

ABenefits Xtra

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Your Health & Benefits Awareness resource published by the Human Resources Department at ABX Air, Inc.

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- e-BEAM arrives @ ABX
- Send questions to abx.benefits@airborne.com

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Open Enrollment starts Nov. 3

Open enrollment starts Nov. 3 for ABX employees. During open enrollment you may make changes to your benefits elections and add or drop dependents. This is your once-a-year opportunity to make changes to your benefits elections.

You should carefully consider your choices, as your elections will remain in place for the entire year of 2004. Mid-year changes are not permitted except for family/work status changes, which include marriage, divorce, birth or adoption of a child, or employment changes that affect your benefits status.

Open enrollment information packets will be distributed to all benefit-eligible employees during the first week of Nov. The deadline to make open enrollment changes is Nov. 30. If you have no benefits changes, you do not need to take any action. Your 2003 benefits elections will carry over to 2004.

New Health Care Flexible Spending Account

ABX is pleased to announce a new benefit for 2004. A Health Care Flexible Spending Account allows you to set aside pre-tax money into a special account allowing you to pay for out-of-pocket medical expenses including co-payments for office visits and prescription drugs, hearing aids, dental expenses, and a host of other expenses not covered by insurance.

Be sure to review the information about the Health Care Flexible Spending Account in the open enrollment

packet. Informational meetings will be held in Wilmington and other select locations during Nov. You can also review an on-line tutorial at

www.complink.biz/flash/fsa_index.html

Health Care Costs Soar

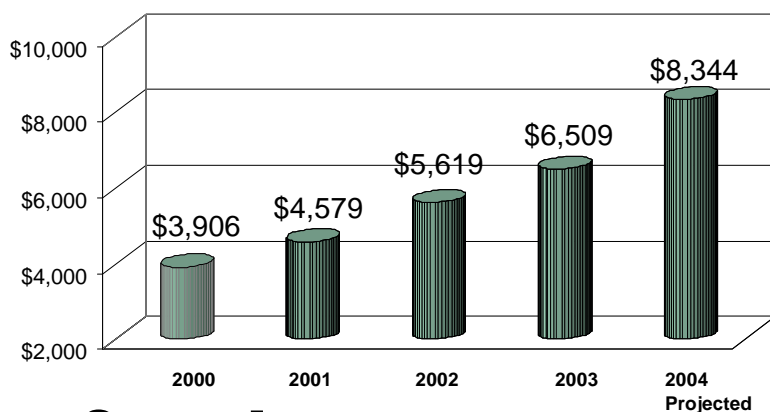
Health care costs continue to rise across the nation and ABX is no exception. In 2004, ABX is projected to spend \$52 million on employee health care cost compared to \$41 million in 2003. On a per-employee basis, health care benefits are expected to top \$8,000 a year for the first time.

Under the separation agreement with Airborne Express, ABX is required to keep our employees' health care benefits the same for 12 months. This means that ABX is unable to make any changes to the employees' share of the cost in 2004.

It is likely that the company will need to increase the employees' share of the cost in 2005 or make other changes to the plan to control costs. In the meantime, ABX will continue to explore options to control costs in 2004 and to minimize the cost sharing in 2005. You can help in this effort by:

- Avoiding the emergency room except for true emergencies
- Wearing your seatbelt
- Using generic drugs and the mail order drug program wherever possible
- Quitting smoking

ABX Air Medical Plan Annual Cost per Employee



ABX Snapshot

Questions & Answers

Q. Will I receive a benefits statement this year showing my current elections?

A. Your current benefits elections can be found by logging onto e-BEAM. We will not be distributing personal benefit statements as part of open enrollment this year. However, in December, once open enrollment is complete, we will send everyone a benefits statement confirming elections. If you find an error on the benefits statement you should contact the Benefits Dept. to make a correction.

Q. What does e-BEAM stand for?

A. electronic-Benefits Enrollment and Administration Module. e-BEAM interfaces directly with the Human Resources/Payroll Infinium system.

Q. What is a kiosk?

A. A kiosk (pronounced KEY-OSK) is a computer set up to allow you to access information. In addition to e-BEAM, you can access several other employee web sites including www.401k.com, www.myuhc.com, www.metlife.com/dental, www.colemanedvision.com, and On-the-Inside, the ABX Air employee web site.

Kiosks are being set up at various places around the Wilmington airport and at regional hubs.

e-BEAM Arrives @ ABX

Open enrollment will have a new look this year. Instead of paper enrollment forms, ABX is rolling out a new on-line benefits enrollment software called e-BEAM. Employees will be able to use a secure web site to access benefits and make benefit elections. Detailed instructions on how to use e-BEAM will be distributed in the open enrollment packets.

Employees will be able to access e-BEAM from any ABX computer or from their home computers. For employees that do not have home computers, kiosks will be installed in key locations in Wilmington and regional hubs.

e-BEAM Advantages

- See your current benefits elections & cost
- Verify your enrolled dependents
- Make your benefits changes
- Enroll in the new HealthCare Flexible Spending Account
- Ensure that the Benefits Dept. receives your benefits elections.
- Confirm your benefits elections for 2004
- Eliminate paper forms

If you have no benefit changes, you do not need to use e-BEAM; your 2003 benefit elections will carry over to 2004.

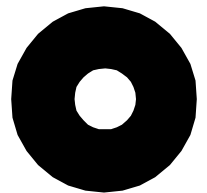
Sample e-BEAM Screen

Available Plans and Coverage	Amount	Dependents
<input type="checkbox"/> Medical Plan Decline Click Here	Employee Plan Plan Premium: \$0.00 Annual premium: \$0.00 Employee: \$0.00 Employee: \$0.00	
<input type="checkbox"/> Basic P.P.O. - Employee Only Click Here Click Here	Employee Plan Plan Premium: \$27.00 Annual premium: \$27.00 Employee: \$0.00 Employee: \$258.00	
<input type="checkbox"/> Basic P.P.O. - Excl. D. Click Here Click Here	Employee Plan Plan Premium: \$13.85 Annual premium: \$13.85 Employee: \$45.00 Employee: \$4,231.00	Dependents
<input type="checkbox"/> Basic P.P.O. - Excl. Gd. Click Here Click Here	Employee Plan Plan Premium: \$10.00 Annual premium: \$10.00 Employee: \$5.00 Employee: \$5,139.00	Dependents
<input type="checkbox"/> Basic P.P.O. - Excl. Gd. Tr. Click Here	Employee Plan Plan Premium: \$10.40	

New 2004 Benefits Handbook

Instead of paper copies, the 2004 Benefits Handbook will be distributed on CD-ROM using the popular Adobe Acrobat software.

For employees who do not have home computers, paper copies of the Benefits Handbook will be available upon request. Please let your supervisor know if you need a paper copy.



Questions about Benefits

If you have questions, please send them to abx.benefits@airborne.com or via COMAT to Benefits Department, ILN/9C Mailstop 2061B. Questions of

common interest may be published in the Q&A section of this newsletter. In addition, the ABX benefits web site will be updated with new information as it becomes available. The web site is available at www.abxair.com. Click on *Employee Connection* and then *Benefits Home* at the top of the *On the Inside* home page.