

**Date: February 19, 2010**

**NOTICE OF CESSATION OF BENEFIT ACCRUALS  
FOR ACTIVE PARTICIPANTS IN THE  
ABX AIR, INC. PILOTS MINIMUM MONTHLY RETIREMENT  
INCOME PLAN**

**Revised Freeze Date April 6, 2010**

This notice is to inform you that the retirement benefits of all participants under the ABX Air Pilots Minimum Monthly Retirement Income Plan ("Plan") will be frozen as of April 6, 2010, (the "Freeze Date"). This is a revision from the previously announced Freeze Date of February 14, 2010. If you are currently employed by ABX Air, Inc., or its related companies and are eligible to participate in the Plan, this means that the retirement benefits payable to you on your normal retirement date will be determined in accordance with the provisions of the Plan as of the Freeze Date, taking into account your average monthly compensation and years of credited service as of the Freeze Date, and the value of your profit sharing account as of March 31, 2010, provided, however, that Average Monthly Compensation shall be the greater of Average Monthly Compensation calculated as of (a) the effective date of the freeze or (b) as of December 31, 2009. No years of credited service, average monthly compensation, or changes in your profit sharing account credited to you during your employment after the Freeze Date will be taken into account in determining your normal retirement benefit. In addition, no otherwise eligible employee can commence participation in the Plan on or after the Freeze Date.

Your normal retirement benefit is summarized in the attachment to this notice.

This notice is required to be sent to you pursuant to Section 204(h) of the Employee Retirement Income Security Act of 1974, as amended, and Section 4980F of the Internal Revenue Code of 1986, as amended. If you have any questions concerning this notice, please contact Kathy Eversman at (800) 736-3973 ext. 62463 or Jeff Walling at (800) 736-3973 ext. 62230.

Plan Number: 003

Plan Sponsor: ABX Air, Inc.

Employer Identification Number: 91-1091619

Plan Administrator: Retirement Advisory Committee  
ABX Air, Inc., Inc.  
145 Hunter Drive  
Wilmington, OH 45177  
800-736-3973

## SUMMARY OF THE BENEFIT FORMULA OF THE

### PILOTS MINIMUM MONTHLY RETIREMENT INCOME PLAN

As the name of the plan implies, this plan's purpose and design is to ensure that when you retire you receive a targeted Pilots minimum monthly or "floor" benefit. This plan is designed to work together with the Profit Sharing Plan. It serves as a protection that you will get a retirement benefit based on your years of service with the Company.

Although the Profit Sharing Plan also provides you with retirement income, the Profit Sharing Plan amount may not be enough. For example, this might occur if you haven't worked for ABX Air long enough to accumulate a significant amount in your Profit Sharing Account; in this case, the Minimum Monthly Plan benefit will make up the difference.

#### How It Works

First, your benefit from the Minimum Monthly Plan is determined based on your Years of Credited Service with the Company and your earnings. Then, your Profit Sharing Account balance (including the value of any prior distributions or qualified domestic relations order transfers) is converted to a monthly annuity (see "Profit Sharing Annuity"). If your Profit Sharing Annuity is less than the amount calculated using the Pilots Minimum Monthly Retirement Income Plan formula, the Pilots Minimum Monthly Retirement Income Plan makes up the difference.

However, if your Profit Sharing Annuity is greater than the Pilots Minimum Monthly Retirement Income Plan formula, you get the greater Profit Sharing Plan benefit.

#### The Benefit Formula

The targeted Pilots minimum monthly pension benefit is:

|                                   |   |  |
|-----------------------------------|---|--|
| 2% of your Final Average Earnings | x | the number of your Years of Credited Service, maximum 25 |
|-----------------------------------|---|--|

"Final Average Earnings" is the highest annual consecutive five-calendar-year average of your compensation during your last ten calendar years of employment divided by 60 (monthly amount). Your compensation is defined as your W-2 compensation while covered by the plan, including: PIP contributions and nonqualified distributions; but excluding: severance pay, cost of living differentials, automobile allowances, payment of moving expenses, expatriate premiums, shelter allowances, post differentials, and contributions to unfunded nonqualified deferred compensation plans.

"Years of Credited Service" is the length of time, measured to the nearest month, that you are employed by the Company.

#### Profit Sharing Annuity

The Profit Sharing Plan works together with the Pilots Minimum Monthly Retirement Income Plan. In order to determine your actual benefit, your benefit from both plans must be compared. Since the Pilots Minimum Monthly Retirement Income Plan pays a monthly benefit, your account balance in the Profit Sharing Plan must be converted into a monthly benefit so that the comparison is meaningful.

If the comparison shows that the monthly Profit Sharing Annuity is greater than the monthly benefit from the Pilots Minimum Monthly Retirement Income Plan, then you will be paid your Profit Sharing Account balance (see "Retirement Payment Options"). If the monthly benefit from the Pilots Minimum Monthly Retirement Income Plan is the greater benefit, then your retirement income will be a combination of the Pilots Minimum Monthly Retirement Income Plan and the amount from your account in the Profit Sharing Plan.

To convert your Profit Sharing Account balance into a monthly benefit, an annuity (monthly) value is calculated by multiplying your account balance by a factor (see table below) based on your age at the time of the calculation (see example below).

#### Profit Sharing Annuity Example\*

R. S. retires at age 60 with a total Profit Sharing Account balance of \$30,000

|             |  |
|-------------|--|
| \$30,000.00 | -Total Profit Sharing Account Value      |
| x .008158   | -Age 60 Conversion Factor                |
| \$ 244.74   | R. S.'s Profit Sharing Annuity (Monthly) |

| Age | Profit Sharing<br>Annuity Conversion<br>Factor | Age | Profit Sharing<br>Annuity Conversion<br>Factor |
|-----|--|-----|--|
| 25  | 0.120621                                       | 48  | 0.020544                                       |
| 26  | 0.111686                                       | 49  | 0.019022                                       |
| 27  | 0.103413                                       | 50  | 0.017613                                       |
| 28  | 0.095753                                       | 51  | 0.016308                                       |
| 29  | 0.088660                                       | 52  | 0.015100                                       |
| 30  | 0.082093                                       | 53  | 0.013982                                       |
| 31  | 0.076012                                       | 54  | 0.012946                                       |
| 32  | 0.070381                                       | 55  | 0.011987                                       |
| 33  | 0.065168                                       | 56  | 0.011099                                       |
| 34  | 0.060341                                       | 57  | 0.010277                                       |
| 35  | 0.055871                                       | 58  | 0.009516                                       |
| 36  | 0.051732                                       | 59  | 0.008811                                       |
| 37  | 0.047900                                       | 60  | 0.008158                                       |
| 38  | 0.044352                                       | 61  | 0.008290                                       |
| 39  | 0.041067                                       | 62  | 0.008431                                       |
| 40  | 0.038025                                       | 63  | 0.008581                                       |
| 41  | 0.035208                                       | 64  | 0.008740                                       |
| 42  | 0.032600                                       | 65  | 0.008909                                       |
| 43  | 0.030185                                       | 66  | 0.009088                                       |
| 44  | 0.027949                                       | 67  | 0.009279                                       |
| 45  | 0.025879                                       | 68  | 0.009482                                       |
| 46  | 0.023962                                       | 69  | 0.009702                                       |
| 47  | 0.022187                                       | 70  | 0.009940                                       |

\*Note: These factors are only appropriate for participants with an age 60 Normal Retirement Age. Other employees can contact the Employee Benefits Administrator for information about their conversion factors. Factors based on GAR 94 mortality table and 8% interest.

**Example:**

J. D. retires at age 60 after 15 years of service with ABX Air. J. D.'s highest annual consecutive five-calendar-year average earnings are \$6,100 per month. The Pilots minimum monthly benefit would be:

Step 1

$$2\% \times \$6,100 \times 15 = \$1,830.00$$

Step 2

Now let's calculate J. D.'s Profit Sharing Annuity in order to compare the two benefits amounts. J. D.'s Profit Sharing Account balance is \$87,350 (see "Profit Sharing Annuity").

|                                 |                  |
|---------------------------------|------------------|
| Profit Sharing Account Balance  | \$87,350.00      |
| Age 60 Pilots Conversion Factor | <u>x .008158</u> |
| Monthly Profit Sharing Annuity  | \$ 712.60        |

Step 3

When we compare the Profit Sharing Annuity, \$712.60, to the Pilots minimum monthly benefit, \$1,830.00, it is clear that \$1,830.00 is the greater benefit.

Using this formula:

|  |                   |
|--|-------------------|
| Profit Sharing pays                          | \$ 712.60         |
| Minimum Monthly (\$1,830.00 - \$712.60) pays | <u>+ 1,117.40</u> |
| Total Monthly Retirement Benefit             | \$ 1,830.00       |