



UNITED PARCEL SERVICE, INC.

DISCOUNTED EMPLOYEE STOCK PURCHASE PLAN AS AMENDED JUNE 3, 2005 AND MARCH 27, 2009

The United Parcel Service, Inc. Discounted Employee Stock Purchase Plan (the “plan”) provides our eligible employees with a simple way to invest in our class A shares at a price that is less than the market price of our class B shares. All purchases under the plan will be made by means of a payroll deduction, and you will pay no commissions, trading fees or service charges to purchase shares of our class A common stock at a discount. This prospectus describes purchases under the plan.

We have registered 20 million shares of our class A common stock for sale under the plan. If you have any questions about the plan, please call BNY Mellon Shareowner Services (“Mellon”) toll-free at 1-888-663-8325. Customer service representatives are available between the hours of 8:00 a.m. and 7:00 p.m. Eastern time, Monday through Friday. You should keep this prospectus for future reference.

We are offering only class A shares under the plan. There is no public trading market for the class A shares.

Our class B common stock is listed on the New York Stock Exchange under the ticker symbol “UPS.” On March 26, 2009, the last reported sale price of our class B common stock on the New York Stock Exchange, was \$50.46 per share.

Shares of our class A common stock are not insured or protected by any governmental agency, and involve investment risk, including the potential loss of money that you invest. In addition, dividends on our class A shares may be increased or decreased at the discretion of our board of directors.

These securities have not been approved or disapproved by the Securities and Exchange Commission or any state securities commission, and neither the Securities and Exchange Commission nor any state securities commission has passed upon the adequacy or accuracy of this prospectus.

The date of this prospectus is March 27, 2009.

You should rely only on the information contained in or incorporated by reference into this prospectus. We have not authorized anyone to provide you with any other information. We are not making an offer of securities in any place where the offer is not permitted. You should not assume that the information in this prospectus is accurate as of any date other than the date on the front of this document.

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WHERE YOU CAN FIND MORE INFORMATION ABOUT UPS

We file annual, quarterly and current reports, proxy statements and other information with the SEC. This prospectus is part of a registration statement on Form S-8, which we filed with the SEC.

Our SEC filings are available to the public over the Internet at the SEC web site at www.sec.gov. You may also read and copy any document we file with the SEC at its public reference facilities at 100 F Street, N.E., Room 1580, Washington, DC 20549, 233 Broadway, New York, New York 10279, and Citicorp Center, 500 West Madison Street, Suite 1400, Chicago, Illinois 60661-2511. You can also obtain copies of the documents at prescribed rates by writing to the Public Reference Section of the SEC at 100 F Street, N.E., Room 1580, Washington, DC 20549. Please call the SEC at 1-800-SEC-0330 for further information on the operation of the public reference facilities.

Our SEC filings are also available at the offices of the New York Stock Exchange. For further information on obtaining copies of our public filings at the New York Stock Exchange, you should call (212) 656-3000.

INCORPORATION BY REFERENCE

We are allowed to “incorporate by reference” into this document the information that we file with the SEC. This means that we can disclose important information by referring you to those documents. The information incorporated by reference is an important part of this prospectus, and information in documents that we file after the date of this prospectus and before the termination of the offering automatically will update information in this prospectus.

We incorporate by reference the documents listed below and any future filings we make with the SEC under Sections 13(a), 13(c), 14 or 15(d) of the Securities Exchange Act of 1934 until our offering is completed:

- our annual report on Form 10-K for the year ended December 31, 2008;
- our current reports on Form 8-K filed on January 7, 2009 and February 17, 2009; and
- the description of United Parcel Service of America, Inc.’s common stock contained in item 14 of its Registration Statement on Form 8-A, filed with the SEC in April 1970, as updated by item 5 of its annual report on Form 10-K for the year ended December 31, 1998, as modified by the description of the class A common stock contained in our Registration Statement on Form S-4 (No. 333-83349). We succeeded to the Exchange Act registration of United Parcel Service of America, Inc. pursuant to Rule 12g-3 under the Exchange Act.

We will provide, without charge, to each person to whom a copy of this prospectus is delivered, upon written or oral request, a copy of any and all of the documents incorporated by reference in this prospectus, other than the exhibits to such documents, unless such exhibits are specifically incorporated by reference into the documents that this prospectus incorporates. Requests for copies of such documents should be directed to Investor Relations, 55 Glenlake Parkway, N.E., Atlanta, Georgia, 30328, telephone number (404) 828-6059.

OUR COMPANY

United Parcel Service, Inc. (“UPS”) is the world’s largest package delivery company, a leader in the U.S. less-than-truckload industry, and a global leader in supply chain management. We were founded in 1907 as a private messenger and delivery service in Seattle, Washington. Today, we deliver packages each business day for 1.8 million shipping customers to 6.1 million consignees in over 200 countries and territories. In 2008, we delivered an average of 15.5 million pieces per day worldwide, or a total of 3.92 billion packages. Total revenue in 2008 was \$51.5 billion.

Our principal executive offices are located at 55 Glenlake Parkway, N.E., Atlanta, Georgia 30328, and our telephone number is (404) 828-6000.

THE PLAN

Our board of directors originally adopted the plan in 2001, and it was approved by our shareowners on May 17, 2001. The plan was amended and restated effective October 1, 2002 and was amended by the board on June 3, 2005 and on March 27, 2009. The plan will continue indefinitely, subject to our right to terminate it at any time.

The following is a question and answer summary of the terms of the plan as adopted and amended prior to the date of this prospectus. For a copy of the plan, please contact Investor Relations at 55 Glenlake Parkway, NE, Atlanta, Georgia 30328, or call (404) 828-6059.

Purpose

1. What is the purpose of the plan?

The primary purpose of the plan is to encourage stock ownership by each eligible employee of UPS and its participating subsidiaries in the belief that such ownership will increase each employee’s interest in our success and will provide an additional incentive for each employee to remain with UPS.

Advantages

2. What are the advantages of the plan?

If you elect to participate in the plan, you can benefit from the following advantages:

- *Purchase of Shares at a Discount.* For deferrals made after the last pay period in March 2009, you may purchase class A shares each calendar quarter at 95 percent of the closing sale price of our class B common stock on the NYSE on the last business day of the quarterly purchase period.
- *No Trading Fees or Service Charges for Purchases.* You will not pay any trading fees or service charges in connection with your purchases of class A shares under the plan.
- *Purchases by Payroll Deduction.* You will purchase class A shares through easy, convenient payroll deductions. Your purchase election will automatically renew each quarterly purchase period until you cancel or change it.
- *Dollar Cost Averaging.* You can take advantage of dollar cost averaging through regular and consistent purchases of shares. Dollar cost averaging means investing the same amount of money

in shares at regular intervals. When the price per share is high, fewer shares are purchased. When the price per share is low, more shares are purchased. This can have the effect of lowering your overall average purchase price per share over time.

Shares Subject to the Plan

3. What kind of shares can I purchase under the plan? How much money can I contribute to the plan to purchase shares? How many shares can I purchase?

The plan offers you the ability to purchase only shares of our class A common stock.

You may elect to make contributions by payroll deduction from your base salary or regular hourly wages of any whole dollar amount. Your payroll deductions are limited to \$10,000 per calendar year which may limit the number of shares you can purchase in any calendar year.

The maximum number of shares that you may purchase during any quarterly purchase period also may be limited by the number of authorized shares remaining for sale under the plan. If your account under the plan has a cash balance remaining after a quarterly purchase period for any reason, the balance will be refunded to you in cash, without interest.

Administration

4. Who administers the plan?

The salary committee administers the plan. The current members of the salary committee are D. Scott Davis, David P. Abney, Allen E. Hill and Kurt P. Kuehn. Mellon keeps records, sends statements to participants and performs other duties under the plan.

Costs

5. How much does it cost to participate in the plan?

Participation is free, other than the price that you pay for each share you purchase under the plan. You will not incur trading fees or service charges for these purchases.

Participation

6. Who is eligible to participate in the plan?

To be an “eligible employee” for a quarterly purchase period, you must be an employee of UPS or a designated participating subsidiary of UPS as of the first day of the purchase period who:

- has completed six continuous months of employment; and
- does not own five percent or more of the total combined voting power or value of our outstanding common stock as of the first day of the purchase period.

You may not transfer your right to participate in the plan to another person.

For details on how and when you may enroll to participate in the plan, see below.

7. How do I join the plan, and how does it work?

If you are an eligible employee, you may enroll in the plan through Mellon's website at www.bnymellon.com/shareowner/equityaccess or by calling Mellon's interactive voice response unit at 1-888-663-8325. You can access Mellon's website through the UPS portal at www.upsers.com.

Enrollment must be completed by the 20th day of the month immediately preceding the first day of the applicable purchase period. Your enrollment will remain in effect for successive purchase periods until you revise or revoke it. If your status as an eligible employee terminates, your enrollment in the plan will terminate.

You may elect to make contributions by payroll deduction from your base salary or regular hourly wages of any whole dollar amount up to \$10,000 per calendar year. Once you have authorized your deduction amount, it will be deducted proportionately from your paycheck each pay period during the purchase period and held in an account until completion of the purchase period. All contributions to the plan must be made through payroll deduction.

Participation in the plan is entirely voluntary. We offer no advice regarding your decision whether to join the plan.

Your enrollment will authorize us to apply the amount of money that you indicate from each of your paychecks toward purchases of our class A common stock under the plan. All purchases are subject to the provisions of the plan.

The plan has three-month purchase periods commencing on the first day of January, April, July and October. You will not need to submit a new enrollment each quarter after you enroll in the plan — you will be deemed to have enrolled again each quarter unless you revoke your enrollment.

At the end of each quarterly purchase period beginning with the quarterly purchase period commencing on April 1, 2009, Mellon will cause the plan to purchase shares of our class A common stock for your account with Mellon ("Mellon account") at 95 percent of the closing sale price of our class B common stock on the NYSE on the last business day of the purchase period.

8. When may I enroll in the plan?

If you are eligible to participate, you may enroll at any time. You may participate in a particular quarterly purchase period by enrolling no later than the 20th day of the month immediately preceding the first day of that purchase period.

In accordance with the UPS Insider Trading Compliance Program Guidelines, the requirements for trading while the trading window is open and for obtaining pre-clearance do not apply to your initial enrollment in the plan. However, if you possess material, non-public information about UPS, you are prohibited from entering into these transactions, regardless of trading group or trading window status.

9. Can I change the amount that is deducted from my paychecks after I join?

Yes, you may amend your enrollment as many times as you wish during a purchase period to either increase, decrease or stop your payroll deductions. To change your deduction, simply submit to Mellon a new enrollment at www.bnymellon.com/shareowner/equityaccess or by accessing Mellon's website through the UPS Portal at www.upsers.com or by calling Mellon's interactive voice response unit at 1-888-663-8325. You should allow 30 days for your change to take effect, although the change may be

reflected sooner. If you stop your payroll deductions during a purchase period, the balance remaining in your account will be used to purchase shares at the end of the then-current purchase period.

In accordance with the UPS Insider Trading Compliance Program Guidelines, the requirements for trading while the trading window is open and for obtaining pre-clearance do not apply to any revisions to or terminating your participation in the plan. However, if you possess material, non-public information about UPS, you are prohibited from entering into these transactions, regardless of trading group or trading window status.

10. What happens if my status as an eligible employee terminates?

If your status as an eligible employee terminates for any reason before the last day of the quarterly purchase period, then your enrollment will terminate, your payroll deductions will cease, and the balance in your account will be used to purchase shares at the end of the then-current purchase period.

Purchases

11. When will shares of common stock be purchased under the plan?

Mellon will cause the plan to purchase shares of our class A common stock for your Mellon account as of the last business day of each quarterly purchase period.

12. At what price will shares of common stock be purchased under the plan?

For deductions made after the last pay period in March 2009, the price per share of class A common stock purchased under the plan each calendar quarter will be 95 percent of the closing price per share of our class B common stock on the NYSE on the last business day of the quarterly purchase period.

13. What is the source of shares of common stock available for purchase under the plan?

At our discretion, the shares of our class A common stock purchased under the plan will be authorized but unissued shares or shares that we have reacquired.

We have registered a total of 20 million shares of class A common stock for sale under the plan. There can be no assurance, however, that enough shares will be available to satisfy all purchase elections that you and other eligible employees may make. If there are insufficient shares for a particular quarterly purchase period, then the number of shares purchased for each participating employee will be reduced proportionately.

14. What happens to cash dividends that are paid on shares that I receive under the plan?

A check for any cash dividends paid on the shares in your account will be mailed to you at the address listed on your account or, if you have enrolled for direct deposit, cash dividends will be deposited directly into your bank account. You can also enroll in the UPS Dividend Reinvestment Plan and receive additional shares of our class A common stock.

We encourage you to enroll for direct deposit of cash dividends if you have not already done so.

Resale of Shares Purchased under the Plan

15. When can I sell the shares of class A common stock that I purchase under the plan?

For shares purchased during quarterly purchase periods beginning on or after October 1, 2005, no shares purchased under the plan may be sold, transferred, pledged or otherwise disposed of in any way (other than by will or the laws of descent and distribution) for a period of two years following purchase of the shares (the “two-year holding period”), unless the salary committee grants you a hardship exception, as discussed below, upon your request.

16. How does the hardship exception to the two-year holding period work?

You will have the right to request the salary committee to permit you to sell shares purchased under the plan prior to the end of the two-year holding period if you experience a severe financial hardship resulting from divorce, an illness or accident to you, your spouse, or one of your dependents, loss of your property due to casualty, or other similar extraordinary and unforeseeable circumstances arising as a result of events beyond your control. The salary committee will determine whether to grant your request and the number of shares that may be sold pursuant to the request. The amount of shares sold to relieve the hardship will be limited to the amount necessary to meet the hardship.

17. How do I sell the shares of class A common stock that I purchase under the plan?

You may sell shares purchased through the plan pursuant to the same procedures and fees that apply to any sale of class A common stock in your Mellon account. As discussed above, you may not sell shares purchased during quarterly purchase period beginning on or after October 1, 2005 prior to the expiration of the two-year holding period except in certain limited instances.

United States Federal Income Tax Consequences

18. What are the United States federal income tax consequences of participation in the plan?

In general, you will not realize any taxable income when shares are purchased for you through the plan. Any dividends that you receive will be subject to federal and other income taxes.

The plan is designed to be an “employee stock purchase plan” within the meaning of section 423 of the Internal Revenue Code. The plan is not subject to the provisions of the Employee Retirement Income Security Act of 1974.

If you hold your shares for two years from the “grant date” which is generally the first day of the purchase period (the “statutory holding period”) or longer and then sell your shares in a “qualifying disposition”, then you must report as ordinary income the lesser of an amount equal to : (1) the closing price on the grant date multiplied by the 5 percent discount or (2) the sales price minus the actual price paid. Note that if the lesser amount is a loss, there is no ordinary income to be recognized. Any additional gain or loss recognized on the disposition of the stock will be long-term capital gain or loss.

If you sell your shares before the end of the statutory holding period due to a hardship, then:

- generally, the discount you received at purchase, which is the difference between the price at which you purchased the shares and the fair market value of the shares on the date you purchased them, is taxable as ordinary income and should be included in your W-2, regardless of any gain or loss on the sale; and

- the gain or loss, which is the difference between the amount you receive on the sale of the shares and the fair market value of the shares on the date you purchased the shares, is taxable as capital gain or loss.

You should consult with your own tax advisor with respect to your own personal tax situation.

If you sell your shares before the end of the statutory holding period, we are entitled to a tax deduction corresponding to the ordinary income you recognize under the rules discussed above.

Reports to Participants

19. What kind of reports will I receive?

Once shares of our class A common stock have been deposited into your Mellon account, you may enroll to access your paperless account statements and other investor correspondence as frequently as you wish. If you choose not to enroll, you will receive an annual statement of account that includes information about your purchases during the year. You should retain your statements.

You also will receive copies of our annual reports to shareowners, proxy statements and information for income tax reporting purposes.

Discontinuation of Participation in the Plan

20. How do I discontinue my participation in the plan?

You may elect to stop your payroll deductions under the plan during a quarterly purchase period. To stop your payroll deductions during a purchase period, simply submit to Mellon a new enrollment at www.bnymellon.com/shareowner/equityaccess or by accessing Mellon's website through the UPS Portal at www.upsers.com or by calling Mellon's interactive voice response unit at 1-888-663-8325. You should allow 30 days for your change to take effect, although the change may be reflected sooner. If you stop your payroll deductions during a purchase period, the balance remaining in your account will be used to purchase shares at the end of the then-current purchase period.

If you elect to stop payroll deductions for a quarterly purchase period, no further payroll deductions will be made. If you wish to rejoin the plan and have payroll deductions made in the next purchase period, you must complete a new enrollment by the 20th day of the month immediately preceding the first day of that purchase period.

In accordance with the UPS Insider Trading Compliance Program Guidelines, the requirements for trading while the trading window is open and for obtaining pre-clearance do not apply to any revisions to or terminating your participation in the plan. However, if you possess material, non-public information about UPS, you are prohibited from entering into these transactions, regardless of trading group or trading window status.

Other Information

21. What happens if UPS has a stock dividend or stock split?

Any shares that we distribute as a result of a stock dividend or stock split on shares you purchased under the plan will be added to your Mellon account.

22. Will I receive interest on money that has been deducted from my paycheck?

No. Interest will not be paid on amounts held pending investment.

23. How will my plan shares be voted at meetings of shareowners?

Shares that you purchase through the plan are no different from the other class A shares in your Mellon account, and you can vote them in the same manner. You will receive information each year in connection with the proxy statement regarding the voting process for your shares.

24. Are UPS and Mellon responsible if the value of shares that I purchase goes down?

No. Neither we nor Mellon will be liable for any act done in good faith or any good faith omission to act. Without limiting the previous sentence, we will not be liable for any claim relating to:

- any prices at which shares are purchased or sold;
- the time at which any purchase is made under the plan; or
- any fluctuation in the value of the shares that you purchase under the plan.

Neither we nor Mellon can provide you with any assurance of profit from your participation in the plan or with any protection from loss on the value of our class A common stock.

25. May the plan be changed or discontinued?

While we hope to continue the plan indefinitely, we reserve the right to suspend, terminate or modify it at any time.

