

Making the change to Fidelity Investments®

We're changing!

As previously announced, we're making some changes to the Airborne Express Capital Accumulation Plan—changes that will give you more choice and flexibility.

Look inside

You'll find important information about these changes and what to expect during the transition to your new plan.



Airborne Express
Attn: HUMR
P.O. Box 662
Seattle, WA 98111-0662

First Class
U.S. Postage
PAID
Fidelity
Investments

Airborne Express Capital Accumulation Plan



deliver on
what matters **most**
to your **future**

To offer you more choice and flexibility, we've selected Fidelity Investments® as our new provider of recordkeeping, trustee services, and investment options, starting **May 31, 2001**. This brochure gives you all the details about the transition to Fidelity, including important events and key dates.

Fidelity Investments is the largest privately held investment management organization in the country. Founded in 1946, Fidelity currently manages more than \$920 billion in assets for more than 60 million individual and institutional shareholder accounts.



Improvements to Your Plan

New investment options

The new lineup includes 10 investment options

- Stable Value Fund
- Fidelity U.S. Bond Index Fund
- U.S. Equity Index Commingled Pool
- Davis New York Venture Fund, Inc.
- Fidelity Dividend Growth Fund
- Fidelity Growth Company Fund
- Fidelity Low-Priced Stock Fund*
- Franklin Small Cap Growth Fund I—Class A**
- Fidelity Diversified International Fund†
- **Fidelity Freedom Funds®**
 - Fidelity Freedom Income Fund®
 - Fidelity Freedom 2000 Fund®
 - Fidelity Freedom 2010 Fund®
 - Fidelity Freedom 2020 Fund®
 - Fidelity Freedom 2030 Fund®
 - Fidelity Freedom 2040 FundSM

*This fund carries a short-term trading fee of 1.5% for shares held less than 90 days.

**Formerly known as Franklin Small Cap Growth Fund—A.

†This fund carries a short-term trading fee of 1% for shares held less than 30 days.

24-hour account information*

Through the Fidelity NetBenefitsSM online account service and the Fidelity Retirement Benefits Line phone system

*There is a systems maintenance period when some phone services may not be available.

Just look at what you'll be able to do...whenever it's convenient for you!

- Enroll in the Airborne Express Capital Accumulation Plan
- Get current account information and chart your savings
- Make investment and contribution changes
- Model a new loan
- Request a loan
- Request a withdrawal
- Get Plan information
- Request mutual fund prospectuses
- Access retirement planning tools

More frequent transactions

- Change **daily** the way your contributions are invested
- Change your payroll contribution percentage **every pay cycle**
- Make **daily** exchanges between current investment options
- Make loan requests **at any time**

let the **transition** begin

1 Some account activities will be put "on hold" during the transition period

► From April 30, 2001, at 4 p.m. Eastern time, until mid-June:

- Change the way your future payroll contributions are invested
- Note:** In order to change the way your contributions are invested, call the Airborne Express Phone Benefits System at 1-800-504-401K **before 4 p.m. Eastern time on April 30, 2001.**

If you wish to decrease your payroll contributions to 0% during the transition, please contact your **Employee Benefits department.**

► From April 30, 2001, at 4 p.m. Eastern time, until early August 2001:

- Initiate a loan
 - Initiate a withdrawal
 - Initiate a distribution
- Note:** In order to initiate a loan, withdrawal, or distribution prior to the transition period, you must call the Airborne Express Phone Benefits System at 1-800-504-401K **before 4 p.m. Eastern time on April 30, 2001.**

► From May 15, 2001, at 4 p.m. Eastern time, until early August 2001:

- Make transfers between investment options
 - Check account balance
- Note:** In order to make transfers between investment options, call the Airborne Express Phone Benefits System at 1-800-504-401K **before 4 p.m. Eastern time on May 15, 2001.** Your request will be processed before the transition to Fidelity.

What you need to do:

If you'll need to complete any "on hold" activities before the transition period, you must do so by calling the Airborne Express Phone Benefits System at 1-800-504-401K before the dates indicated above.

Payroll and company contributions, loan repayments,* and enrollments will continue as normal during the transition period. Notification of when you may request transactions to your account will be mailed to your home address in mid-June and August. When the transition period ends, you'll have **complete** account access through the Fidelity NetBenefitsSM online account service and through the Fidelity Retirement Benefits Line.

*Loan repayments received during the transition period will be credited to the Stable Value Fund, pending receipt of loan setup information from your previous recordkeeper. Loan repayments will be credited to participants' accounts on a current basis, using participants' investment option elections, once Fidelity has received sign-off on the loan setup, reinvestment information, and has resolved all loan repayment errors. Any earnings accrued in the Stable Value Fund during the transition period will also be allocated to participants' accounts on a current basis using participants' investment option elections.

2

Some of your investment options will change

Until **May 31, 2001**, your payroll contributions and current account balances will continue to be invested in the **current** investment options listed below. Payroll contributions on or after May 31, 2001, will be invested in the **new** options with similar investment objectives listed below.

On May 31, 2001, money invested in these current investment options:

- Stable Value Fund _____ →
- Bond Fund _____ →
- Stock Fund _____ →
- Index Fund _____ →
- Small Cap Fund _____ →
- International Fund _____ →
- Balanced Fund _____ →

On **May 31, 2001**, your current account balances will be liquidated and will automatically transfer to the **new** options with similar investment objectives as indicated below. They will remain invested in these new investment options until the transition period ends, scheduled for **early August**.

Will be transferred to these **new** options with similar investment objectives:

- Stable Value Fund[†]
 - Fidelity U.S. Bond Index Fund
 - Fidelity Dividend Growth Fund
 - U.S. Equity Index Commingled Pool
 - Franklin Small Cap Growth Fund I—Class A
 - Fidelity Low-Priced Stock Fund*
 - Fidelity Diversified International Fund**
 - **Fidelity Freedom 2020 Fund[®]** (To be further reallocated to other Fidelity Freedom Funds[®] as described below.)
- *This fund carries a short-term trading fee of 1.5% for shares held less than 90 days.
**This fund carries a short-term trading fee of 1% for shares held less than 30 days.

Please note that any monies mapped into the Fidelity Low-Priced Stock Fund and the Fidelity Diversified International Fund will be subject to a short-term trading fee as noted. This holding period begins on May 31, 2001, and any shares sold within 30 days of purchase in the Fidelity Diversified International Fund, or within 90 days of purchase in the Fidelity Low-Priced Stock Fund, will be subject to the short-term trading fees noted.

*** In early August 2001**, at the direction of Airborne, the portion of your account balance that was transferred into the **Fidelity Freedom 2020 Fund[®]** will automatically be reinvested into new investment options based on your date of birth as indicated below:

Target Retirement Date Range	Date of Birth	Fund Name
Retired before 2000	01/01/1900–12/31/1934	• Fidelity Freedom Income Fund ^{®†}
2000–2005	01/01/1935–12/31/1940	• Fidelity Freedom 2000 Fund [®]
2006–2015	01/01/1941–12/31/1950	• Fidelity Freedom 2010 Fund [®]
2016–2025	01/01/1951–12/31/1960	• Fidelity Freedom 2020 Fund [®]
2026–2035	01/01/1961–12/31/1970	• Fidelity Freedom 2030 Fund [®]
2036–2045	01/01/1971–12/31/1980	• Fidelity Freedom 2040 Fund SM

Fidelity, at the direction of Airborne, will map your balances from Fidelity Freedom 2020 Fund[®] to a Fidelity Freedom fund based on your date of birth. The mapping is based on an expected retirement age of 65.

[†] You are not permitted to make a direct exchange between the Stable Value Fund and Fidelity Freedom Income Fund[®] (considered “competing” funds). Before exchanging between these funds, you must first exchange to a “noncompeting” fund for 90 days. While these requirements may seem restrictive, they are typically imposed by issuers, such as insurance companies, banks, or other approved financial institutions, as a condition for issuing investment contracts to retirement plans.

*** After May 31, 2001**, at the direction of Airborne, any new payroll contributions previously directed to the Balanced Fund will be directly invested into the Freedom fund indicated above, based on your date of birth as indicated above. Please note that, scheduled for **early June**, you will be able to redirect any future payroll contributions to other investment options offered in the Plan.

*** In early August 2001**, the Fidelity Retirement Benefits Line and Fidelity NetBenefitsSM are scheduled to open for full services. At that time, you will be able to make transfers between investment options in your account and other investment options offered in the Plan.

What you need to do:

If you don't want your account balances to transfer as indicated above, you must redirect them among different **current** investment options by calling the Airborne Express Phone Benefits System at 1-800-504-401K prior to May 15, 2001, at 4 p.m. Eastern time. Your request will be processed before the transfer to Fidelity.

Investment option information:

For descriptions about the investment options above, see the **Investment Option** section of this brochure. After your account balance has transferred to the **new** investment options as indicated above, you will receive mutual fund prospectuses for each of the new investment options in your account at Fidelity. You will also be receiving a **Confirmation of Investment Elections Statement**. It is important that you carefully review this statement, and if you have any questions, call Fidelity Investments.

3

How to change your investment options

Before the transition period begins: Decide how you want your current account balances to transfer to the new options with **similar** investment objectives. Call the Airborne Express Phone Benefits System at 1-800-504-401K on or before **May 15, 2001**, at 4 p.m. Eastern time, if you would like to transfer between existing balances. If you do not make any changes, your account balance will be invested in the new investment options as listed in Section 2.

At the end of the transition period in early August: If you do not elect to change how your account balance is invested before the transition period begins, it will remain in the **new** options with similar investment objectives listed in Section 2. You may request a change to how your account balance is invested at Fidelity after the transition has ended, scheduled for early August, by logging on to Fidelity NetBenefitsSM or by calling the Fidelity Retirement Benefits Line.

Stable Value Fund (Blend)

Fund code: TBD

What it is: A combination of Fidelity's Managed Income Portfolio II and investment contracts previously purchased by this plan. It is not a mutual fund. The Managed Income Portfolio II (MIP II) is managed by Fidelity Management Trust Company (FMTC).

Goal: Seeks to provide a competitive level of income over time while preserving the value of your investment. The fund will try to maintain a stable \$1 unit price. However, the fund cannot guarantee this stable unit price and its yield will fluctuate.

What it invests in: MIP II invests in investment contracts offered by major insurance companies and other approved financial institutions and in certain types of fixed-income securities. A small portion of MIP II is invested in a money market fund to provide daily liquidity. Investment contracts provide for the payment of a specified rate of interest to MIP II and for the repayment of principal when the contract matures. Participant withdrawals and investment exchanges are paid at book value (principal and interest accrued to date) during the life of the contract.

Some investment contracts are structured solely as a general debt obligation of the issuer. Other investment contracts ("wrap contracts") are purchased in conjunction with an investment by MIP II in fixed-income securities, which may include U.S. Treasury bonds, corporate bonds, mortgage-backed securities, and bond funds. Interest is credited to MIP II under the wrap contract. There is no immediate recognition of investment gains and losses on the fixed-income securities. Instead, the gain or loss is recognized over time by adjusting the interest rate credited to MIP II under the wrap contract. The wrap contract also provides for the payment of participant withdrawals and exchanges at book value. All investment contracts and fixed-income securities purchased for MIP II must satisfy the credit quality standards of FMTC. The investment contract and fixed-income security commitments are backed solely by the financial resources of the issuer. In addition, investment contract issuers may impose a contract penalty on withdrawals or exchanges from the fund caused by an extraordinary corporate event (layoff, sale of a line of business, etc.). As previously purchased investment contracts mature, all proceeds will be invested in the Managed Income Portfolio II.

Who might want to invest :

- Someone who wants to try for a slightly higher yield than is offered by money market funds and is willing to accept slightly more investment risk.
- Someone who is looking for some price stability to balance more aggressive investment choices.

Fidelity U.S. Bond Index Fund

Fund code: 00651

What it is: An income mutual fund.

Goal: Seeks to provide investment results that correspond to the total return of the bonds in the Lehman Brothers Aggregate Bond Index.*

What it invests in: Normally invests at least 80% of its assets in bonds included in the Lehman Brothers Aggregate Bond Index. Share price, yield, and return will vary.

Who might want to invest:

- Someone who hopes to match the average performance of the overall bond market as measured by the Aggregate Bond Index.
- Moderate investors who are looking for a higher return than a money market fund and who are willing to accept the greater investment risk of bonds of companies and government agencies.

*The Lehman Brothers Aggregate Bond Index is a market value-weighted index of investment-grade fixed-rate debt issues, including government, corporate, asset-backed, and mortgage-backed securities, with maturities of one year or more.

U.S. Equity Index Commingled Pool

Fund code: 00782

What it is: A commingled pool of the Fidelity Group Trust for Employee Benefit Plans (not a mutual fund) managed by Fidelity Management Trust Company.

Goal: Seeks to approximate the composition and total return of the Standard & Poor's 500 Index.*

What it invests in: Invests primarily in the common stocks of the 500 companies that make up the S&P 500® Index.

Who might want to invest:

- Someone who wants to try to achieve roughly the same performance as the overall U.S. stock market.
- Someone who intends to keep his or her money invested over the long term.

*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 a widely recognized, unmanaged index of 500 U.S. common stocks.

Davis New York Venture Fund, Inc.

Fund code: 01750

What it is: A value mutual fund.

Goal: To increase the value of your investment over the long term through capital growth.

What it invests in: Primarily in stocks of large U.S. companies with a market capitalization of at least \$5 billion, with prospects for long-term sustainable growth. The fund may also invest in smaller cap companies, and in foreign securities, which involve greater risk. Share price and return will vary.

Who might want to invest:

- Someone who is looking for growth of capital and will be invested for the long term.
- Someone who is willing to ride out stock market ups and downs while seeking long-term growth potential.

Class A shares are available through the plan. Managed by Davis Selected Advisers, LP and subadvised by Davis Selected Advisers-NY, Inc., which provided the description for this fund.

Fidelity Dividend Growth Fund

Fund code: 00330

What it is: A growth mutual fund.

Goal: Seeks to provide capital appreciation.

What it invests in: Normally invests primarily in common stocks. Normally invests at least 65% of its assets in companies that FMR believes have the potential for dividend growth by either increasing their dividends or commencing dividends, if none are currently paid. The fund may invest in securities of domestic and foreign issuers. It is important to note that the fund does not invest for income. Share price and return will vary.

Who might want to invest:

- Someone who has time to ride out the fluctuation of stock market investing.
- Someone with a conservative portfolio who also wants to invest part of his or her money in a growth fund.

Fidelity Growth Company Fund

Fund code: 00025

What it is: A growth mutual fund.

Goal: Seeks to provide capital appreciation.

What it invests in: Normally invests primarily in common stocks. The fund invests in companies that FMR believes have above-average growth potential. The fund may invest in securities of domestic and foreign issuers.

Who might want to invest:

- Someone who wants to diversify a conservative portfolio by investing a portion of his or her money in a growth fund.
- Someone who wants the potential for long-term growth and is willing to ride out the fluctuation of the stock market for the potential of a higher return.

Fidelity Low-Priced Stock Fund

Fund code: 00316

What it is: A growth mutual fund.

Goal: Seeks to provide capital appreciation.

What it invests in: Normally invests at least 65% of its assets in low-priced common stocks (those priced at or below \$35 per share), which can lead to investments in small and medium-sized companies. The fund may potentially invest in stocks not considered low priced. Investments in smaller companies may involve greater risk than those in larger, more well known companies. The fund may invest in securities of domestic and foreign issuers. This fund carries a short-term trading fee, which is charged to discourage short-term buying and selling of fund shares. If you sell your shares after holding them for less than 90 days, the fund will deduct a short-term trading fee from your account equal to 1.5% of the value of the shares you sold.

Who might want to invest:

- Someone who is comfortable taking the increased investment risk that comes with investing in smaller, less well known companies and who can invest over the long term.
- Someone with a conservative portfolio who is interested in investing part of his or her money more aggressively.

Franklin Small Cap Growth Fund I—Class A

Fund code: 03392

What it is: A growth mutual fund.

Goal: To increase the value of your investment over the long term through capital growth.

What it invests in: Primarily in equity securities of companies with market capitalizations of less than \$1.5 billion at the time of the investment. The fund may also invest a portion of its assets in foreign securities, including those of developing markets issuers, which involve greater risk. Under normal market conditions, the fund will invest at least 65% of its assets in the equity securities of U.S. small capitalization (small cap) companies. For this fund, small cap companies are those companies with market cap values not exceeding (i) \$1.5 billion, or (ii) the highest market cap value in the Russell 2000 Index, whichever is greater at the time of purchase. Share price and return will vary.

Who might want to invest:

- Someone who wants an ambitious fund in his or her investment mix (that is, a fund that may have the potential to earn superior returns even though its value may fluctuate quite a bit in the short term).
- Someone who wants high long-term returns, has the tolerance for the greater investment risk that may come from investing in smaller, less well known companies, and has the patience and discipline to stay invested in the fund through short-term stock market changes and can invest over the long term.

Class A shares are available through the plan. Managed by Franklin Advisers, Inc., which provided the description for this fund.

Formerly known as Franklin Small Cap Growth Fund—A.

Fidelity Diversified International Fund

Fund code: 00325

What it is: A growth mutual fund that invests overseas.

Goal: Seeks to provide capital growth.

What it invests in: Normally invests at least 65% of its assets in foreign securities. Normally invests primarily in common stocks. Foreign investments, especially those in emerging markets, involve greater risk and may offer greater potential returns than U.S. investments. This risk includes the political and economic uncertainties of foreign countries, as well as the risk of currency fluctuation. This fund carries a short-term trading fee, which is charged to discourage short-term buying and selling of fund shares. If you sell your shares after holding them for less than 30 days, the fund will deduct a short-term trading fee from your account equal to 1% of the value of the shares you sold.

Who might want to invest:

- Someone who wants to complement the performance of U.S. investments with that of investments outside the United States, which may behave quite differently.
- Someone who is comfortable with the high investment risk and potential rewards involved in investing overseas as well as the investment risk involved in any growth mutual fund.

Fidelity Freedom Funds®

Fidelity Freedom Funds® offer a blend of stocks, bonds, and short-term investments within a single fund. They are designed for investors who don't want to go through the exercise of picking several funds from the three asset classes but who still want to diversify among stocks, bonds, and short-term investments.

Fidelity Freedom Income Fund®
Fidelity Freedom 2000 Fund®
Fidelity Freedom 2010 Fund®
Fidelity Freedom 2020 Fund®
Fidelity Freedom 2030 Fund®
Fidelity Freedom 2040 FundSM

What they are:

The Fidelity Freedom Funds® are designed for investors who want a simple approach to investing for retirement by investing in a group of other Fidelity® mutual funds that provide moderate asset allocation. The allocation strategy among the underlying stock, bond, and money market mutual funds contained in each Freedom fund with a target retirement date is based on the number of years until the fund's target retirement date. The funds with a target date will gradually adopt a more conservative asset allocation over time, and therefore their target asset allocation percentages will change to become more conservative. The Freedom Income Fund, designed for those already in retirement, emphasizes bond and money market mutual funds and seeks to maintain a stable asset allocation from year to year.

Goal: The Freedom funds with target retirement dates seek to provide high total returns. The goal of the Freedom Income Fund is to seek high current income and, secondarily, capital appreciation.

What they invest in:

Each Freedom fund invests in a combination of underlying Fidelity stock, bond, and money market mutual funds. Fidelity Freedom 2040, with the longest time horizon, invests primarily in stock mutual funds to take advantage of potentially greater growth opportunities. The asset mix of each Freedom fund with a retirement horizon (Freedom 2000, 2010, 2020, 2030, and 2040) will gradually become more conservative over time, so investors can stay with the same fund before and during retirement. After reaching the target retirement horizon year, these Freedom funds continue to be managed more conservatively for five to 10 years until their asset mix is approximately the same as Freedom Income Fund. Ultimately, the funds will merge. Fidelity Freedom Income Fund,® designed for those already retired, is invested more conservatively, with a larger percentage in bond and money market funds, and has a smaller percentage of equity mutual funds. The fund managers must invest in the group of specified underlying funds found in the prospectus and will aim for the projected target asset allocation percentages announced in the funds' annual and semiannual reports. Share price and return of each fund will vary.

Who might want to invest:

- Someone who wants a simple way to invest for retirement.
- Someone who wishes to take advantage of the diversification and asset allocation strategy contained in each Freedom fund and in the ongoing professional management, which will gradually adopt a more conservative asset allocation over time.
- Someone who feels comfortable with the risk of equity mutual funds when further from retirement and a greater concentration of bond and money market mutual funds when closer to or in retirement.

Fidelity Freedom Income Fund®

Fund code: 00369

What it is: An asset allocation mutual fund.

Goal: Seeks to provide high current income and, as a secondary objective, some capital appreciation for those already in retirement.

What it invests in:

- Approximately 20% in Fidelity stock mutual funds.
- Approximately 40% in Fidelity bond mutual funds.
- Approximately 40% in Fidelity money market mutual funds.

The mix of underlying funds will gradually become more conservative over time.

The percentages represent anticipated asset allocation at March 31, 2001.

Strategic Advisers, Inc., a subsidiary of FMR Corp., manages the Fidelity Freedom Funds.®

Fidelity Freedom 2000 Fund®

Fund code: 00370

What it is: An asset allocation mutual fund.

Goal: Seeks to provide high total returns for those planning to retire around 2000.

What it invests in:

- Approximately 29% in Fidelity stock mutual funds.
- Approximately 43% in Fidelity bond mutual funds.
- Approximately 28% in Fidelity money market mutual funds.

The mix of underlying funds will gradually become more conservative over time.

The percentages represent anticipated asset allocation at March 31, 2001.

Strategic Advisers, Inc., a subsidiary of FMR Corp., manages the Fidelity Freedom Funds.®

Fidelity Freedom 2010 Fund®

Fund code: 00371

What it is: An asset allocation mutual fund.

Goal: Seeks to provide high total returns for those planning to retire around 2010.

What it invests in:

- Approximately 49% in Fidelity stock mutual funds.
- Approximately 43% in Fidelity bond mutual funds.
- Approximately 8% in Fidelity money market mutual funds.

The mix of underlying funds will gradually become more conservative over time.

The percentages represent anticipated asset allocation at March 31, 2001.

Strategic Advisers, Inc., a subsidiary of FMR Corp., manages the Fidelity Freedom Funds.®

Fidelity Freedom 2020 Fund®

Fund code: 00372

What it is: An asset allocation mutual fund.

Goal: Seeks to provide high total returns for those planning to retire around 2020.

What it invests in:

- Approximately 72% in Fidelity stock mutual funds.
- Approximately 28% in Fidelity bond mutual funds.

The mix of underlying funds will gradually become more conservative over time.

The percentages represent anticipated asset allocation at March 31, 2001.

Strategic Advisers, Inc., a subsidiary of FMR Corp., manages the Fidelity Freedom Funds.®

Fidelity Freedom 2030 Fund®

Fund code: 00373

What it is: An asset allocation mutual fund.

Goal: Seeks to provide high total returns for those planning to retire around 2030.

What it invests in:

- Approximately 83% in Fidelity stock mutual funds.
- Approximately 17% in Fidelity bond mutual funds.

The mix of underlying funds will gradually become more conservative over time.

The percentages represent anticipated asset allocation at March 31, 2001.

Strategic Advisers, Inc., a subsidiary of FMR Corp., manages the Fidelity Freedom Funds.®

Fidelity Freedom 2040 FundSM

Fund code: 00718

What it is: An asset allocation mutual fund.

Goal: Seeks to provide high total returns for those planning to retire around 2040.

What it invests in:

- Approximately 90% in Fidelity stock mutual funds.
- Approximately 10% in Fidelity bond mutual funds.

The mix of underlying funds will gradually become more conservative over time.

The percentages represent anticipated asset allocation at March 31, 2001.

Strategic Advisers, Inc., a subsidiary of FMR Corp., manages the Fidelity Freedom Funds.®

Calendar of Events

Be aware of these important events and dates during the transition of the Airborne Express Capital Accumulation Plan to Fidelity Investments.

Key Date	Event	Key Date	Event
April 30, 2001 at 4 p.m. Eastern time	Last day to: <ul style="list-style-type: none"> • Change the way your payroll contributions are invested • Initiate a loan • Initiate a withdrawal • Initiate a distribution 	Early June 2001	Confirmation of Investment Elections Statement sent to your home Fidelity Retirement Benefits Line opens for investment option information and to change your future payroll contribution payroll percentages and investments elections
May 15, 2001 at 4 p.m. Eastern time	Last day to: <ul style="list-style-type: none"> • Make transfers between existing investment options • Check account balance 	Early August 2001	Transition period scheduled to end Fidelity NetBenefits SM access and Fidelity Retirement Benefits Line available for full account services Education Kits mailed to your home Last account statement mailed to your home from your prior recordkeeper reflecting your closing balance of 5/31/01
May 31, 2001	Current account balances will be liquidated Balances transferred to Fidelity Investments and invested in the new options with similar investment objectives		First account statement mailed to your home from Fidelity Investments
June 1, 2001	New payroll contributions (including company match) and loan repayments sent to Fidelity		

The effective date of plan changes and the end of the transition period depend upon the accurate, timely transfer of data. If the information Fidelity receives is not complete, the delivery of services and investment options described in this brochure could be delayed.

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.

Investment options available through the plan reserve the right to modify or terminate the exchange privilege.

Fidelity Management & Research Company manages Fidelity[®] mutual funds.

Information about mutual fund performance: Past performance is no guarantee of future results. A fund's yield and return will vary. Except for money market funds, a fund's share price will also vary, and you may have a gain or loss when you sell your shares. For more information about total returns or any mutual fund offered through the plan, call Fidelity Investments.

Distributions will be taxed as ordinary income in the year withdrawn and may also be subject to an early withdrawal penalty if taken before age 59½, unless eligible rollover distributions are rolled over to another qualified plan or an IRA. (This excludes any withdrawals of after-tax contributions.) A 20% mandatory federal income tax withholding applies to withdrawals that are eligible for rollover, but which are not directly rolled over to another qualified plan or an IRA. Be sure you understand the tax consequences of any withdrawal or distribution before you initiate one. You may want to consult your tax adviser about your situation.

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

Be sure you understand the plan guidelines before you initiate a loan from your plan account.

Non-Fidelity mutual funds are managed by non-Fidelity entities. Please consult the prospectus for more information. Class of shares may vary. Please consult your plan document for the specific class of shares available through your plan.

For more complete information about any of the mutual funds available through the Airborne Express Capital Accumulation Plan, including fees and expenses, call or write Fidelity for free prospectuses. Read them carefully before you make your investment choices.

Check out
www.401k.com
for educational services,
investment information,
and retirement
planning tools.

Fidelity Investments Institutional Services Company, Inc., 82 Devonshire Street, Boston, MA 02109