



To: ABX Air, Inc. Full-time and Part-time Employees & Interested Parties
From: Jeff Walling, Benefits Manager
Date: 11/30/07
Re: Summary Annual Reports, QDIA and Medicare Creditable Coverage Notice

Summary Annual Reports 2006

The Internal Revenue Service requires employers to provide an annual financial summary of the employee benefit plans to employees. The purpose of the summary is to provide information regarding the financial status of each plan and to comply with your rights to the information required by law.

The attached Summary Annual Reports from ABX Air, Inc. summarizes the data provided to the IRS for each benefit plan for the plan year 2006, and is required to be distributed to employees and interested parties by December 15, 2007. Some of the plans included may not apply to you because eligibility for benefits is determined by employment status.

The attached Qualified Default Investment Alternative (QDIA) Notice is required for all participants in the ABX Air, Inc. Capital Accumulation Plan (401(k)). This notice is a new requirement in 2007 regarding the default investment if you do not make an investment election.

The attached Medicare Creditable Coverage notice is required for all members of an ABX Medical plan whom may be eligible for Medicare Prescription Part D coverage. It does not apply to any who are not eligible for Medicare Part D coverage.

If you have any questions about eligibility or about this information, please email us at ABX.Benefits@abxair.com or call the ABX Air Benefits Department at ext. 62463 or ext. 62150.

**SUMMARY ANNUAL REPORT
FOR THE
ABX AIR, INC. CAFETERIA PLAN**

This is a summary of the annual report of the ABX Air, Inc. Cafeteria Plan, Plan Number 501, Employer Identification Number 91-1091619, for the plan year period beginning January 1, 2006 and ending December 31, 2006. The annual report has been filed with the Employee Benefits Security Administration, as required under the Employee Retirement Income Security Act of 1974 (ERISA).

INSURED COMPONENTS - INSURANCE INFORMATION

The plan had contracts with insurance carriers to pay certain claims incurred under the terms of the plan. The type of benefit provided, name of the insurer, and premiums paid for each component are set forth in the table below. The total amount of premiums paid for contract years that ended during the 2006 plan year were \$6,915,458.

Type of Benefit	Name of Insurer	Premiums Paid
Life	Prudential Insurance Company of America	\$989,180
Business Travel Accident	AIG Life	\$44,592
Accidental Death and Dismemberment	AIG Life	\$316,065
Life	Life Insurance Company of North America	\$935,686
Long Term Disability	Life Insurance Company of North America	\$3,908,500
Accidental Death and Dismemberment	Life Insurance Company of North America	\$351,991
Stop Loss	Reliastar Life Insurance Company	\$368,190
Temporary Disability	Metropolitan Life Insurance Company	\$1,254

Because all components of the plan are unfunded and/or insured, the plan did not have any reportable plan assets and did not earn any income during the plan year.

YOUR RIGHTS TO ADDITIONAL INFORMATION

You have the right to receive a copy of the full annual report, or any part thereof, on request. Included in that report is insurance information, including sales commissions paid by insurance carriers, and information on payments to service providers.

To obtain a copy of the full annual report, or any part thereof, write or call the office of ABX Air, Inc., 145 Hunter Drive, Wilmington, OH 45177-9390, (937) 382-5591. The charge to cover copying costs will be \$.25 per page for any part thereof.

You also have the legally protected right to examine the annual report at the main office of the plan: ABX Air, Inc., 145 Hunter Drive, Wilmington, OH 45177-9390, (or at any other location where the report is available for examination), and at the U.S. Department of Labor in Washington, D.C. or to obtain a copy from the U.S. Department of Labor upon payment of copying costs. Requests to the Department should be addressed to: Public Disclosure Room, Room N-1513, Employee Benefits Security Administration, U.S. Department of Labor, 200 Constitution Avenue, N.W., Washington, D.C. 20210.

Summary Annual Report

For ABX Air, Inc. Capital Accumulation Plan Trust

This is a summary of the annual report for ABX Air, Inc. Capital Accumulation Plan Trust, Employer Identification Number 91-1091619, Plan No. 002 for the period January 1, 2006 through December 31, 2006. The annual report has been filed with the Employee Benefits Security Administration, U.S. Department of Labor, as required under the Employee Retirement Income Security Act of 1974 (ERISA).

Basic Financial Statement

Benefits under the plan are provided through a trust fund. Plan expenses were \$11,443,723. These expenses included \$32,708 in administrative expenses and \$11,350,686 in benefits paid to participants and beneficiaries and \$60,329 in other expenses. A total of 12318 persons were participants in or beneficiaries of the plan at the end of the plan year.

The value of plan assets, after subtracting liabilities of the plan, was \$200,719,477, as of December 31, 2006 compared to \$171,807,415 as of January 1, 2006. During the plan year, the plan experienced an increase in its net assets of \$28,912,062. This increase includes unrealized appreciation and depreciation in the value of plan assets; that is, the difference between the value of the plan's assets at the end of the year and the value of the assets at the beginning of the year or the cost of assets acquired during the year. The plan had total income of \$40,627,458, including employer contributions of \$4,468,689, employee contributions of \$14,347,367, other contributions of \$691,198, and earnings from investments of \$21,120,204.

Your Rights To Additional Information

You have the right to receive a copy of the full annual report, or any part thereof, on request. The items listed below are included in that report:

1. financial information and information on payments to service providers;
2. information regarding any CCTs, PSAs, MTs, or 103-12Ies;
3. an accountant's report;
4. assets held for investment;

To obtain a copy of the full annual report, or any part thereof, write or call ABX Air, Inc., 145 Hunter Drive, Wilmington, OH 45177, (937) 382-5591.

You also have the right to receive from the Plan Administrator, on request and at no charge, a statement of the assets and liabilities of the plan and accompanying notes, or a statement of income and expenses of the plan and accompanying notes, or both. If you request a copy of the full annual report from the Plan Administrator, these two statements and accompanying notes will be included as part of that report.

You also have the legally protected right to examine the annual report at the main office of the plan at ABX Air, Inc., 145 Hunter Drive, Wilmington, OH 45177, and at the U.S. Department of Labor in Washington, D.C. or to obtain a copy from the U.S. Department of Labor upon payment of copying costs. Requests to the Department should be addressed to: Public Disclosure Room, N1513, Employee Benefits Security Administration, U.S. Department of Labor, 200 Constitution Avenue, N.W., Washington, D.C. 20210.

SUMMARY ANNUAL REPORT
FOR ABX AIR, INC PROFIT SHARING PLAN

This is a summary of the annual report for the ABX AIR, INC PROFIT SHARING PLAN, EIN 91-1091619, Plan No. 001, for period January 1, 2006 through December 31, 2006. The annual report has been filed with the Employee Benefits Security Administration, U.S. Department of Labor, as required under the Employee Retirement Income Security Act of 1974 (ERISA).

Basic Financial Statement

Benefits under the plan are provided through a trust fund. Plan expenses were \$5,346,280. These expenses included \$469,764 in administrative expenses and \$4,876,516 in benefits paid to participants and beneficiaries. A total of 4,015 persons were participants in or beneficiaries of the plan at the end of the plan year, although not all of these persons had yet earned the right to receive benefits.

The value of plan assets, after subtracting liabilities of the plan, was \$98,642,924 as of December 31, 2006, compared to \$95,094,369 as of January 1, 2006. During the plan year the plan experienced an increase in its net assets of \$3,548,555. This increase includes unrealized appreciation and depreciation in the value of plan assets; that is, the difference between the value of the plan's assets at the end of the year and the value of the assets at the beginning of the year or the cost of assets acquired during the year. The plan had total income of \$10,271,857 including employer contributions of \$1,034,098 and earnings from investments of \$9,237,759. Additionally, there were transfers from the plan of \$(1,377,022).

Your Rights To Additional Information

You have the right to receive a copy of the full annual report, or any part thereof, on request. The items listed below are included in that report:

1. an accountant's report;
2. financial information and information on payments to service providers; and
3. information regarding any common or collective trusts, pooled separate accounts, master trusts or 103-12 investment entities in which the plan participates.

To obtain a copy of the full annual report, or any part thereof, write or call ABX AIR, INC, 145 HUNTER DRIVE, WILMINGTON, OH 45177-9390, (937) 382-5591.

You also have the right to receive from the plan administrator, on request and at no charge, a statement of the assets and liabilities of the plan and accompanying notes, or a statement of income and expenses of the plan and accompanying notes, or both. If you request a copy of the full annual report from the plan administrator, these two statements and accompanying notes will be included as part of that report.

You also have the legally protected right to examine the annual report at the main office of the plan (ABX AIR, INC, 145 HUNTER DRIVE, WILMINGTON, OH 45177-9390) and at the U.S. Department of Labor in Washington, D.C., or to obtain a copy from the U.S. Department of Labor upon payment of copying costs. Requests to the Department should be addressed to: Public Disclosure Room, Room N1513, Employee Benefits Security Administration, U.S. Department of Labor, 200 Constitution Avenue, N.W., Washington, D.C. 20210.

SUMMARY ANNUAL REPORT
FOR ABX AIR, INC. RETIREMENT INCOME PLAN

This is a summary of the annual report for the ABX AIR, INC. RETIREMENT INCOME PLAN, EIN 91-1091619, Plan No. 004, for period January 1, 2006 through December 31, 2006. The annual report has been filed with the Employee Benefits Security Administration, U.S. Department of Labor, as required under the Employee Retirement Income Security Act of 1974 (ERISA).

Basic Financial Statement

Benefits under the plan are provided through a trust fund. Plan expenses were \$3,620,817. These expenses included \$704,527 in administrative expenses, \$192,420 in PBGC premiums and \$2,723,870 in benefits paid to participants and beneficiaries. A total of 7,306 persons were participants in or beneficiaries of the plan at the end of the plan year, although not all of these persons had yet earned the right to receive benefits.

The value of plan assets, after subtracting liabilities of the plan, was \$177,968,062 as of December 31, 2006, compared to \$145,927,176 as of January 1, 2006. During the plan year the plan experienced an increase in its net assets of \$32,040,886. This increase includes unrealized appreciation and depreciation in the value of plan assets; that is, the difference between the value of the plan's assets at the end of the year and the value of the assets at the beginning of the year or the cost of assets acquired during the year. The plan had total income of \$35,661,703 including employer contributions of \$18,884,300, transfers to the plan of \$344,622 and earnings from investments of \$16,432,781.

Minimum Funding Standards

An actuary's statement shows that enough money was contributed to the plan to keep it funded in accordance with the minimum funding standards of ERISA.

Your Rights To Additional Information

You have the right to receive a copy of the full annual report, or any part thereof, on request. The items listed below are included in that report:

1. an accountant's report;
2. financial information and information on payments to service providers;
3. information regarding any common or collective trusts, pooled separate accounts, master trusts or 103-12 investment entities in which the plan participates; and
4. actuarial information regarding the funding of the plan.

To obtain a copy of the full annual report, or any part thereof, write or call ABX AIR, INC., 145 HUNTER DRIVE, WILMINGTON, OH 45177-9390, (937) 382-5591. The charge to cover copying costs will be \$5 for the full annual report, or 25 cents per page for any part thereof.

You also have the right to receive from the plan administrator, on request and at no charge, a statement of the assets and liabilities of the plan and accompanying notes, or a statement of income and expenses of the plan and accompanying notes, or both. If you request a copy of the full annual report from the plan administrator, these two statements and accompanying notes will be included as part of that report. The charge to cover copying costs given above does not include a charge for the copying of these portions of the report because these portions are furnished without charge.

You also have the legally protected right to examine the annual report at the main office of the plan (ABX AIR, INC., 145 HUNTER DRIVE, WILMINGTON, OH 45177-9390) and at the U.S. Department of Labor in Washington, D.C., or to obtain a copy from the U.S. Department of Labor upon payment of copying costs. Requests to the Department should be addressed to: Public Disclosure Room, Room N1513, Employee Benefits Security Administration, U.S. Department of Labor, 200 Constitution Avenue, N.W., Washington, D.C. 20210.

**THIS IS A REQUIRED FEDERAL NOTICE TO BE DISTRIBUTED TO
ALL ELIGIBLE FOR THE ABX AIR, INC. MEDICAL PLANS**

**Important Notice from ABX Air, Inc. About
Your Prescription Drug Coverage and Medicare**

Please read this notice carefully and keep it where you can find it. This notice has information about your current prescription drug coverage with ABX Air, Inc. and prescription drug coverage available for people with Medicare. It also explains the options you have under Medicare prescription drug coverage and can help you decide whether or not you want to enroll. At the end of this notice is information about where you can get help to make decisions about your prescription drug coverage.

- 1. Medicare prescription drug coverage became available in 2006 to everyone with Medicare through Medicare prescription drug plans and Medicare Advantage Plans that offer prescription drug coverage. All Medicare prescription drug plans provide at least a standard level of coverage set by Medicare. Some plans may also offer more coverage for a higher monthly premium.**
- 2. ABX Air, Inc. has determined that the prescription drug coverage offered by the ABX Air, Inc. Medical Plan is, on average for all plan participants, expected to pay out as much as the standard Medicare prescription drug coverage will pay and is considered Creditable Coverage.**

Because your existing coverage is on average at least as good as standard Medicare prescription drug coverage, you can keep this coverage and not pay extra if you later decide to enroll in Medicare prescription drug coverage.

Individuals can enroll in a Medicare prescription drug plan when they first become eligible for Medicare and each year from November 15th through December 31st. Beneficiaries leaving employer/union coverage may be eligible for a Special Enrollment Period to sign up for a Medicare prescription drug plan.

You should compare your current coverage, including which drugs are covered, with the coverage and cost of the plans offering Medicare prescription drug coverage in your area.

If you do decide to enroll in a Medicare prescription drug plan and drop your ABX Air, Inc. Medical Plan prescription drug coverage, be aware that you and your dependents may not be able to get this coverage back.

Please contact us for more information about what happens to your coverage if you enroll in a Medicare prescription drug plan.

You should also know that if you drop or lose your coverage with ABX Air, Inc. Medical Plan and don't enroll in Medicare prescription drug coverage after your current coverage ends, you may pay more (a penalty) to enroll in Medicare prescription drug coverage later.

If you go 63 days or longer without prescription drug coverage that's at least as good as Medicare's prescription drug coverage, your monthly premium will go up at least 1% per month for every month that you did not have that coverage. For example, if you go nineteen months without coverage, your premium will always be at least 19% higher than what many other people pay. You'll have to pay this higher premium as long as you have Medicare prescription drug coverage. In addition, you may have to wait until the following November to enroll.

ABX Air, Inc. employees have the choices of the following prescription coverage in their medical plans:

Medical Plan Features	<u>Enhanced</u>		<u>Value</u>		<u>HSA</u>	
	For NETWORK providers the Plan pays . . .	For NON-NETWORK providers the Plan pays . . .	For NETWORK providers the Plan pays . . .	For NON-NETWORK providers the Plan pays . . .	For NETWORK providers the Plan pays . . .	For NON-NETWORK providers the Plan pays . . .
Outpatient Prescription Drugs Tiers as determined by the United HealthCare Prescription Drug List (PDL). See www.myuhc.com for the most current list.	Tier 1 - 90% (\$10 min/\$20 max) Tier 2 - 80% (\$25 min/\$45 max) Tier 3 - 60% (\$50 min/\$70 max) Mail Order (90-day supply) Tier 1 - 90% (\$20 min/\$40 max) Tier 2 - 80% (\$50 min/\$90 max) Tier 3 - 60% (\$100 min/\$140 max) (deductible/out-of-pocket maximums do not apply)	Not covered	Tier 1 - 90% (\$10 min/\$20 max) Tier 2 - 80% (\$25 min/\$45 max) Tier 3 - 60% (\$50 min/\$70 max) Mail Order (90-day supply) Tier 1 - 90% (\$20 min/\$40 max) Tier 2 - 80% (\$50 min/\$90 max) Tier 3 - 60% (\$100 min/\$140 max) (deductible/out-of-pocket maximums do not apply)	Not covered	Tier 1 - 80% (\$20 min/\$40 max) Tier 2 - 60% (\$40 min/\$60 max) Tier 3 - 50% (\$60 min/\$80 max) Mail Order (90-day supply) Tier 1 - 80% (\$40 min/\$80 max) Tier 2 - 60% (\$80 min/\$120 max) Tier 3 - 50% (\$120 min/\$160 max) (deductibles/out-of-pocket maximums apply)	Not covered

For more information about this notice or your current prescription drug coverage...

Contact the ABX Benefits office for further information (937) 366-2463. NOTE: You will receive this notice annually and at other times in the future such as before the next period you can enroll in Medicare prescription drug coverage, and if this coverage through ABX Air, Inc. changes. You also may request a copy.

For more information about your options under Medicare prescription drug coverage...

More detailed information about Medicare plans that offer prescription drug coverage is in the "Medicare & You" handbook. You'll get a copy of the handbook in the mail every year from Medicare. You may also be contacted directly by Medicare prescription drug plans. For more information about Medicare prescription drug plans:

- Visit www.medicare.gov
- Call your State Health Insurance Assistance Program (see your copy of the Medicare & You handbook for their telephone number) for personalized help,
- Call 1-800-MEDICARE (1-800-633-4227). TTY users should call 1-877-486-2048.

For people with limited income and resources, extra help paying for Medicare prescription drug coverage is available. Information about this extra help is available from the Social Security Administration (SSA) online at www.socialsecurity.gov, or you call them at 1-800-772-1213 (TTY 1-800-325-0778).

Remember: Keep this notice. If you enroll in one of the new plans approved by Medicare which offer prescription drug coverage, you may be required to provide a copy of this notice when you join to show that you are not required to pay a higher premium amount.

Date: 11/30/2007
 Name of Entity/Sender: ABX Air, Inc.
 Contact--Position/Office: Benefits Dept.
 Address: 145Hunter Dr.
 Wilmington, Ohio 45177
 Phone Number: 937-366-2463

2007 Annual QDIA Notification

Subject: Important Information Regarding ABX Air, Inc. 401(k) plans

Dear employee;

You are receiving this notice because you may have contributions which are currently being invested in, or you have a balance in the designated default fund on your ABX 401(k) Plan. The current default plan is your age-appropriate Freedom Fund. Under the Plan, any contributions for which you do not provide investment direction will be invested in the Plan designated fund. For description and fee information regarding this fund, go to www.401k.com.

You have the right under the Plan to direct the investment of your existing balances and future contributions to any available Plan investment options. Unless you provide alternative direction, your contributions and/or account balance will continue to be invested in the Plan designated fund.

To obtain information about other plan investment options, please log onto NetBenefits® at www.401k.com or call 1-800-835-5095 to speak to a representative. You may also make changes to your investment elections for future contributions and/or exchange all or a portion of your existing balance into other options available under the Plan via NetBenefits or by phone. We encourage you to review your investment mix and deferral percentage and update as appropriate.

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

Keep in mind that investing involves risk. The value of your investment will fluctuate over time and you may gain or lose money.

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

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.

This notice is a new requirement in 2007 regarding the default investment if you do not make an investment election.