



Restructuring Separation Allowance Plan (RSAP)

Plan Terms
For Administrative and Part-time Supervisors



About This Document

The *Restructuring Separation Allowance Plan (RSAP)* *Plan Terms* serve as a Summary Plan Description (SPD) and as a formal plan document. It explains the key terms and conditions for the RSAP. The RSAP is designed to be an Employee Retirement Income Security Act of 1974 (ERISA) covered welfare benefit plan. Terms that are capitalized throughout the *RSAP Plan Terms* are defined terms with which you should also be familiar. A summary of these defined terms is provided at the end of the document.

If you have further questions, please contact the UPS Human Resources Service Center (HRSC) at [1-800-395-1586](tel:1-800-395-1586) or by email HRSCrsap@ups.com. Representatives are available Monday through Friday, 9 a.m. to 5 p.m., ET.

RSAP Payment Highlights

UPS is making changes to allow for more efficient processes and streamline the number of roles needed to deliver the best service to our customers. This guide serves to provide support to impacted employees.

You will receive the RSAP Payment following your RSAP Separation Date, as long as you complete the required forms within 15 days after your RSAP Separation Date. Your RSAP Separation Date will be the date your employment with UPS ends.

- Your RSAP Payment will include:
 - A Severance Payment
 - If eligible, based on age and Years of Subsidy Service, a cash payment calculated to represent a portion of the Retirement Plan benefit you would have received if you had worked until retirement eligibility
- Once you complete and submit the [RSAP Separation Agreement](#), UPS will pay your RSAP Payment, less applicable taxes, as soon as administratively possible, or in accordance with federal tax law section 409A, if applicable to specified employees.

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RSAP Payment Eligibility

Eligibility for the RSAP Payment is based solely at the discretion of the UPS Governance Committee, or its designate (references to the UPS Governance Committee include the Committee's designate), and requires that your position is being eliminated as a result of UPS Restructuring and you are not placed into a new position within approximately 30 days after your RSAP Notification Date. You must receive the RSAP Plan Terms, including a personalized RSAP Statement explaining your RSAP payment and benefits, and a RSAP Separation Agreement in order to be eligible. If you accept another position within UPS, you will no longer be eligible for the RSAP.

Eligibility for the RSAP Payment also requires that you are not represented for purposes of collective bargaining and maintain satisfactory performance through your RSAP Separation Date. In determining who is eligible for the RSAP, or deciding any other question about any claim for RSAP benefits, the UPS Governance Committee shall have the broadest discretion permitted by law to interpret this Plan and to make any conclusions of fact regarding any claim.

RSAP Separation Date and Rehire Eligibility

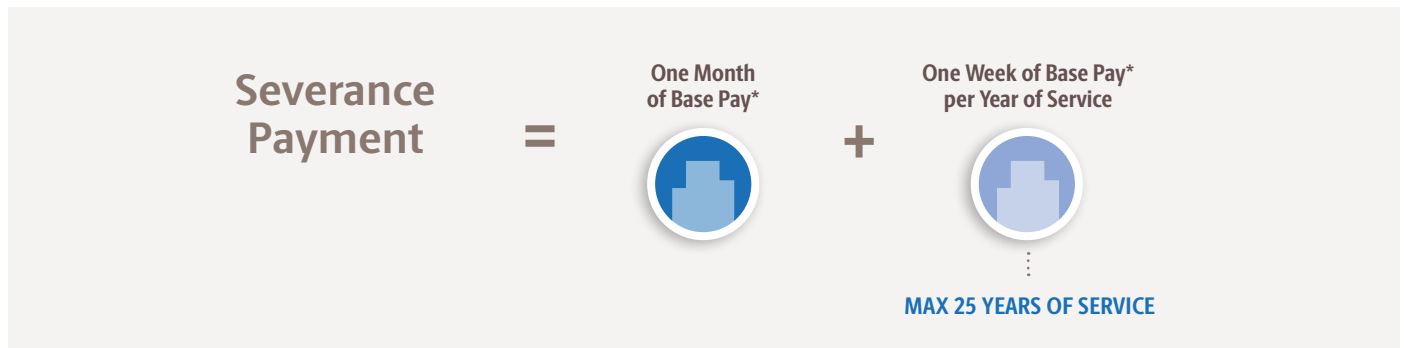
UPS will determine your RSAP Separation Date, which is the date your employment with UPS will end. Provided you left the Company in good standing and your rehire code is "yes," you are eligible to seek, apply for and otherwise pursue employment with the Company or any of its affiliates after 12 months from your RSAP Separation Date has elapsed.

IMPORTANT DEADLINE

RSAP Payment Requirements

To receive your RSAP Payment, you must electronically sign your RSAP [Separation Agreement](#) within 15 days after your RSAP Separation Date.

RSAP Payment



Severance Payment

Your Severance Payment is equal to one month of base pay*, plus one week of base pay* per Year of Service (up to 25 Years of Service). *Your Years of Service are determined as of December 31 of the year preceding your RSAP Separation Date. However, if your RSAP Separation Date occurs in April or later, you will be deemed to have earned a Year of Service in the year of your separation.*

Your monthly base pay will be calculated by assuming you work 40 hours per week and multiplying that by 52 weeks per year and divided by 12 months. This amount will be used regardless of the hours you actually work.

* Your base pay is determined as of your RSAP Notification Date.

Example

If you earn \$30 per hour and have 20 Years of Service

$40 \times 52 \div 12 \times \$30 = \$5,200$ (1 month of base pay)

$+ (\$30 \times 40) \times 20 = \$24,000$ (20 weeks of base pay)

**Example
Severance Payment = \$29,200**

*** 40 hours per week times 52 weeks divided by 12 months times \$30 per hour

UPS 401(k) Savings Plan SavingsPLUS Match

You must be employed with the company on the last day of the quarter to receive the UPS 401(k) Savings Plan SavingsPLUS Match. If your separation date is not the last day in the quarter, you may be eligible to receive a cash allowance in lieu of a match. If your separation date is the last day of the quarter you will receive your 401(k) Match in accordance with the terms of the UPS 401(k) Savings Plan.

Employees eligible for this cash allowance will receive 3% of base pay earned in the current quarter as of the separation date.

Example

If your monthly base pay is \$8,000 and your separation date is April 30

$\$8,000 \times 1 \text{ month} \times 3\% \text{ of base pay}$	= \$240
Example Cash Allowance	= \$240

Employees hired on or after January 1, 2025 are eligible for this cash allowance only if they have completed three years of service as of their separation date or are at least age 62.

This cash allowance is part of your overall RSAP Payment in lieu of the award.

UPS Retirement and Transition Contributions

You must be employed on the last day of the year to receive these contributions. If your separation date is before the last day of the year, you may be eligible to receive a cash allowance in lieu of these contributions. If your separation date is the last day of the year, you will receive your UPS Retirement Contribution and UPS Transition Contribution (if eligible) in accordance with the terms of the UPS 401(k) Savings Plan.

Depending on eligibility and other factors defined in the 401(k) Savings Plan SPD, your cash allowance may reflect one of the following scenarios:

- UPS Retirement and Transition Contribution
- UPS Retirement Contribution ONLY
- UPS Retirement Contribution hired on or after January 1, 2025

UPS Retirement and Transition Contribution

Employees eligible for this cash allowance who would have otherwise been eligible for the UPS Retirement Contribution and UPS Transition Contribution will receive 13% of base pay earned from January 1 to separation date (8% for the UPS Retirement Contribution and 5% for the UPS Transition Contribution).

Scenario 1

If your monthly base pay is \$8,000 and your separation date is April 30

Cash Allowance	= \$4,160
	(\$8,000 x 4 months x 13% of base pay)

UPS Retirement Contribution ONLY

Employees eligible for this cash allowance who would have otherwise been eligible for the UPS Retirement Contribution only and were hired prior to January 1, 2025 will receive 7% of base pay earned from January 1 to separation date.

Scenario 2

If your monthly base pay is \$8,000 and your separation date is April 30

Cash Allowance	= \$2,240
	(\$8,000 x 4 months x 7% of base pay)

UPS Retirement Contribution hired on or after January 1, 2025

Employees eligible for this cash allowance who would have otherwise been eligible for the UPS Retirement Contribution only and were hired on or after January 1, 2025 will receive 3% of base pay earned from January 1 to separation date.

Scenario 3

If your monthly base pay is \$8,000, your hire date is February 1, 2025 and your separation date is April 30, 2028

Cash Allowance	= \$960
	(\$8,000 x 4 months x 3% of base pay)

Employees are eligible for this cash allowance only if they have completed three years of service as of their separation date or are at least age 62.

This cash allowance is part of your overall RSAP Payment in lieu of the award.

Retirement Plan Allowance (If Eligible)

The Retirement Plan Allowance is only available to employees who participate in the UPS Retirement Plan but are not eligible for normal or early retirement and who satisfy the age and service requirements described below. Employees who are eligible for normal or early retirement under the UPS Retirement Plan will not receive a Retirement Plan Allowance. Employees who do not participate in the UPS Retirement Plan or who participate under the Portable Account Formula will not receive a Retirement Plan Allowance.

If you are at least age 45 and have 15 or more Years of Subsidy Service as of your RSAP Separation Date* but are not eligible to retire (generally age 55 with 10 Years of Service), you may receive a supplemental cash payment designed to represent a portion of the Retirement Plan benefit you would have received if you continued to work until age 55.

This payment is determined under the terms of this program and is not associated with the UPS Retirement Plan. In no event, will a Retirement Plan Allowance be payable if, as of your RSAP Separation Date, you are determined to be retirement eligible.

* Years of Subsidy Service are determined as of December 31 of the year preceding the RSAP Separation Date. For purposes of Retirement Plan Allowance eligibility and Part E of this section, in the year of your RSAP Separation Date, you will be credited with up to one additional Year of Subsidy Service (if applicable) according to the schedule defined in the UPS Retirement Plan based on deemed hours of 216 per month if you are in a full-time position and 190 hours per month if you are in a part-time position.

If you are eligible to participate in the UPS Retirement Plan as a Final Average Compensation participant and meet the age and service requirements described in this section, your RSAP Payment includes a supplemental cash value to replace a portion of the Retirement Plan benefit you would have received if you had worked until retirement eligibility. This amount equals A times B minus A times C with the result multiplied by D and E:

$$((\text{Part A} \times \text{Part B}) - (\text{Part A} \times \text{Part C})) \times \text{Part D} \times \text{Part E}$$

A Accrued UPS Retirement Plan benefit calculated as of December 31 of the year prior to your RSAP Separation Date.

X times

B Early Retirement Factor as if you work at UPS until age 55.

— minus

A Accrued UPS Retirement Plan benefit calculated as of December 31 of the year prior to your RSAP Separation Date.

X times

C Early Retirement Factor that applies if you separate prior to age 55 on your RSAP Separation Date.

X all multiplied by

D Present value factor that is used to convert your monthly retirement benefit to a present value as of your RSAP Separation Date. This factor is based on Internal Revenue Code (IRC) Section 417(e)(3) prescribed assumptions for mortality for 2018 and May 2018 IRC Section 417(e)(3) interest rate segments.

X all multiplied by

E If you are at least age 50 with at least 20 Years of Subsidy Service as of your RSAP Separation Date, 80%, or if you are at least age 45 with at least 15 Years of Subsidy Service as of your RSAP Separation Date, 50%.

Example 1

John

52 years old, 31 Years of Service

- UPS Retirement Plan participant
- earns benefits in the UPS Retirement Plan under the Retirement Plan Account formulas
- would have been eligible for a pension benefit of \$2,500 per month at his Early Retirement Age (based on his Years of Service and Pensionable Earnings history at the time of his RSAP Separation Date and payable as a Single Life Annuity), but as a result of his RSAP Separation is now eligible for a pension benefit of \$1,000 per month at that same Early Retirement Age.

John's Calculation	
Part A X	Accrued benefit as of December 31 prior to RSAP Separation Date: \$2,500
Part B	Early Retirement Factor as if you work at UPS until age 55: 100%
Part A X	Accrued benefit as of December 31 prior to RSAP Separation Date: \$2,500
Part C	Early Retirement Factor applicable at age 55 as if you separate prior to age 55: 40%
Part D	Present Value Factor: 184.34
Part E	80%
John's Total Retirement Plan Allowance = \$221,300	
((A x B) - (A x C)) x D x E (((\$2,500 x 100%) - (\$2,500 x 40%)) x 184.34 x 80% rounded up to the nearest \$100	

Example 2

Jane

45 years old, 21 Years of Service

- UPS Retirement Plan participant
- earns benefits in the UPS Retirement Plan under the Retirement Plan Account formulas
- would have been eligible for a pension benefit of \$1,700 per month at her Early Retirement Age (based on her Years of Service and Pensionable Earnings history at the time of her RSAP Separation Date and payable as a Single Life Annuity), but, as a result of her RSAP Separation, is now eligible for a pension benefit of \$800 per month at that same Early Retirement Age.

Jane's Calculation	
Part A X	Accrued benefit as of December 31 prior to RSAP Separation Date: \$2,000
Part B	Early Retirement Factor as if you work at UPS until age 55: 85%
Part A X	Accrued benefit as of December 31 prior to RSAP Separation Date: \$2,000
Part C	Early Retirement Factor applicable at age 55 as if you separate prior to age 55: 40%
Part D	Present Value Factor: 134.93
Part E	50%
Jane's Total Retirement Plan Allowance = \$60,800	
((A x B) - (A x C)) x D x E (((\$2,000 x 85%) - (\$2,000 x 40%)) x 134.93 x 50% rounded up to the nearest \$100	

Other RSAP Benefits

Career Transition Services

UPS will provide optional career transition services, at no cost to you. These services are available for a limited time after your RSAP Separation Date. For more information, contact Lee Hecht Harrison (LHH) at [1-800-665-7034](tel:1-800-665-7034).

How and When the RSAP Payment will be Made

To receive the RSAP Payment, electronically sign the [RSAP Separation Agreement](#) within 15 days after your RSAP Separation Date.

Payment will be made as soon as administratively possible, or in accordance with Internal Revenue Code section 409A, if applicable to specific employees, following receipt of your electronically signed [RSAP Separation Agreement](#). Payment will not be made until after the expiration of the seven day revocation period.

If you die before receiving your RSAP Payment, your estate will receive your RSAP Payment if UPS has received your electronically signed [RSAP Separation Agreement](#).

Tax Withholdings

Applicable taxes will be withheld from your RSAP Payment. These payments are subject to federal income tax, Social Security tax, Medicare tax, state income tax (where applicable), local income tax (where applicable), and any other state/local-specific mandatory types of withholdings. They will be taxed at supplemental withholding rates.

Offset for Other Benefits

Your RSAP Payment will be offset by the following:

- Separation allowance benefits payable under another plan, even if paid previously.
- Any payments to which you are entitled under a separate severance or employment agreement.
- Any benefit (excluding life insurance, retirement benefits, and deferred compensation) payable to you in the event of your death while employed by UPS.

The RSAP benefit payment will be reduced by any amounts paid pursuant to any state, federal or territory statutory severance law, plant closing or applicable Worker Adjustment and Retraining Notification (WARN) Act laws.

Accepting the RSAP

You must electronically sign and date your [RSAP Separation Agreement](#) within 15 days after your [RSAP Separation Date](#) after your RSAP Separation Date and not before.

You will receive confirmation of your electronic signature shortly after submitting. If you do not receive confirmation within 6-8 hours of your submission, check your spam/junk email folder first, then contact the HRSC at [1-800-395-1586](tel:1-800-395-1586) or by email HRSCrsap@ups.com, Monday through Friday, 9 a.m. to 5 p.m., ET.

Note:

Please retain a legible copy of your completed [RSAP Separation Agreement](#) for your records.

Other Payments and Benefits

This section describes other benefits that may be available to you when you separate from UPS. This information is provided to help you evaluate the various benefits you may be entitled to receive. These benefits are not a part of the RSAP, and your entitlement to these benefits will be determined by the terms of the documents governing these benefit programs.

This summary is not intended to serve as a complete summary of these benefit programs, and nothing in this document amends or changes the terms of the individual plans and programs described here. You should consult your summary plan description or other formal plan documents for more details on the terms and conditions of these programs. In the event of a conflict or inconsistency between these [RSAP Plan Terms](#) and the terms of any of these plans, the official plan documents for each plan will govern.

UPS Retirement Plan Benefits (if you are a Participant in the Plan)

If you are eligible for retirement: If you wish, you may start your [Retirement Plan Benefit](#) after your RSAP Separation Date. If you have not yet reached Normal Retirement Age, you may also defer starting your benefit until a future date.

To initiate the process, you must submit a [Retirement Benefit Request Form](#) to the UPS Retirement Department 60-90 days before your requested retirement benefit start date, which is available on [UPSers.com](#) using the search term “retirement benefits.” If the RSAP Separation Date does not allow you to apply for your retirement benefits at least 60 days ahead of your desired benefit start date, immediately contact the UPS Retirement Department at [1-800-643-4442](#), Monday through Friday, 9 a.m. to 4 p.m., ET for assistance.

If you are not yet eligible for retirement: A statement of your accrued vested [Retirement Plan Benefit](#) and instructions for starting this benefit at a date of your choice in the future will be mailed to you four months after your RSAP Separation Date. Please retain this information for your records.

When you become eligible to retire, you may contact the UPS Retirement Plan administrator as described in your Summary Plan Description (SPD).

UPS 401(k) Savings Plan Benefits

After you separate from UPS, you may leave your balance in your UPS 401(k) Savings Plan account or you can roll it over to another qualified plan, such as an individual retirement account (IRA) or another employer's qualified plan that accepts rollover contributions.

If you are eligible for retirement: It's important to know that you are not required to withdraw your UPS 401(k) Savings Plan account balance when you leave UPS subject to the IRS age 72 requirement (or 70 ½ years old before January 1, 2020). However, you have a number of distribution options to consider. You may leave your money in the plan, withdraw money in a lump sum, take a partial distribution, or receive monthly installments.

For your current balance and for more information about your distribution options, visit the UPS 401(k) Savings Plan at [upssavings.voya.com](#) or call [1-800-541-6154](#).

Please note, you cannot contribute any portion of your RSAP Payment into the UPS 401(k) Savings Plan.

Health Care Coverage

If, as of your RSAP Separation Date, you are not eligible for retirement: If you accept the RSAP benefit and are currently enrolled in medical, dental, and/or vision coverage under the UPS Flexible Benefits Plan your existing medical, dental, and vision coverage will continue for 60 days following the last day of the pay period following the pay period in which your RSAP Separation Date occurred.

For example, if your RSAP Separation Date is March 21, 2025:

- ▶ Last day of pay period following pay period in which RSAP occurred = March 29, 2025
- ▶ + 60 Days = May 28, 2025
- ▶ Flexible Benefits coverage ends = May 28, 2025

Your employee contributions toward medical, dental and vision coverage end at the end of the pay period following the pay period of your RSAP Separation Date.

Coverage for Basic Term Life and Accidental Death and Dismemberment (AD&D), short-term disability, and supplemental benefits (e.g., Supplemental Life and AD&D, personal lines of insurance, and pre-tax accounts) ends on your Separation Date.

If you terminate employment and are not eligible for retiree healthcare on your termination date, you will not be eligible for future access to the Retired Employees' Health Care Plan (REHCP) or other UPS sponsored retiree medical plans.

If you are currently enrolled in health care coverage, as required by law, you will be eligible for COBRA continuation coverage at full cost after your UPS Flexible Benefits Plan coverage ends. The Flexible Benefits Plan Summary Plan Description (SPD) contains more information about COBRA continuation coverage, which can be found on the Benefits Resource Center website. Visit [UPSers.com](https://upsers.com) and look for the Quick Link on the homepage to log in automatically.

If you have additional questions about your healthcare coverage, please contact the Benefits Resource Center at [1-844-877-8588](tel:1-844-877-8588). Representatives are available Monday through Friday, from 8 a.m. to 7 p.m., ET.

Retiree Health Care Coverage

If, as of your RSAP Separation Date, you are eligible for retirement and are under age 65: Under RSAP, if you are currently enrolled in medical, dental, and/or vision coverage, you will receive a 60 day extension of medical, dental, and vision coverage from that date. Beyond this extension, your coverage will continue until the end of the month following 30 days from your 60 RSAP extension. Your employee contributions toward medical, dental and vision coverage end at the end of the pay period following the pay period of your RSAP Separation Date. UPS will pay the premium for this period. Coverage for Basic Term Life and Accidental Death and Dismemberment (AD&D), short term disability, long-term disability and supplemental benefits (e.g., Supplemental Life and AD&D, personal lines of insurance, and pre-tax accounts) ends on your RSAP Separation Date.

Once your coverage under the UPS Flexible Benefits Plan ends, you will be eligible for retiree health care coverage under the REHCP. You will receive a new retiree kit which contains a REHCP enrollment guide in the mail.

For example, if your RSAP Separation Date is March 21, 2025:

- ▶ RSAP Separation Date + 60 days = May 28, 2025
- ▶ Flexible Benefits coverage ends = June 30, 2025 (End of the month following RSAP continuation end + 30 days)
- ▶ Retired Employees' Health Care plan Coverage begins = July 1, 2025

It's important to take immediate action and enroll in the REHCP plan as soon as you receive your new retiree kit to ensure you continue to have access to coverage. You can enroll online at the Benefits Resource Center website. Visit [UPSers.com](https://upsers.com) and look for the Quick Link on the homepage to automatically login or contact the Benefits Resource Center at [1-844-877-8588](tel:1-844-877-8588) if you have additional questions.

If, as of your RSAP Separation Date, you are eligible for retirement and you or your spouse are age 65 or over:

If you or your spouse are currently enrolled in medical, dental and/or vision coverage under the Flexible Benefits Plan, that coverage will be extended according to the same rules above for retirees who are under age 65.

Once your coverage under the UPS Flexible Benefits Plan ends, you will enroll in Medicare and will also be eligible to purchase individual Medicare supplemental coverage through Alight Retiree Health Solutions. You will receive a packet from Alight Retiree Health Solutions with more information.

Contact Alight Retiree Health Solutions at [1-800-505-8515](tel:1-800-505-8515) if you have questions about enrolling in Medicare or buying individual supplemental coverage.

Discretionary Day Payment (If Eligible)

If you are classified as an Administrative or Technical employee, you will receive the cash value of all your unused discretionary days for the year of your RSAP Separation Date.

Vacation Payment

All employees will receive the cash value of all accrued but unused vacation days as of the RSAP Separation Date regardless of retirement eligibility.

Plan Administration

The UPS Governance Committee has the exclusive right and discretion to interpret the terms and conditions of the RSAP, and to decide all matters arising in its administration and operation, including questions pertaining to eligibility and/or the amount of benefits to be paid under the RSAP. Any such interpretation or decision shall, subject to the claims procedure described herein, be conclusive and binding on all interested persons.

This [RSAP Plan Terms](#) is the governing document for the RSAP; and in the event of a conflict or inconsistency with any other documents relating to terms of the RSAP, this document shall govern. This [RSAP Plan Terms](#) also contains information regarding benefits provided under the UPS Retirement Plan, the UPS 401(k) Savings Plan, the UPS Retired Employees' Health Care Plan (REHCP), the UPS Incentive Compensation Plans. In the event of a conflict or inconsistency between these [RSAP Plan Terms](#) and the terms of any of these plans, the terms of each of these other plans will govern respectively. United Parcel Service of America, Inc. reserves the right to amend or terminate the RSAP in its sole discretion.

Claims Procedure

If you have a dispute about the RSAP, you must submit a claim within 90 days after you separate from UPS. Submit your claim to the Plan Administrator to the address on the next page. If your claim is denied, in whole or in part, the UPS Governance Committee will provide you with a written notice setting forth the following:

- (1) the reason(s) for the denial; the RSAP provisions upon which the denial is based;
- (2) an explanation of what additional information or material, if any, is needed to perfect the claim and why such information or material is needed;
- (3) a description of the Plan's appeals procedures and the applicable time limits; and
- (4) a statement of the right to bring civil action under ERISA Section 502(a) following an adverse determination on appeal.

This notice will generally be sent to you within 90 days of your initial claim, though the Plan Administrator may extend the time by up to 90 days if circumstances require (in which case you will be notified in writing before the end of the initial 90 day period). If your claim is denied in whole or in part, you may, within 60 days after receiving the denial, submit a written request for reconsideration. You should include with your request any records or documents that support your appeal.

Your claim will be reviewed by the UPS Governance Committee, who will respond within 60 calendar days of receipt of your request for review, provided that an extension of up to 60 days may be granted to the UPS Governance Committee in special circumstances. This decision of the UPS Governance Committee is final and will be provided in writing, including the following:

- (1) specific reasons for the decision;
- (2) specific references to the pertinent RSAP provisions on which the decision is based;
- (3) a statement that you may request copies of all relevant documents, records, and other information; and
- (4) a statement of the right to bring an action under ERISA Section 502(a).

Any legal action to recover a payment under the RSAP must be filed within 60 days of the final decision on appeal. Also, you may not commence any legal action against the RSAP after the first anniversary of the date on which a payment should have been paid or commenced. Any action at law or in equity to recover under this Plan by a Participant or beneficiary relating to or arising under the Plan shall only be brought in the U.S. District Court for the Northern District of Georgia, and that court shall have personal jurisdiction over any participant or beneficiary named in the action.

Other Important Information

Name of Plan:

United Parcel Service Restructuring Separation Allowance Plan

Type of Plan:

ERISA welfare severance plan

Plan Number:

548

Plan Year:

January 1 through December 31

Plan Effective Date:

January 1, 2021

Employer and Plan Sponsor:

United Parcel Service of America, Inc.
55 Glenlake Parkway
Atlanta, Georgia 30328
[1-800-395-1586](tel:1-800-395-1586)

Employer Identification Number (EIN):

95-1732075

Plan Administrator:

UPS Governance Committee
United Parcel Service of America, Inc.
ATTN: RSAP
55 Glenlake Parkway
Atlanta, Georgia 30328

Source of Funding

The RSAP is funded from the general assets of the Plan Sponsor. Participant contributions are not required and not permitted.

For your information, the RSAP is not an ERISA pension plan. Benefits under the RSAP are not guaranteed by the Pension Benefit Guaranty Corporation or any other federal agency.

Your ERISA Rights

As a participant in the United Parcel Service RSAP, you are entitled to certain rights and protections based on the Employee Retirement Income Security Act of 1974 (ERISA).

The RSAP is funded entirely from the assets of United Parcel Service, and is administered and maintained for the exclusive benefit of its participants and their eligible dependents within the meaning of ERISA and the Internal Revenue Code. As a participant in this RSAP, you have certain rights that are provided by ERISA.

Receive Information About Your Plan and Benefits

You may examine, without charge, at the UPS Corporate Office in Atlanta, all documents governing the RSAP, including a copy of the latest annual report (Form 5500 series) filed by the RSAP with the U.S. Department of Labor and available at the Public Disclosure Room of the Employee Benefits Security Administration.

You may obtain, upon written request to the UPS Governance Committee, copies of all documents governing the operation of the RSAP and copies of the latest annual report (Form 5500 series) or updated Summary Plan Description (SPD). The UPS Governance Committee may make a reasonable charge for the copies.

Prudent Actions by Plan Fiduciaries

In addition to creating rights for RSAP participants, ERISA imposes duties upon the people who are responsible for the operation of the employee benefit plan. The people who operate the RSAP, called “fiduciaries” of the RSAP, have a duty to do so prudently and in the interest of the RSAP participants and beneficiaries. No one, including your employer or any other person, may fire you or otherwise discriminate against you in any way to prevent you from obtaining a welfare benefit from the RSAP, or from exercising your rights under ERISA.

Enforce Your Rights

If your claim for a welfare benefit under an ERISA-covered plan (including the RSAP) is denied in whole or in part, you must receive a written explanation of the reason for the denial. You have a right to receive, without charge, copies of documents related to the denial. You have the right to have the UPS Governance Committee review and reconsider your claim. Under ERISA, there are steps you can take to enforce the above rights. For instance, if you request materials from the UPS Governance Committee and do not receive them within 30 days, you may file suit in a federal court. In such a case, the court may require the UPS Governance Committee to provide the materials and pay you up to \$110 a day until you receive the materials, unless the materials were not sent because of reasons beyond the control of the UPS Governance Committee. If you have a claim for benefits that is denied or ignored in whole or in part, you may file suit in a state or federal court. This right is subject to important requirements set forth on the prior page under the heading Plan Administration. If it should happen that RSAP fiduciaries misuse the RSAP money, or if you are discriminated against for asserting your rights, you may seek assistance from the U.S. Department of Labor, or you may file suit in a federal court. The court will decide who should pay court costs and legal fees.

If you are successful, the court may order the person you have sued to pay these costs and fees. If you lose, the court may order you to pay these costs and fees, for example, if it finds your claim is frivolous.

Assistance with Your Questions

If you have any questions about the RSAP, you should contact the HRSC at [1-800-395-1586](tel:1-800-395-1586) or by email HRSCrsap@ups.com. If you have any questions about this statement or about your rights under ERISA, or if you need assistance obtaining documents from the UPS Governance Committee, you should contact the nearest office of the U.S. Department of Labor, Pension and Welfare Benefits Administration listed in your telephone directory, or send written inquiries to: Public Disclosure Room, Room N1513, Employee Benefits Security Administration, U.S. Department of Labor, 200 Constitution Ave., N.W., Washington, D.C., 20210. You may also obtain certain publications about your rights and responsibilities under ERISA by calling the publications hotline of the Pension and Welfare Benefits Administration.

Definition of Terms

Align Retiree Health Solutions: a marketplace of available individually-owned Medicare Supplement plans for UPS retirees age 65 and older.

Discretionary Day Payment: a cash payment, if you are classified as an Administrative or Technical employee, for all unused discretionary days for the year of your RSAP Separation Date.

Retired Employees' Health Care Plan (REHCP): a plan providing benefits to people who retire from UPS when they are age 55 or older with 10 or more Years of Service, or age 65 or older with 5 or more Years of Service. This is a separate plan from the RSAP.

Retirement Plan Allowance: a cash allowance based on age and Years of Service to replace a portion of the Retirement Plan benefit you would have received if you had worked until retirement eligible. If eligible, this is part of your RSAP Payment.

RSAP Notification Date: the date you are notified of your separation from UPS.

RSAP Payment: the cash payment you receive after your RSAP Separation Date. Your RSAP Payment will include a:

- Severance Payment
- Retirement Plan Allowance, if eligible

RSAP Separation Agreement: a form you must properly complete and return to the HRSC within 15 days after your RSAP Separation Date. This form must be signed after your RSAP Separation Date.

RSAP Separation Date: the date you separate from UPS.

Severance Payment: a portion of your RSAP Payment equal to one month of your base pay plus one week of base pay per Year of Service, up to a maximum of 25 Years of Service. Your base pay is determined as of your RSAP Notification Date. Your Years of Service are determined as of December 31 of the year preceding the RSAP Separation Date. However, if your RSAP Separation Date occurs in April or later, you will be deemed to have earned a Year of Service in the year of your separation.

UPS: United Parcel Service, Inc.

UPS Retirement Plan: a defined pension benefit plan that provides eligible people with a monthly pension benefit at retirement. This is a separate plan from the RSAP.

Vacation Payment: a cash payment for all accrued but unused vacation days as of the RSAP Separation Date regardless of retirement eligibility.

Year of Service: is related to Vesting Service, establishes your right to receive UPS Retirement Plan benefits in the future, and is based on the hours of service you accumulate while working for UPS. You earn one Year of Service for each calendar year in which you receive credit for at least 750 hours of service. Your Years of Service are determined as of December 31 of the year preceding the RSAP Separation Date. If your RSAP Separation Date occurs in April or later, you will be deemed to have earned a Year of Service in the year of your separation.

Year of Subsidy Service: is related to Subsidy Service in the UPS Retirement Plan and is used to determine the amount of your UPS Retirement Plan Allowance, if eligible. Generally, you earn one Year of Subsidy Service for each calendar year in which you receive credit for at least 1,500 hours of service. You may also receive a partial Year of Subsidy Service for each calendar year in which you receive credit for fewer than 1,500 hours of service. Your Years of Subsidy Service are determined as of December 31 preceding your RSAP Separation Date. For purposes of the Retirement Plan Allowance eligibility, in the year of your RSAP Separation Date, you will be credited with up to one additional Year of Subsidy Service according to the schedule defined in the UPS Retirement Plan based on deemed hours of 216 per month if you are in a full-time position and 190 hours per month if you are in a part-time position.

Resources

The following are provided for information purposes only, to help you obtain more information about several UPS employee benefit plans.

PROGRAM	ADMINISTRATOR	CONTACT INFORMATION
UPS Restructuring Separation Allowance Plan (RSAP) Portal	UPS Human Resources Service Center (HRSC)	<ul style="list-style-type: none"> Sign electronically at www.eepoint.com/UPSRsap
UPS Restructuring Separation Allowance Plan (RSAP) Questions	UPS Human Resources Service Center (HRSC)	<ul style="list-style-type: none"> Review your RSAP Plan Terms Contact the UPS Human Resources Service Center (HRSC) at 1-800-395-1586 or by email HRSCrsap@ups.com
Career Transition Services	Lee Hecht Harrison (LHH)	1-800-665-7034
UPS Retirement Plan Initiating the retirement process	UPS Retirement Plan Administrative Committee	retirement@ups.com 1-800-643-4442
UPS 401(k) Savings Plan	Voya	1-800-541-6154 upssavings.voya.com
UPS Flexible Benefits Plan or UPS Retired Employees' Health Care Plan (REHCP)	Benefits Resource Center	1-844-877-8588 UPSers.com homepage Quick Links
Alight Retiree Health Solutions (for employees or spouses age 65 or older)	Alight Retiree Health Solutions	1-800-505-8515 retiree.alight.com/ups
COBRA Coverage	COBRA Service Center	1-877-292-6272 cobra.ehr.com



This document sets forth the terms and conditions of the RSAP Payment offered by UPS. If there is any error or inconsistency between this document and the official plan documents governing the terms of the UPS Retirement Plan, the UPS 401(k) Savings Plan, the UPS Retired Employees' Health Care Plan, the UPS Management Incentive Program, the UPS Incentive Compensation Plans, or any other UPS employee benefit plan or program, the official plan documents for each will govern.

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