

new choices

The ABX Air, Inc. Capital Accumulation Plan

The Retirement Committee of ABX Air, Inc. regularly reviews the investment options available through the ABX Air, Inc. Capital Accumulation Plan to make sure they continue to help you meet your financial goals and investment objectives. As a result, the following changes are being made to the Plan's investment lineup.

Beginning on **October 2, 2007**, Spartan U.S. Equity Index Fund – Investor Class and Vanguard Total Bond Market Index Fund - Institutional Class will be added to the investment line up. Please see the investment option descriptions in the *About Your New Investment Option* section of this letter.

In addition, effective **after the close of business (generally 4:00 P.M. Eastern Time) on October 2, 2007**, Fidelity Dividend Growth Fund, the Fidelity U.S. Bond Index Fund, and Fidelity U.S. Equity Index Commingled Pool will no longer be available investment options under the Plan. All existing balances and future contributions in this investment option will be automatically transferred to the investment options shown below under *New/Current Investment Options as of the close of business (generally 4:00 P.M. Eastern Time) on October 2, 2007*.

| Old Investment Option | | New/Current Investment Options |
|--|---|---|
| Fidelity Dividend Growth Fund | ⇒ | Existing balances: 50% Fidelity Growth Company Fund 50% Davis New York Venture Fund, Inc. - Class Y Future contributions: 100% Fidelity Growth Company Fund |
| Fidelity U.S. Bond Index Fund | ⇒ | Vanguard Total Bond Market Index Fund - Institutional Class |
| Fidelity U.S. Equity Index Commingled Pool | ⇒ | Spartan U.S. Equity Index Fund – Investor Class |

The reallocation of assets depends on the timely liquidation of those assets. A delay in liquidation may result in a change to the above noted dates.

Action to Consider

If you do not want your current account balance and future contributions to transfer to the investment option as shown above, you must contact Fidelity Investments® at 1-800-835-5095 or www.401k.com before 4:00 PM Eastern Time on **October 2, 2007**, and request an exchange.

Commingled Pool versus Mutual Fund: What's the Difference?

A **mutual fund** is an investment company. Mutual funds must be registered with the SEC and are subject to numerous requirements designed for the protection of investors. They are regulated primarily under the Investment Company Act of 1940 and the rules adopted under that Act. Mutual funds are also subject to the Securities Act of 1933 and the Securities Exchange Act of 1934. The SEC requires that all mutual funds have a prospectus. Mutual funds offered through a 401(k) like the ABX Air Inc. Capital Accumulation Plan are also available to the general public.

A **commingled pool** is part of a group trust maintained by a bank for the collective investment by qualified pension or retirement plans. Rather than being regulated by the SEC, the operation of a commingled pool is generally governed by the Department of Labor, whose rules are typically imposed for the protection of participants. A commingled pool offered through a 401(k) plan, such as the ABX Air CAP, is not available to the general public—only to participants in the plan. Commingled pools are not required to have a prospectus but information about these investments is available to you through your employer.

This makes tracking the share value of a commingled pool challenging. The Spartan U.S. Equity Index Fund – Investor Class is a mutual fund and is traded on the NYSE. The share value is calculated at the end of each trading day, generally at a 4:00 PM Eastern Time price. You can track the fund with its ticker symbol, FUSEX. You can also research the fund with the Wall Street Journal (WSJ) symbol, EQLDX.

For those not familiar with the Spartan Funds, Fidelity Management & Research Company (FMR) is the advisor of the Spartan U.S. Equity Index Fund – Investor Class. Geode Capital Management serves as a sub-adviser. Geode chooses investments and places orders to buy and sell fund's investments. FMR Co., Inc., an affiliate of FMR, also serves as a sub-adviser, and may also provide investment advisory services to the fund. Please refer to the Prospectus for more information.

Planning Tools to Help You Meet Your Retirement Savings Goals

With the addition of the new investment options to the Plan, now may be a good time to review your Plan account. Need to check the balances in your account? Perhaps you want to make changes to your account. Accessing your account for these and many other services is easy through NetBenefitsSM online account service and the Fidelity Retirement Benefits Line.



Connect by Computer! You can get online access to your account virtually any time of the day or night by visiting Fidelity's Web site at www.401k.com.



Connect by Phone! You can access your Plan account virtually 24 hours a day, 7 days a week through Fidelity's automated voice response system (VRS) toll-free at 1-800-835-5095. Representatives are available to assist you Monday through Friday (excluding New York Stock Exchange holidays) between 8:30 A.M. and 8:00 P.M. in your local time zone.



View the Investment Dictionary! You can reference the online Investment Dictionary through www.401k.com for term definitions. Go to www.401k.com, click *Tools* at the top of the page, click *Investment Dictionary*, and then click the *Term* you would like defined.

Investment Options in the ABX Air, Inc. Capital Accumulation Plan as of October 2, 2007

Categories to the left have potentially more inflation risk and less investment risk

Categories to the right have potentially less inflation risk and more investment risk

| Stable Value | Bond | Domestic Equity | International/ Global Equity |
|---------------------------------------|--|--|---|
| Managed Income Portfolio II - Class 1 | NEW! as of 10/2/07 Vanguard Total Bond Market Index Fund - Institutional Class | Large Value Large Blend NEW! as of 10/2/07 Davis New York Venture Fund, Inc. - Class Y Spartan U.S. Equity Index Fund—Investor Class Large Growth Fidelity Growth Company Fund Mid Blend Fidelity Low-Priced Stock Fund* Small Blend Lord Abbett Small Cap Value Fund - Class Y Small Growth Morgan Stanley Institutional Fund - Small Company Growth Portfolio - Class A | Fidelity Diversified International Fund |

*Fidelity Low-Priced Stock Fund was closed to new investors as of 7/30/2004.

This spectrum, with the exception of the Domestic Equity category, is based on Fidelity's analysis of the characteristics of the general investment categories and not on the actual investment options and their holdings, which can change frequently. Investment options in the Domestic Equity category are based on the options' Morningstar categories as of 7/31/2007. Morningstar categories are based on a fund's style as measured by its underlying portfolio holdings over the past three years and may change at any time. These style calculations do not represent the investment options' objectives and do not predict the investment options' future styles. Investment options are listed in alphabetical order within each investment category. Risk associated with the investment options can vary significantly within each particular investment category and the relative risk of categories may change under certain economic conditions. For a more complete discussion of risk associated with the mutual fund options, please read the prospectuses before making your investment decisions. The spectrum does not represent actual or implied performance.

In general, bond prices rise when interest rates fall, and vice versa. This effect is usually more pronounced for longer-term securities.

Investments in smaller companies may involve greater risk than those in larger, better known companies.

Foreign investments, especially those in emerging markets, involve greater risk and may offer greater potential returns than U.S. investments. This risk includes political and economic uncertainties of foreign countries, as well as the risk of currency fluctuation.

| Lifecycle Funds | | |
|--|---|---|
| Target Date 2000 - 2014 | Target Date 2015 - 2029 | Target Date 2030+ |
| Fidelity Freedom Income Fund® Fidelity Freedom 2000 Fund® Fidelity Freedom 2005 Fund® Fidelity Freedom 2010 Fund® | Fidelity Freedom 2015 Fund® Fidelity Freedom 2020 Fund® Fidelity Freedom 2025 Fund® | Fidelity Freedom 2030 Fund® Fidelity Freedom 2035 Fund® Fidelity Freedom 2040 Fund® |

The lifecycle funds are represented on a separate spectrum because each fund (except the income fund) will gradually adjust its asset allocation to be more conservative as the funds approach and move beyond their target retirement dates, until ultimately reaching their respective income fund allocations. Generally, within each fund family, those funds with later target retirement dates have greater risk than those with earlier target retirement dates. For lifecycle mutual funds, please see the fund's prospectus for detailed information.

About Your New Investment Options

The following are descriptions of your new investment options.

Spartan[®] U.S. Equity Index Fund - Investor Class

Fund Code: 00650

Ticker: FUSEX

Category: Domestic Equities - Large Blend

What It Is: An index mutual fund.

Goal: Seeks to provide investment results that correspond to the total return (i.e., the combination of capital changes and income) performance of common stocks publicly traded in the United States.

What it invests in: Normally invests at least 80% of its assets in common stocks included in the S&P 500[®] Index, which broadly represents the performance of common stocks publicly traded in the United States. Share price and return will vary.

Who may want to invest:

- Someone willing to ride out stock market fluctuations for potentially high long-term return.
- Someone who wants to pursue long-term growth through a portfolio of securities that broadly represent the stock market as measured by the S&P 500[®] Index.

The S&P 500[®] Index is a registered service mark of The McGraw-Hill Companies, Inc., and has been licensed for use by Fidelity Distributors Corporation and its affiliates. It is an unmanaged index of the common stock prices of 500 widely held U.S. stocks that includes the reinvestment of dividends.

Vanguard Total Bond Market Index Fund - Institutional Class

Fund Code: 44511

Ticker: VBTIX

Category: Bond

What It Is: An income mutual fund.

Goal: Seeks a high level of interest income by tracking the performance of a broad, market-weighted bond index.

What it invests in: The fund attempts to track the performance of the Lehman Brothers Aggregate Bond Index, which is a widely recognized measure of the entire taxable U.S. bond market. The index consists of more than 5,000 U.S. Treasury, federal agency, mortgage-backed, and investment-grade corporate securities, with a total market value exceeding \$4 trillion. Because it is not practical or cost-effective to own every security in the index, the fund invests in a large sampling that matches key characteristics of the index (such as market-sector weightings, coupon interest rates, credit quality, and maturity). To boost returns, the fund holds a higher percentage than the index in short-term, investment-grade corporate bonds and a lower percentage in short-term Treasury securities. Share price, yield and return will vary.

Who may want to invest:

- Someone seeking a high level of income.
- Someone seeking a low-cost, broadly diversified, fixed-income investment to balance the risks of a portfolio containing stocks.

Managed by The Vanguard Group, which provided the description for this fund.

The Lehman Brothers Aggregate Bond Index is an unmanaged market value weighted performance benchmark for investment-grade fixed-rate debt issues, including government, corporate, asset-backed, and mortgage-backed securities, with maturities of at least one year.

The Plan is intended to be a participant-directed plan as described in Section 404(c) of ERISA, which means that fiduciaries of the Plan are ordinarily relieved of liability for any losses that are the direct and necessary result of investment instructions given by a participant or beneficiary.

Unless otherwise noted, transaction requests confirmed after the close of the market, normally 4 P.M. Eastern Time, or on weekends or holidays, will receive the next available closing prices.

The investment options available through the Plan reserve the right to modify or withdraw the exchange privilege.

Before investing in any mutual fund, please carefully consider the investment objectives, risks, charges and expenses. For this and other information, call or write to Fidelity for a free prospectus. Read it carefully before you invest.