zone 132 1 lb	-11.79
UPS 2nd Day Air A.M.® - Commercial Letter - Prepaid Frt ^{FC TP UP}	Letter	ALL	UPS 2nd Day Air A.M.® Zone 242	-6.21
UPS 2nd Day Air A.M.® - Commercial Package - Prepaid Frt ^{FC TP UP}	Package	ALL	UPS 2nd Day Air A.M.® Zone 242 1 lb	-6.30
UPS 2nd Day Air® - Letter - Prepaid Frt ^{FC TP UP RS RTP}	Letter	ALL	UPS 2nd Day Air® Zone 202	-5.24
UPS 2nd Day Air® - Package - Prepaid Frt ^{FC TP UP RS RTP}	Package	ALL	UPS 2nd Day Air® Zone 202 1 lb	-5.60
UPS 3 Day Select® - Package - Prepaid Frt ^{FC TP UP RS RTP}	Package	ALL	UPS 3 Day Select® Zone 302 1 lb	-1.00
UPS® Ground - Commercial Package - Prepaid Frt ^{FC TP UP RS RTP}	Package	ALL	UPS Ground Zone 002 1 lb	-1.00
UPS® Ground - Residential Package - Prepaid Frt ^{FC TP RS RTP}	Package	ALL	UPS Ground Zone 002 1 lb	-1.00
UPS SurePost® - 1lb or greater - Residential Package - Prepaid	Package	ALL	UPS SurePost® Zone 002 1 lb	-2.40

Accessories	Incentives
Domestic - Fuel Surcharge	25.00% Off Effective Rates
Domestic - Additional Handling Charge	38.00% Off Effective Rates
Domestic - Residential Surcharge	50.00% Off Effective Rates

The incentives stated above apply for the period January 30, 2016 through January 19, 2019.

Destination Area Surcharge(s) - Incentives per Shipment			
Service(s)	Country/Zone	Delivery Area - Extended	Delivery Area
UPS® Ground	ALL	50.00% Off	50.00% Off
UPS Next Day Air®	ALL	50.00% Off	50.00% Off
UPS Next Day Air Saver®	ALL	50.00% Off	50.00% Off
UPS Next Day Air® Early®	ALL	50.00% Off	50.00% Off
UPS 2nd Day Air®	ALL	50.00% Off	50.00% Off
UPS 2nd Day Air A.M.®	ALL	50.00% Off	50.00% Off
UPS 3 Day Select®	ALL	50.00% Off	50.00% Off

The incentives stated above apply for the period January 30, 2016 through January 19, 2019.

Committed Services:

All Small Package Freight: Domestic and Export transportation charges from the following: Letter, Document, Package, Pallet, or Hundredweight prepaid, Freight Collect, Third Party, Consignee Billing, World Ease, Consolidated Clearance, Return Services or ARS will be used to determine the customer's incentive levels: Next Day Air Early; Next Day Air; Next Day Air Saver, 2nd Day Air A.M.; 2nd Day Air; 3 Day Select; US Ground; US Export Worldwide Express / Express Plus (Excluding 10 kg and 25 kg box); US Export Worldwide Saver (Excluding 10 kg and 25 kg box); Export Worldwide Express Freight, US Export Worldwide Expedited; UPS Standard.

All International Import: Import transportation charges from the following: Letter, Document, Package or Pallet, Single-Piece or Multi-Piece, Freight Collect, Third Party, Consignee Billing, World Ease, Consolidated Clearance or Return Services will be used to

determine the customer's incentive levels: US Import Worldwide Express Plus; US Import Worldwide Express NA1 (Excluding 10 kg and 25 kg box); US Import Worldwide Express / Express Plus (Excluding 10 kg and 25 kg box); Import Worldwide Express Freight, US Import Worldwide Saver (Excluding 10 kg and 25 kg box); US Import Worldwide Expedited; Import Worldwide Standard; US Import 3 Day Select from Canada; US Import Standard.

*All UPS Freight*³: The following prepaid, freight collect, third party net transportation charges will be used to determine the customer's incentive levels: UPS Freight LTL, UPS Freight LTL Guaranteed A.M., UPS Freight LTL Guaranteed, UPS Freight LTL Urgent, UPS Freight Transactional Truckload and UPS Freight Truckload Intermodal.

All UPS Ground with Freight Pricing: The following service(s) will be used to determine the band of the customer: UPS Ground with Freight Pricing.

Rate Cap Summary:

UPS and Customer have mutually agreed to a maximum rate increase amount on the Daily Rates and minimum shipment charges in accordance with the terms set forth below. The maximum rate increase amount only applies to Daily Rates and not to any other surcharges, accessorial or fees. Should UPS increase its Daily Rates (hereinafter a "General Rate Increase"), Customer's incentives in Addendum B will be evaluated to determine if they need to be adjusted upward to maintain the maximum increase as listed in the table below (hereinafter the "Rate Cap Percentage").

Any applicable incentive adjustments will be calculated using the specific impact of the General Rate Increase on Customer's volume distribution. Customer's volume distribution will be based on a sample of Customer's business tendered to UPS. Should a statistically viable sampling not be available for a specific UPS product, UPS will calculate the applicable incentive adjustment using the announced General Rate Increase amount. If the General Rate Increase is used or if Customer's actual shipping characteristics change, Customer's effective rate increase may be greater or less than the Rate Cap Percentage.

If the incentive evaluation process determines that the Customer's rate increase for a product is less than the Rate Cap Percentage, no adjustments to incentives will occur. Customer's adjusted incentives, if any, will become Customer's revised incentives and will apply to Customer thereafter. Notwithstanding anything to the contrary, the Rate Cap Percentage does not apply to any changes in additional charges. Additional charges are defined as fees for value added services, accessorial charges, other charges or surcharges.

When evaluating if any incentive adjustments are required as part of this agreement, UPS will adjust the Rate Cap Percentage to account for any changes in Daily Rates that may occur as a result of an adjustment to the applicable fuel surcharge index. For example, if Customer's rate cap is 5.0% and UPS increases Daily Rates by an effective 6.0%, where 1.0% of the increase is part of a 1.0% net reduction in the fuel surcharge index, Customer will take the full 6.0% increase with the net effect being a 5.0% increase.

Service(s)	Year of Rate Increase		
	2017	2018	2019
UPS Next Day Air® Early® **	4.00%	4.00%	4.00%
UPS Next Day Air® Hundredweight	4.00%	4.00%	4.00%
UPS Next Day Air® **	4.00%	4.00%	4.00%
UPS Next Day Air Saver® Hundredweight	4.00%	4.00%	4.00%
UPS Next Day Air Saver® **	4.00%	4.00%	4.00%
UPS 2nd Day Air A.M.® Hundredweight	4.00%	4.00%	4.00%
UPS 2nd Day Air A.M.® **	4.00%	4.00%	4.00%
UPS 2nd Day Air® Hundredweight	4.00%	4.00%	4.00%
UPS 2nd Day Air® **	4.00%	4.00%	4.00%
UPS 3 Day Select® Hundredweight	4.00%	4.00%	4.00%
UPS 3 Day Select® **	4.00%	4.00%	4.00%
UPS® Ground Commercial **	4.00%	4.00%	4.00%
UPS® Ground Residential **	4.00%	4.00%	4.00%
UPS® Ground Hundredweight	4.00%	4.00%	4.00%
Export UPS Worldwide Express Plus® **	4.00%	4.00%	4.00%
Export UPS Worldwide Express® **	4.00%	4.00%	4.00%
Export UPS Worldwide Express Saver® **	4.00%	4.00%	4.00%
Export UPS Worldwide Expedited® **	4.00%	4.00%	4.00%
Export UPS Standard™: US to Canada **	4.00%	4.00%	4.00%
Export UPS Standard™: US to Mexico **	4.00%	4.00%	4.00%
Import UPS 3 Day Select® from Canada **	4.00%	4.00%	4.00%
Import UPS Worldwide Express Plus® **	4.00%	4.00%	4.00%
Import UPS Worldwide Express® **	4.00%	4.00%	4.00%
Import UPS Worldwide Express Saver® **	4.00%	4.00%	4.00%
Import UPS Worldwide Expedited® **	4.00%	4.00%	4.00%
Import UPS Standard™: Canada to US **	4.00%	4.00%	4.00%
Import UPS Standard™: Mexico to US **	4.00%	4.00%	4.00%

** Minimum shipment charges are capped (the net minimum shipment charge will not increase more than the negotiated rate cap). For products not indicated any applicable minimum shipment charge will float based on changes to the Daily Rates.

Electronic PLD Bonus

The incentives detailed earlier in this Agreement include an Electronic PLD bonus up to the amount defined in the table below. Shipments tendered via non-Electronic PLD will not receive this bonus. At no point will non-application of the bonus result in net rates that exceed the published rates in effect at the time of shipment. The bonus will be applicable to all shipments paid for by accounts in this agreement.

Service(s)	Electronic PLD Bonus
UPS Next Day Air® - Letter - Prepaid Frt	10.00%
UPS Next Day Air® - Package - Prepaid Frt	10.00%
UPS Next Day Air Saver® - Letter - Prepaid Frt	10.00%
UPS Next Day Air Saver® - Package - Prepaid Frt	10.00%
UPS 2nd Day Air A.M.® - Commercial Letter - Prepaid	10.00%
UPS 2nd Day Air A.M.® - Commercial Package - Prepaid	10.00%
UPS 2nd Day Air® - Letter - Prepaid Frt	10.00%
UPS 2nd Day Air® - Package - Prepaid Frt	10.00%
UPS 3 Day Select® - Package - Prepaid Frt	10.00%
UPS® Ground - Commercial Package - Prepaid	5.00%
UPS® Ground - Residential Package - Prepaid Frt	5.00%
UPS® Ground - Hundredweight - Package - Regular Pickup	5.00%
UPS SurePost® - 1lb or greater - Residential Package - Prepaid	5.00%
UPS Worldwide Express® - Export - Letter - Prepaid	10.00%
UPS Worldwide Express® - Export - Document - Prepaid	10.00%
UPS Worldwide Express® - Export - Package - Prepaid	10.00%
UPS Worldwide Express® - Export - Pak - Prepaid	10.00%
UPS Worldwide Express Saver® - Export - Letter - Prepaid	10.00%
UPS Worldwide Express Saver® - Export - Document - Prepaid	10.00%
UPS Worldwide Express Saver® - Export - Package - Prepaid	10.00%
UPS Worldwide Express Saver® - Export - Pak - Prepaid	10.00%
UPS Worldwide Expedited® - Export - Document - Prepaid	10.00%
UPS Worldwide Expedited® - Export - Package - Prepaid	10.00%
UPS Standard™ Transborder - Export - Package - Prepaid	10.00%
UPS Standard™ (US - MX) - Export - Document - Prepaid	10.00%
UPS Standard™ (US - MX) - Export - Package - Prepaid	10.00%
UPS Worldwide Export Express Freight™ Pallet All	10.00%
UPS Worldwide Express Plus® - Import - Package - Freight Collect	10.00%
UPS Worldwide Express® - Import - Letter - Freight Collect	10.00%
UPS Worldwide Express® - Import - Document - Freight Collect	10.00%
UPS Worldwide Express® - Import - Package - Freight Collect	10.00%
UPS Worldwide Express Saver® - Import - Letter - Freight Collect	10.00%
UPS Worldwide Express Saver® - Import - Document - Freight Collect	10.00%
UPS Worldwide Express Saver® - Import - Package - Freight Collect	10.00%
UPS Worldwide Expedited® - Import - Document - Freight Collect	10.00%
UPS Worldwide Expedited® - Import - Package - Freight Collect	10.00%

Service(s)	Electronic PLD Bonus
UPS Standard™ Transborder - Import - Package - Freight Collect	10.00%
UPS Standard™ (MX to US) - Import - Document - Freight Collect	10.00%
UPS Standard™ (MX to US) - Import - Package - Freight Collect	10.00%
UPS Worldwide Import Express Freight™ Pallet All	10.00%

The following methods of providing UPS shipment information will be considered non-electronic for this agreement: Manifest Key Entered, Manifest Summary, Hundredweight Shipping Document, Paper Waybill, Air Shipping Document, Shipping Record (SRB/SRM), Consignee Billing Paper Books. All other shipment information will be considered electronic PLD.

Notes:

- Incentives are based on and derived from the most recently published Daily Rates and adjusted periodically pursuant to the terms and conditions of the Carrier Agreement. Updated rate charts will be made available to Customer by contacting your UPS account executive. Rates applicable to UPS SurePost Service are set forth at www.ups.com/content/us/en/preferred/lws_index.html and are not applicable to shipments originating from account numbers that are not included in this agreement. Transportation charges for UPS SurePost packages will be included in any applicable Small Package Freight commitments.
- For UPS Freight services, the rolling average used to calculate the tier band will be based on transportation charges that will be one week behind the small package transportation charges used to calculate the tier.

^{All} Includes all available billing options and return services with the exception of WorldEase, Consolidated Clearance and ARS services. Please refer to the UPS Tariff/Terms and Conditions for additional information on available billing options.

^{FC} The incentives will be extended to Freight Collect Shipments and Undeliverable Packages Freight Collect where applicable for the zones listed.

^{TP} The incentives will be extended to Third Party Shipments and Undeliverable Packages Third Party where applicable for the zones listed.

^{UP} Undeliverable Packages will be returned as specified in the UPS Terms and Conditions. Any incentives in effect at the time of shipment for the service in which an undeliverable package is shipped will be applied to the undeliverable package.

^{RS} The incentives will be extended to Return Services where applicable for the zones listed.

^{RTP} The incentives will be extended to Third Party Return Services where applicable for the zones listed.

* UPS Ground with Freight Pricing is committed based on net transportation charges.

^{CL} Worldwide Express Freight service is not available to all countries. For a current list of available countries, visit http://www.ups.com/media/en/wwef_country_list.pdf