

Form 5500 Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Annual Return/Report of Employee Benefit Plan This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6047(e), 6057(b), and 6058(a) of the Internal Revenue Code (the Code). <p style="text-align: center;">▶ Complete all entries in accordance with the instructions to the Form 5500.</p>	OMB Nos. 1210-0110 1210-0089 <div style="text-align: center; font-size: 1.5em; font-weight: bold;">2014</div> This Form is Open to Public Inspection
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Part I	Annual Report Identification Information
For calendar plan year 2014 or fiscal plan year beginning <u>01/01/2014</u> and ending <u>12/31/2014</u>	
A This return/report is for:	☐ a multiemployer plan; ☐ a multiple-employer plan (Filers checking this box must attach a list of participating employer information in accordance with the form instructions); or ☒ a single-employer plan; ☐ a DFE (specify) _____
B This return/report is:	☐ the first return/report; ☐ the final return/report; ☐ an amended return/report; ☐ a short plan year return/report (less than 12 months).
C If the plan is a collectively-bargained plan, check here.	☒
D Check box if filing under:	☒ Form 5558; ☐ automatic extension; ☐ the DFVC program; ☐ special extension (enter description)

Part II	Basic Plan Information—enter all requested information				
1a Name of plan <u>TEAMSTERS/UPS NATIONAL 401(K) TAX DEFERRED SAVINGS PLAN</u>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;">1b Three-digit plan number (PN) ▶</td> <td style="width: 20%; text-align: center;"><u>003</u></td> </tr> <tr> <td colspan="2">1c Effective date of plan <u>07/01/1988</u></td> </tr> </table>	1b Three-digit plan number (PN) ▶	<u>003</u>	1c Effective date of plan <u>07/01/1988</u>	
1b Three-digit plan number (PN) ▶	<u>003</u>				
1c Effective date of plan <u>07/01/1988</u>					
2a Plan sponsor's name and address; include room or suite number (employer, if for a single-employer plan) <u>BOARD OF TRUSTEES OF THE TEAMSTERS- UPS 401K NATIONAL SAVINGS PLAN</u> <u>C/O TAX DEPARTMENT</u> <u>55 GLENLAKE PARKWAY NE</u> <u>ATLANTA, GA 30328</u>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td>2b Employer Identification Number (EIN) <u>95-1732075</u></td> </tr> <tr> <td>2c Plan Sponsor's telephone number <u>404-828-8661</u></td> </tr> <tr> <td>2d Business code (see instructions) <u>484200</u></td> </tr> </table>	2b Employer Identification Number (EIN) <u>95-1732075</u>	2c Plan Sponsor's telephone number <u>404-828-8661</u>	2d Business code (see instructions) <u>484200</u>	
2b Employer Identification Number (EIN) <u>95-1732075</u>					
2c Plan Sponsor's telephone number <u>404-828-8661</u>					
2d Business code (see instructions) <u>484200</u>					

Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including accompanying schedules, statements and attachments, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

SIGN HERE	Filed with authorized/valid electronic signature.	10/14/2015	DAN DISMUKES
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE			
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE
Preparer's name (including firm name, if applicable) and address (include room or suite number) (optional)			Preparer's telephone number (optional)

3a Plan administrator's name and address ☒ Same as Plan Sponsor		3b Administrator's EIN	
		3c Administrator's telephone number	
4 If the name and/or EIN of the plan sponsor has changed since the last return/report filed for this plan, enter the name, EIN and the plan number from the last return/report: a Sponsor's name		4b EIN	
		4c PN	
5 Total number of participants at the beginning of the plan year		5	343776
6 Number of participants as of the end of the plan year unless otherwise stated (welfare plans complete only lines 6a(1) , 6a(2) , 6b , 6c , and 6d).			
a(1) Total number of active participants at the beginning of the plan year		6a(1)	343776
a(2) Total number of active participants at the end of the plan year		6a(2)	374937
b Retired or separated participants receiving benefits		6b	103
c Other retired or separated participants entitled to future benefits.....		6c	14272
d Subtotal. Add lines 6a(2) , 6b , and 6c		6d	389312
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.		6e	0
f Total. Add lines 6d and 6e		6f	389312
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)		6g	125442
h Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested.....		6h	0
7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item).....		7	
8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions: 2J 2F 2K 2G			
b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:			
9a Plan funding arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor		9b Plan benefit arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor	
10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)			
a Pension Schedules (1) ☐ R (Retirement Plan Information) (2) ☐ MB (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary (3) ☐ SB (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary		b General Schedules (1) ☒ H (Financial Information) (2) ☐ I (Financial Information – Small Plan) (3) ☐ A (Insurance Information) (4) ☒ C (Service Provider Information) (5) ☒ D (DFE/Participating Plan Information) (6) ☐ G (Financial Transaction Schedules)	

Part III**Form M-1 Compliance Information (to be completed by welfare benefit plans)**

11a If the plan provides welfare benefits, was the plan subject to the Form M-1 filing requirements during the plan year? (See instructions and 29 CFR 2520.101-2.) ☐ Yes ☐ No

If "Yes" is checked, complete lines 11b and 11c.

11b Is the plan currently in compliance with the Form M-1 filing requirements? (See instructions and 29 CFR 2520.101-2.) ☐ Yes ☐ No

11c Enter the Receipt Confirmation Code for the 2014 Form M-1 annual report. If the plan was not required to file the 2014 Form M-1 annual report, enter the Receipt Confirmation Code for the most recent Form M-1 that was required to be filed under the Form M-1 filing requirements. (Failure to enter a valid Receipt Confirmation Code will subject the Form 5500 filing to rejection as incomplete.)

Receipt Confirmation Code _____

<div>SCHEDULE C</div> <div>(Form 5500)</div> <div>Department of the Treasury Internal Revenue Service</div> <div>Department of Labor Employee Benefits Security Administration</div> <div>Pension Benefit Guaranty Corporation</div>	<div>Service Provider Information</div> <div>This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).</div> <div>▶ File as an attachment to Form 5500.</div>	OMB No. 1210-0110
		2014
		This Form is Open to Public Inspection.

For calendar plan year 2014 or fiscal plan year beginning 01/01/2014 and ending 12/31/2014		
A Name of plan TEAMSTERS/UPS NATIONAL 401(K) TAX DEFERRED SAVINGS PLAN	B Three-digit plan number (PN) ▶	003
C Plan sponsor's name as shown on line 2a of Form 5500 BOARD OF TRUSTEES OF THE TEAMSTERS- UPS 401K NATIONAL SAVINGS PLAN	D Employer Identification Number (EIN) 95-1732075	

Part I	Service Provider Information (see instructions)
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You must complete this Part, in accordance with the instructions, to report the information required for **each person** who received, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of monetary value) in connection with services rendered to the plan or the person's position with the plan during the plan year. If a person received **only** eligible indirect compensation for which the plan received the required disclosures, you are required to answer line 1 but are not required to include that person when completing the remainder of this Part.

1 Information on Persons Receiving Only Eligible Indirect Compensation

a Check "Yes" or "No" to indicate whether you are excluding a person from the remainder of this Part because they received only eligible indirect compensation for which the plan received the required disclosures (see instructions for definitions and conditions)..... ☐ Yes ☒ No

b If you answered line 1a "Yes," enter the name and EIN or address of each person providing the required disclosures for the service providers who received only eligible indirect compensation. Complete as many entries as needed (see instructions).

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation
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2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

PRUDENTIAL RETIREMENT INSURANCE

06-1050034

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
13 64 65 50 37	NONE	4016002	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

MELLON CAPITAL RECORDS

25-1442864

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
28 50	NONE	2567449	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

BANK OF NEW YORK MELLON

13-5160382

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
19 50	NONE	278814	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

BENEFITS LAW GROUP

58-2277319

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
29	NONE	151618	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

AON HEWITT

56-0927967

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
53	NONE	130812	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

ALAN D BILLER & ASSOCIATES INC

94-2854958

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
28 50	NONE	53629	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

O' DWYER & BERNSTEIN, LLP

13-5286665

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
16 50	NONE	43327	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

BUCHBINDER TUNICK & COMPANY, LLP

13-1578842

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
10 50	NONE	15000	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

Part I Service Provider Information (continued)

3 If you reported on line 2 receipt of indirect compensation, other than eligible indirect compensation, by a service provider, and the service provider is a fiduciary or provides contract administrator, consulting, custodial, investment advisory, investment management, broker, or recordkeeping services, answer the following questions for (a) each source from whom the service provider received \$1,000 or more in indirect compensation and (b) each source for whom the service provider gave you a formula used to determine the indirect compensation instead of an amount or estimated amount of the indirect compensation. Complete as many entries as needed to report the required information for each source.

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	

Part II Service Providers Who Fail or Refuse to Provide Information

4 Provide, to the extent possible, the following information for each service provider who failed or refused to provide the information necessary to complete this Schedule.

(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide

Part III **Termination Information on Accountants and Enrolled Actuaries (see instructions)**
(complete as many entries as needed)

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

SCHEDULE D (Form 5500) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration</small>	DFE/Participating Plan Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ► File as an attachment to Form 5500.	OMB No. 1210-0110 <hr/> 2014 <hr/> This Form is Open to Public Inspection.
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For calendar plan year 2014 or fiscal plan year beginning 01/01/2014 and ending 12/31/2014

A Name of plan <u>TEAMSTERS/UPS NATIONAL 401(K) TAX DEFERRED SAVINGS PLAN</u>	B Three-digit plan number (PN) ► <u>003</u>	
C Plan or DFE sponsor's name as shown on line 2a of Form 5500 <u>BOARD OF TRUSTEES OF THE TEAMSTERS- UPS 401K NATIONAL SAVINGS PLAN</u>	D Employer Identification Number (EIN) <u>95-1732075</u>	

Part I	Information on interests in MTIAs, CCTs, PSAs, and 103-12 IEs (to be completed by plans and DFEs) (Complete as many entries as needed to report all interests in DFEs)
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a Name of MTIA, CCT, PSA, or 103-12 IE: <u>BALANCED FUND</u>		
b Name of sponsor of entity listed in (a): <u>PRUDENTIAL RETIREMENT INS</u>		
c EIN-PN <u>06-1050034-152</u>	d Entity code <u>C</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>513512638</u>
a Name of MTIA, CCT, PSA, or 103-12 IE: <u>RUSSELL 2000 INDEX FUND</u>		
b Name of sponsor of entity listed in (a): <u>PRUDENTIAL RETIREMENT INS</u>		
c EIN-PN <u>06-1050034-314</u>	d Entity code <u>C</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>768548910</u>
a Name of MTIA, CCT, PSA, or 103-12 IE: <u>INTERNATIONAL INDEX FUND</u>		
b Name of sponsor of entity listed in (a): <u>PRUDENTIAL RETIREMNT INS</u>		
c EIN-PN <u>06-1050034-666</u>	d Entity code <u>C</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>234835154</u>
a Name of MTIA, CCT, PSA, or 103-12 IE: <u>BRIGHT HORIZON INCOME FUND</u>		
b Name of sponsor of entity listed in (a): <u>PRUDENTIAL RETIREMENT INS</u>		
c EIN-PN <u>06-1050034-342</u>	d Entity code <u>C</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>81058026</u>
a Name of MTIA, CCT, PSA, or 103-12 IE: <u>BOND MARKET INDEX FUND</u>		
b Name of sponsor of entity listed in (a): <u>PRUDENTIAL RETIREMENT INS</u>		
c EIN-PN <u>06-1050034-050</u>	d Entity code <u>C</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>270233493</u>
a Name of MTIA, CCT, PSA, or 103-12 IE: <u>BRIGHT HORIZON 2010 FUND</u>		
b Name of sponsor of entity listed in (a): <u>PRUDENTIAL RETIREMENT INS</u>		
c EIN-PN <u>06-1050034-677</u>	d Entity code <u>C</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>11292174</u>
a Name of MTIA, CCT, PSA, or 103-12 IE: <u>BRIGHT HORIZON 2020 FUND</u>		
b Name of sponsor of entity listed in (a): <u>PRUDENTIAL RETIREMENT INS</u>		
c EIN-PN <u>06-1050034-679</u>	d Entity code <u>C</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>63894118</u>

a Name of MTIA, CCT, PSA, or 103-12 IE: BRIGHT HORIZON 2015 FUND		
b Name of sponsor of entity listed in (a): PRUDENTIAL RETIREMNT INS		
c EIN-PN 06-1050034-186	d Entity code C	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 152726440
a Name of MTIA, CCT, PSA, or 103-12 IE: S & P 400 MID CAP INDEX		
b Name of sponsor of entity listed in (a): PRUDENTIAL RETIREMENT INS		
c EIN-PN 06-1050034-089	d Entity code C	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 1049901018
a Name of MTIA, CCT, PSA, or 103-12 IE: BRIGHT HORIZON 2025 FUND		
b Name of sponsor of entity listed in (a): PRUDENTIAL RETIREMNT INS		
c EIN-PN 06-1050034-187	d Entity code C	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 250487671
a Name of MTIA, CCT, PSA, or 103-12 IE: S & P 500 EQUITY INDEX FUND		
b Name of sponsor of entity listed in (a): PRUDENTIAL RETIREMENT INS		
c EIN-PN 06-1050034-002	d Entity code C	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 2932471425
a Name of MTIA, CCT, PSA, or 103-12 IE: BRIGHT HORIZON 2035 FUND		
b Name of sponsor of entity listed in (a): PRUDENTIAL RETIREMENT INS		
c EIN-PN 06-1050034-188	d Entity code C	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 230416587
a Name of MTIA, CCT, PSA, or 103-12 IE: BRIGHT HORIZON 2045 FUND		
b Name of sponsor of entity listed in (a): PRUDENTIAL RETIREMNT INS		
c EIN-PN 06-1050034-189	d Entity code C	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 53701685
a Name of MTIA, CCT, PSA, or 103-12 IE: BRIGHT HORIZON 2030 FUND		
b Name of sponsor of entity listed in (a): PRUDENTIAL RETIREMNT INS		
c EIN-PN 06-1050034-681	d Entity code C	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 43385241
a Name of MTIA, CCT, PSA, or 103-12 IE: BRIGHT HORIZON 2040 FUND		
b Name of sponsor of entity listed in (a): PRUDENTIAL RETIREMNT INS		
c EIN-PN 06-1050034-683	d Entity code C	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 27962183
a Name of MTIA, CCT, PSA, or 103-12 IE: BRIGHT HORIZON 2050 FUND		
b Name of sponsor of entity listed in (a): PRUDENTIAL RETIREMNT FUND		
c EIN-PN 06-1050034-685	d Entity code C	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 17180717
a Name of MTIA, CCT, PSA, or 103-12 IE: STABLE VALUE FUND		
b Name of sponsor of entity listed in (a): PRUDENTIAL RETIREMENT INS		
c EIN-PN 06-1050034-000	d Entity code C	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 1407663395

a Name of MTIA, CCT, PSA, or 103-12 IE: BRIGHT HORIZON 2055 FUND**b** Name of sponsor of entity listed in (a): PRUDENTIAL RETIREMNT INS

c EIN-PN 06-1050034-304	d Entity code C	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 2810535
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a Name of MTIA, CCT, PSA, or 103-12 IE: REIT INDEX FUND**b** Name of sponsor of entity listed in (a): PRUDENTIAL RETIREMNT INS

c EIN-PN 06-1050034-352	d Entity code C	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 181019880
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a Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):

c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
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a Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):

c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
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a Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):

c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
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a Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):

c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
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a Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):

c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
-----------------	----------------------	---

a Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):

c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
-----------------	----------------------	---

a Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):

c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
-----------------	----------------------	---

a Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):

c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
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Part II Information on Participating Plans (to be completed by DFEs)

(Complete as many entries as needed to report all participating plans)

a Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
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plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN

SCHEDULE H (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Financial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code). ► File as an attachment to Form 5500.	OMB No. 1210-0110
		2014
		This Form is Open to Public Inspection

For calendar plan year 2014 or fiscal plan year beginning 01/01/2014 and ending 12/31/2014	
A Name of plan TEAMSTERS/UPS NATIONAL 401(K) TAX DEFERRED SAVINGS PLAN	B Three-digit plan number (PN) ► 003
C Plan sponsor's name as shown on line 2a of Form 5500 BOARD OF TRUSTEES OF THE TEAMSTERS- UPS 401K NATIONAL SAVINGS PLAN	D Employer Identification Number (EIN) 95-1732075

Part I	Asset and Liability Statement		
1 Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.			
Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash	1a		
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions.....	1b(1)		
(2) Participant contributions	1b(2)	8087613	9246466
(3) Other.....	1b(3)		
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit).....	1c(1)		
(2) U.S. Government securities	1c(2)		
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)		
(B) All other	1c(3)(B)		
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)		
(B) Common.....	1c(4)(B)		
(5) Partnership/joint venture interests	1c(5)		
(6) Real estate (other than employer real property).....	1c(6)		
(7) Loans (other than to participants)	1c(7)		
(8) Participant loans.....	1c(8)	91796506	97141054
(9) Value of interest in common/collective trusts	1c(9)	6416946591	7116666836
(10) Value of interest in pooled separate accounts	1c(10)		
(11) Value of interest in master trust investment accounts	1c(11)		
(12) Value of interest in 103-12 investment entities.....	1c(12)		
(13) Value of interest in registered investment companies (e.g., mutual funds).....	1c(13)		
(14) Value of funds held in insurance company general account (unallocated contracts).....	1c(14)		
(15) Other.....	1c(15)	1734208797	1749447881

1d Employer-related investments:

		(a) Beginning of Year	(b) End of Year
(1) Employer securities	1d(1)		
(2) Employer real property	1d(2)		
e Buildings and other property used in plan operation	1e		
f Total assets (add all amounts in lines 1a through 1e)	1f	8251039507	8972502237

Liabilities

g Benefit claims payable	1g		
h Operating payables	1h		
i Acquisition indebtedness	1i		
j Other liabilities	1j	678595	491167
k Total liabilities (add all amounts in lines 1g through 1j)	1k	678595	491167

Net Assets

l Net assets (subtract line 1k from line 1f)	1l	8250360912	8972011070
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Part II Income and Expense Statement

2 Plan income, expenses, and changes in net assets for the year. Include all income and expenses of the plan, including any trust(s) or separately maintained fund(s) and any payments/receipts to/from insurance carriers. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 2a, 2b(1)(E), 2e, 2f, and 2g.

Income

		(a) Amount	(b) Total
a Contributions:			
(1) Received or receivable in cash from: (A) Employers	2a(1)(A)		
(B) Participants	2a(1)(B)	463471408	
(C) Others (including rollovers)	2a(1)(C)	1928790	
(2) Noncash contributions	2a(2)		
(3) Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)		465400198
b Earnings on investments:			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)	180807	
(B) U.S. Government securities	2b(1)(B)		
(C) Corporate debt instruments	2b(1)(C)		
(D) Loans (other than to participants)	2b(1)(D)		
(E) Participant loans	2b(1)(E)	4347018	
(F) Other	2b(1)(F)	22494963	
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		27022788
(2) Dividends: (A) Preferred stock	2b(2)(A)		
(B) Common stock	2b(2)(B)		
(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)		
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		0
(3) Rents	2b(3)		
(4) Net gain (loss) on sale of assets: (A) Aggregate proceeds	2b(4)(A)		
(B) Aggregate carrying amount (see instructions)	2b(4)(B)		
(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result	2b(4)(C)		0
(5) Unrealized appreciation (depreciation) of assets: (A) Real estate	2b(5)(A)		
(B) Other	2b(5)(B)		
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		0

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts.....	2b(6)		631149251
(7) Net investment gain (loss) from pooled separate accounts.....	2b(7)		
(8) Net investment gain (loss) from master trust investment accounts.....	2b(8)		
(9) Net investment gain (loss) from 103-12 investment entities.....	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds).....	2b(10)		
c Other income.....	2c		12630696
d Total income. Add all income amounts in column (b) and enter total.....	2d		1136202933

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers.....	2e(1)	404202084	
(2) To insurance carriers for the provision of benefits.....	2e(2)		
(3) Other.....	2e(3)		
(4) Total benefit payments. Add lines 2e(1) through (3).....	2e(4)		404202084
f Corrective distributions (see instructions).....	2f		
g Certain deemed distributions of participant loans (see instructions).....	2g		3068883
h Interest expense.....	2h		
i Administrative expenses: (1) Professional fees.....	2i(1)	209945	
(2) Contract administrator fees.....	2i(2)	4016002	
(3) Investment advisory and management fees.....	2i(3)	2834426	
(4) Other.....	2i(4)	221435	
(5) Total administrative expenses. Add lines 2i(1) through (4).....	2i(5)		7281808
j Total expenses. Add all expense amounts in column (b) and enter total.....	2j		414552775

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d.....	2k		721650158
l Transfers of assets:			
(1) To this plan.....	2l(1)		
(2) From this plan.....	2l(2)		

Part III Accountant's Opinion

3 Complete lines 3a through 3c if the opinion of an independent qualified public accountant is attached to this Form 5500. Complete line 3d if an opinion is not attached.

a The attached opinion of an independent qualified public accountant for this plan is (see instructions):

(1) ☒ Unqualified (2) ☐ Qualified (3) ☐ Disclaimer (4) ☐ Adverse

b Did the accountant perform a limited scope audit pursuant to 29 CFR 2520.103-8 and/or 103-12(d)? ☐ Yes ☒ No

c Enter the name and EIN of the accountant (or accounting firm) below:

(1) Name: BUCHBINDER TUNICK & COMPANY LLP

(2) EIN: 13-1578842

d The opinion of an independent qualified public accountant is **not attached** because:

(1) ☐ This form is filed for a CCT, PSA, or MTIA. (2) ☐ It will be attached to the next Form 5500 pursuant to 29 CFR 2520.104-50.

Part IV Compliance Questions

4 CCTs and PSAs do not complete Part IV. MTIAs, 103-12 IEs, and GIAs do not complete lines 4a, 4e, 4f, 4g, 4h, 4k, 4m, 4n, or 5. 103-12 IEs also do not complete lines 4j and 4l. MTIAs also do not complete line 4l.

During the plan year:

- a** Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.).....
- b** Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.).....

	Yes	No	Amount
4a		X	
4b		X	

	Yes	No	Amount
c Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)		X	
d Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.).....		X	
e Was this plan covered by a fidelity bond?	X		500000
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?		X	
g Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?.....		X	
h Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?.....		X	
i Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)	X		
j Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.)		X	
k Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?		X	
l Has the plan failed to provide any benefit when due under the plan?.....		X	
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)		X	
n If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.			

5a Has a resolution to terminate the plan been adopted during the plan year or any prior plan year?
 If "Yes," enter the amount of any plan assets that reverted to the employer this year..... ☐ Yes ☒ No Amount:

5b If, during this plan year, any assets or liabilities were transferred from this plan to another plan(s), identify the plan(s) to which assets or liabilities were transferred. (See instructions.)

5b(1) Name of plan(s)	5b(2) EIN(s)	5b(3) PN(s)

5c If the plan is a defined benefit plan, is it covered under the PBGC insurance program (see ERISA section 4021)? ☐ Yes ☐ No ☐ Not determined

Part V Trust Information (optional)

6a Name of trust	6b Trust's EIN

**THE TEAMSTERS-UPS NATIONAL 401(k)
TAX DEFERRED SAVINGS PLAN**

**Financial Statements
and
Supplemental Schedules**

For the Years Ended December 31, 2014 and 2013



**THE TEAMSTERS-UPS NATIONAL 401(k)
TAX DEFERRED SAVINGS PLAN
Financial Statements and Supplemental Schedules
For the Years Ended December 31, 2014 and 2013**

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INDEPENDENT AUDITOR'S REPORT

Board of Trustees
The Teamsters - UPS National 401(k)
Tax Deferred Savings Plan

Report on the Financial Statements

We have audited the accompanying financial statements of The Teamsters - UPS National 401(k) Tax Deferred Savings Plan (the "Plan"), which comprise the statements of net assets available for benefits as of December 31, 2014 and 2013, and the related statements of changes in net assets available for benefits for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Plan's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Plan's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets available for benefits of the Plan as of December 31, 2014 and 2013, and the changes in net assets available for benefits for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Report on Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The supplemental schedule on page 16 is presented for purposes of additional analysis and is not a required part of the financial statements but is supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audits of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Buchbinder Tunick & Company LLP

BUCHBINDER TUNICK & COMPANY LLP
Bethesda, Maryland
October 7, 2015

The Teamsters - UPS National 401(k) Tax Deferred Savings Plan
Statements of Net Assets Available for Benefits
December 31, 2014 and 2013

	2014	2013
Assets:		
Investments, at fair value:		
Common collective trusts	\$ 7,116,666,836	\$ 6,416,946,591
Self-managed accounts	341,784,486	324,178,921
Short-term investment fund	56,843,013	93,163,479
Guaranteed investment contracts	1,350,820,382	1,316,866,397
Total investments	<u>8,866,114,717</u>	<u>8,151,155,388</u>
Receivables:		
Participant contributions	9,246,466	8,087,613
Notes receivable from participants	97,141,054	91,796,506
Total receivables	<u>106,387,520</u>	<u>99,884,119</u>
Total assets	<u>8,972,502,237</u>	<u>8,251,039,507</u>
Liabilities:		
Accounts payable	491,167	678,595
Total liabilities	<u>491,167</u>	<u>678,595</u>
Net assets reflecting investments at fair value	8,972,011,070	8,250,360,912
Adjustment from fair value to contract value for fully benefit-responsive investment contracts	<u>(15,278,307)</u>	<u>(2,749,517)</u>
Net assets available for benefits	<u><u>\$ 8,956,732,763</u></u>	<u><u>\$ 8,247,611,395</u></u>

See notes to financial statements

The Teamsters - UPS National 401(k) Tax Deferred Savings Plan
Statements of Changes in Net Assets Available for Benefits
For the Years Ended December 31, 2014 and 2013

	2014	2013
Additions to net assets attributed to:		
Investment income:		
Interest - guaranteed investment contracts	\$ 22,494,963	\$ 23,841,709
- short-term investment fund	180,807	223,082
Net investment earnings:		
Common collective trusts	618,620,461	1,278,978,691
Self-managed accounts	12,630,696	52,524,940
	653,926,927	1,355,568,422
Less: investment expenses	2,834,426	3,102,831
Net investment income	651,092,501	1,352,465,591
Participants' contributions	463,471,408	408,714,118
Other contributions	1,928,790	-
Interest income from notes receivable from participants	4,347,018	4,190,066
Total additions	1,120,839,717	1,765,369,775
Deductions from net assets attributed to:		
Benefits paid to participants	407,270,967	350,996,050
Administrative expenses	4,447,382	4,167,086
Total deductions	411,718,349	355,163,136
Net increase	709,121,368	1,410,206,639
Net assets available for benefits:		
Beginning of year	8,247,611,395	6,837,404,756
End of year	\$ 8,956,732,763	\$ 8,247,611,395

See notes to financial statements

The Teamsters - UPS National 401(k) Tax Deferred Savings Plan
Notes to Financial Statements
December 31, 2014 and 2013

Note 1 - Description of the Plan

The following description of The Teamsters - UPS National 401(k) Tax Deferred Savings Plan (the "Plan") is provided for general information purposes only. Participants should refer to the Plan agreement for a more complete description of the Plan's provisions.

General

The Plan is a voluntary defined contribution plan established for employees of United Parcel Service, Inc. ("UPS") who are represented by the International Brotherhood of Teamsters ("IBT") or other labor unions as approved by the trustees and who satisfy the participation requirements of the Plan. Employees are eligible to become a participant on his/her first day of employment. The Plan is subject to the requirements of the Employee Retirement Income Security Act of 1974 ("ERISA"), as amended.

The Plan became effective July 1, 1988, and allows participants to defer a portion of their compensation on a pre-tax and after-tax basis under the rules of Sections 401(k) and 401(m) of the Internal Revenue Code ("IRC") and satisfies the conditions for participant-directed investments under the rules of Section 404(c) of ERISA.

Plan Administration

The Plan is supervised by ten trustees ("Board of Trustees" or "Trustees"), consisting of five IBT trustees and five UPS trustees. The responsibility of the Board of Trustees is to act in the best interest of Plan participants at all times. The Trustees have the exclusive power and discretion to interpret the Plan document and to decide all matters arising in its administration and operations including questions pertaining to eligibility for, and the amount of, benefits to be paid by the Plan. Through December 31, 2014, Prudential Retirement Insurance and Annuity Company served as plan administrator and Bank of New York Mellon served as plan custodian and investment manager.

Contributions

Participants, other than eligible participants in Puerto Rico, may elect to contribute to the Plan up to 35% of their eligible regular compensation on a pre-tax basis, up to 5% of their eligible regular compensation on an after-tax basis, and up to 100% of any option week pay. Participants employed in Puerto Rico may elect to contribute up to 10% pre-tax and 5% after-tax of their eligible compensation to the Plan. The total of a participant's annual deferrals may not exceed 35% of eligible regular earnings, as adjusted for deferrals from special bonus or qualified vacation compensation, not to exceed the maximum dollar limit as defined by the IRC. Participants who are age 50 or older or who will turn 50 during the Plan year are eligible to make catch-up contributions in accordance with IRC Section 414(v), up to 10% of their eligible regular compensation. Effective July 1, 1994, a participant may contribute to the Plan an amount consisting of an eligible roll-over distribution or transfer from a conduit Individual Retirement Account ("IRA").

The Teamsters - UPS National 401(k) Tax Deferred Savings Plan
Notes to Financial Statements (Continued)
December 31, 2014 and 2013

Note 1 - Description of the Plan (Continued)

Contributions (Continued)

A former participant may contribute to the Plan provided that the former participant (1) ceased to be a participant as a result of his/her retirement, (2) makes a contribution to the Plan within 18 calendar months from the date of his/her retirement, and (3) has not otherwise received a distribution of his/her individual account. Roll-over contributions are at all times fully vested and non-forfeitable.

Participant Accounts

Each participant has an individual account and is credited with the participant's voluntary contribution and investment earnings. Administrative expenses are charged to participant accounts on a per capita basis. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

Vesting

All participants are 100% vested upon participation in the Plan.

Notes Receivable from Participants

Participants may borrow from their fund accounts a minimum of \$1,000 up to a maximum of the lesser of \$50,000 (less any amounts borrowed from any other UPS plans) or 50% of their account balances. Loan terms range from 1 to 5 years or up to 20 years for the purchase of a primary residence. The loans are secured by up to one-half of the balance in the participant's account and bear interest at a fixed rate equal to one percentage point above the prime rate on the last business day of the month prior to the month in which the participant makes application for the loan. Interest rates range from 4.25% to 10.50%. Principal and interest are paid ratably through regular payroll deductions. Upon termination of employment, a participant with an outstanding loan must repay the entire loan or the participant will be deemed to have received a taxable distribution.

Payment of Benefits

The Plan does not permit withdrawals or distributions (other than their after-tax and/or rollover contributions and the investment earnings thereon), prior to age 59½, except in the case of hardship, upon termination of employment, or upon the death or total and permanent disability of the participant. In order to qualify for a hardship withdrawal, the participant must satisfy the legal requirements of a financial hardship as set forth in Internal Revenue Service regulations. The participant may elect to receive a lump-sum distribution or to roll over his/her vested interest into a qualified plan. Participants invested in the Self-Managed Account may choose to receive an "in-kind" distribution from the Self-Managed Account in lieu of a distribution in cash. The value of all other investment options will be distributed in cash.

The Teamsters - UPS National 401(k) Tax Deferred Savings Plan
Notes to Financial Statements (Continued)
December 31, 2014 and 2013

Note 2 - Summary of Significant Accounting Policies

Basis of Accounting

The accompanying financial statements of the Plan have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

Investment contracts held by a defined-contribution plan are required to be reported at fair value. However, contract value is the relevant measurement attribute for that portion of the net assets available for benefits of a defined-contribution plan attributable to fully benefit-responsive investment contracts because contract value is the amount participants would receive if they were to initiate permitted transactions under the terms of the Plan. The statements of net assets available for benefits present the fair value of the investment contracts as well as the adjustment of the fully benefit-responsive investment contracts from fair value to contract value. The statements of changes in net assets available for benefits are prepared on a contract value basis.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and changes therein and disclosures of contingent assets and liabilities at the date of the financial statements. Actual results could differ from those estimates.

Investment Valuation and Income Recognition

Investments are stated at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. See Note 4 for a discussion of fair value measurements.

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Investment income derived from common collective trusts and self-managed accounts, including unrealized and realized gains and losses and dividend income, are respectively included in separate line items for each investment type in the accompanying financial statements.

Notes Receivable From Participants

Notes receivable from participants are measured at their unpaid principal balance plus any accrued but unpaid interest. Delinquent notes receivable from participants are recorded as a distribution based upon the terms of the plan document.

The Teamsters - UPS National 401(k) Tax Deferred Savings Plan
Notes to Financial Statements (Continued)
December 31, 2014 and 2013

Note 2 - Summary of Significant Accounting Policies (Continued)

Payment of Benefits

Benefits are recorded when paid.

Administrative Expenses

Investment management fees and asset custody expenses incurred in connection with managing the Plan's investments are charged against investment returns. Additionally, expenses incurred in administering the Plan are charged to participant accounts on a per capita basis. The administrative cost of processing distributions, rollovers, loan applications, and distributing loan proceeds are deducted from that participant's account.

Subsequent Events

The Plan has evaluated subsequent events through October 7, 2015, the date the financial statements were available to be issued.

Note 3 - Investments

The following presents investments that represent 5 percent or more of the Plan's net assets.

	(In Thousands)	
	December 31,	
	2014	2013
Standard & Poor's 500 Flagship Fund	\$ 2,932,471	\$ 2,575,891
Russell 2000 Index Fund	768,549	769,955
Standard & Poor's 400 Mid-Cap Index Fund	1,049,901	966,966
Balanced Fund	513,513	454,465

Note 4 - Fair Value Measurements

Financial Accounting Standards Board ("FASB") *Accounting Standards Codification (ASC) 820, Fair Value Measurements and Disclosures*, provides a framework for measuring fair value and clarifies the definition of fair value within that framework. Fair value is defined as an exit price, which is the price that would be received for an asset or paid to transfer a liability in the Plan's principal or most advantageous market for the asset or liability, in an orderly transaction between market participants on the measurement date. The fair value hierarchy generally requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. Observable inputs reflect the assumptions market participants would use in pricing the asset or liability and are developed based on market data obtained from sources independent of the reporting entity.

The Teamsters - UPS National 401(k) Tax Deferred Savings Plan
Notes to Financial Statements (Continued)
December 31, 2014 and 2013

Note 4 - Fair Value Measurements (Continued)

Unobservable inputs reflect the entity's own assumptions based on market data and the entity's judgments about the assumptions that market participants would use in pricing the asset or liability, and are to be developed based on the best information available in the circumstances.

The Plan determines the fair market value of its investment in securities based on the fair value definition and hierarchy levels.

The three levels within its hierarchy that may be used to measure fair value are:

Level 1: Unadjusted quoted prices in active markets for identical assets or liabilities.

Level 2: Observable inputs, including Level 1 prices that have been adjusted; quoted prices for similar assets or liabilities; quoted prices in markets that are less active than traded exchanges; and other inputs that are observable or can be substantially corroborated by observable market data.

Level 3: Unobservable inputs that are supported by little or no market activity and that are a significant component of the fair value of the assets or liabilities.

The lowest level of input that is a significant component of the fair value measurements determines the placement of the entire fair value measurement in the hierarchy. The Plan's assessment of the significance of a particular input to the fair value measurement requires judgment, and may affect the classification of fair value assets and liabilities within the fair value hierarchy levels.

The following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2014 and 2013.

Common collective trusts:

The common collective trusts are valued at the net asset value ("NAV") of units of a bank collective trust. The NAV, as provided by the trustee, is used as a practical expedient to estimate fair value. The NAV is based on the fair value of the underlying investments held by the fund less its liabilities. This practical expedient is not used when it is determined to be probable that the Plan will sell the investment for an amount different than the reported NAV. Participant transactions (purchased and sales) may occur daily. Were the Plan to initiate a full redemption of the collective trust, the investment adviser reserves the right to temporarily delay withdrawal from the trust in order to ensure that securities liquidations will be carried out in an orderly business manner.

Short term investment fund:

The short term investment fund is stated at cost, which approximates fair value.

The Teamsters - UPS National 401(k) Tax Deferred Savings Plan
Notes to Financial Statements (Continued)
December 31, 2014 and 2013

Note 4 - Fair Value Measurements (Continued)

Self-managed accounts:

The self-managed accounts may include the following investments: stocks, bonds, mutual funds and U.S. government securities or mortgage backed securities which are valued based on quoted market prices.

Guaranteed investment contracts:

The fair value of the guaranteed investment contracts are calculated by discounting the related cash flows based on current yields of similar instruments with comparable durations.

The preceding valuation methods may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Plan believes the valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following table sets forth, by level, the Plan's assets that were accounted for at fair value on a recurring basis as of December 31, 2014.

	(In Thousands)		
	Total	Level 1	Level 2
Investments at fair value:			
Common collective trusts:			
Index funds	\$ 4,387,109	\$ -	\$ 4,387,109
Mid-Cap fund	1,049,901	-	1,049,901
Target date funds	934,915	-	934,915
Balanced fund	513,513	-	513,513
Government short term investment	231,229	-	231,229
Total	7,116,667	-	7,116,667
Self-managed accounts	341,784	341,784	-
Short-term investment fund	56,843	56,843	-
Guaranteed investment contracts:			
Fixed maturity synthetic	137,651	137,651	-
Constant duration synthetic and wrap	1,213,169	-	1,213,169
Total	1,350,820	137,651	1,213,169
Total investments	<u>\$ 8,866,114</u>	<u>\$ 536,278</u>	<u>\$ 8,329,836</u>

The Teamsters - UPS National 401(k) Tax Deferred Savings Plan
Notes to Financial Statements (Continued)
December 31, 2014 and 2013

Note 4 - Fair Value Measurements (Continued)

The following table sets forth, by level, the Plan's assets that were accounted for at fair value on a recurring basis as of December 31, 2013.

	(In Thousands)		
	Total	Level 1	Level 2
Investments at fair value:			
Common collective trusts:			
Index funds	\$ 3,958,811	\$ -	\$ 3,958,811
Mid-Cap fund	966,966	-	966,966
Target date funds	806,624	-	806,624
Balanced fund	454,465	-	454,465
Government short term investment	230,081	-	230,081
Total	6,416,947	-	6,416,947
Self-managed accounts	324,179	324,179	-
Short-term investment fund	93,163	93,163	-
Guaranteed investment contracts:			
Fixed maturity synthetic	136,424	136,424	-
Constant duration synthetic and wrap	1,180,442	-	1,180,442
Total	1,316,866	136,424	1,180,442
Total investments	\$ 8,151,155	\$ 553,766	\$ 7,597,389

The investment strategy of the Index Funds is to track the performance in each invested Index in proportion to their weighting in the Index. The investment strategy of the MidCap Fund is to invest in all 400 mid-capitalization stocks in the S&P MidCap 400 Index in proportion to their weighting in the Index.

The Target Date Funds invest in a combination of stocks and bonds and allocates their assets among these securities according to a predetermined asset allocation strategy. On an annual basis, the Funds shift assets to a more conservative strategy as the year gets closer to their target date.

The Balanced Fund has a target asset allocation of 50% equities and 50% fixed income invested in a mix of securities that together are designed to track the performance of the S&P 500 Index and the Barclays Capital U.S. Aggregate Bond Index.

As of December 31, 2014 and 2013, the Plan had no unfunded capital commitments with respect to its investments in these common collective trusts. Additionally, the Plan can redeem its investment upon request.

The Teamsters - UPS National 401(k) Tax Deferred Savings Plan
Notes to Financial Statements (Continued)
December 31, 2014 and 2013

Note 4 - Fair Value Measurements (Continued)

Change in Fair Value Levels

The availability of observable market data is monitored to assess the appropriate classification of financial instruments within the fair value hierarchy. Changes in economic conditions or model-based valuation techniques may require the transfer of financial instruments from one fair value level to another. In such instances, the transfer is reported at the beginning of the reporting period.

Management evaluated the significance of transfers between levels based upon the nature of the financial instrument and size of the transfer relative to total net assets. For the years ended December 31, 2014 and 2013, there were no significant transfers in or out of Levels 1, 2, or 3.

Note 5 - Related Party Transactions

Certain Plan investments are shares of commingled funds (common collective trusts) managed by Bank of New York Mellon Dreyfus in 2014. Bank of New York Mellon is a custodian and investment manager as defined by the Plan and, therefore, these transactions qualify as party-in-interest transactions. Fees charged to the Plan for investment management services amounted to \$2,834,426 and \$3,102,831 for 2014 and 2013, respectively.

During 2014 the Plan received \$1,928,790 of other contributions from Prudential Retirement Insurance and Annuity Company, the plan administrator, to correct for an understatement in applying the Plan's automatic escalation provision for certain automatically enrolled participants. The understatement was properly corrected under the IRS Employee Plans Compliance Resolution System.

UPS was reimbursed \$155,218 and \$315,872 in 2014 and 2013, respectively, for expenses it paid on behalf of the Plan.

Note 6 - Guaranteed Investment Contracts with Investment and Insurance Companies

The Plan has entered into 6 benefit-responsive investment contracts with various investment and insurance companies. The investment and insurance companies maintain the contributions in a general account. The account is credited with earnings on the underlying investments and charged for participant withdrawals and administrative expenses. The contracts are included in the statements of net assets available for benefits at fair value as determined using the market approach based on market prices of similar contracts. The adjustment from fair value to contract value is based on the contract value as reported to the Plan by the issuing investment and insurance companies.

Contract value represents contributions made under the contract, plus earnings, less participant withdrawals and administrative expenses. The guaranteed investment contract issuer is contractually obligated to repay the principal and a specified interest rate that is guaranteed to the plan.

The Teamsters - UPS National 401(k) Tax Deferred Savings Plan
Notes to Financial Statements (Continued)
December 31, 2014 and 2013

Note 6 - Guaranteed Investment Contracts with Investment and Insurance Companies (Continued)

A benefit-responsive investment contract attempts to protect principal and accumulated interest, and credits and a stated interest rate for a specified period of time. Investment gains and losses are amortized over the expected duration through the calculation of the interest rate applicable to the fund on a prospective basis ("crediting rate"). The crediting rate is primarily based on the current yield-to-maturity of the covered investments over the duration of the covered investments at the time of computation. The crediting rate is most impacted by the change in the annual effective yield to maturity of the underlying securities, but is also affected by the differential between the contract value and the market value of the covered investments. Depending on the change in duration from each reset period, the magnitude of the impact to the crediting rate of the contract to market difference is heightened or lessened. The crediting rate can be adjusted periodically and is usually adjusted either monthly or quarterly, but in no event is the crediting rate less than zero. The crediting rate may be impacted amongst other things, by volatility and illiquidity in the fixed-income securities market. If the market value of the underlying investments is lower than their contract value, the crediting rate may be lower than the return on the underlying investments. Contributions from participants may increase market value attributed to the underlying investments and increase the crediting rate and the fund's return. Redemptions may have an opposite effect, where if the fund experiences significant redemptions when the market value is below the contract value, the fund's return may be reduced to zero. As described in Note 2, because the guaranteed investment contract is fully benefit-responsive, contract value is the relevant measurement attribute for that portion of the net assets available for benefits attributable to the guaranteed investment contract. Contract value, as reported to the Plan by the investment and insurance companies represents contributions made under the contract, plus earnings, less participant withdrawals and administrative expenses. Participants may ordinarily direct the withdrawal or transfer of all or a portion of their investment at contract value

There are no reserves against contract value for credit risk of the contract issuer or otherwise.

The fair value of the investment contracts at December 31, 2014 and 2013 was \$1,350,820,382 and \$1,316,866,397, respectively. Certain events limit the ability of the Plan to transact at contract value with the issuer. Such events include the following: (1) amendments to the Plan documents (including complete or partial plan termination or merger with another plan), (2) changes to the plan's prohibition on competing investment options or deletion of equity wash provisions, (3) bankruptcy of the plan sponsor or other plan sponsor events (for example, divestitures or spin-offs of a subsidiary) that cause a significant withdrawal from the Plan, or (4) the failure of the trust to qualify for exemption from federal income taxes or any required prohibited transaction exemption under ERISA. The plan administrator does not believe that any events which would limit the Plan's ability to transact at contract value with participants are probable of occurring.

The Teamsters - UPS National 401(k) Tax Deferred Savings Plan
Notes to Financial Statements (Continued)
December 31, 2014 and 2013

Note 6 - Guaranteed Investment Contracts with Investment and Insurance Companies (Continued)

The average yields earned by the Plan for all benefit responsive contracts for the years ended December 31, 2014 and 2013 are as follows:

	2014	2013
Based on actual earnings	1.57%	1.62%
Based on interest rate credited to participants	1.55%	1.28%

Note 7 - Plan Termination

Although they have not expressed intent to do so, the Trustees have the right under the Plan to terminate the Plan subject to the provisions of ERISA. In the event of termination, the assets then remaining in the Plan, after providing for any administrative expenses, shall be allocated among the participants.

Note 8 - Tax Status

The Internal Revenue Service had determined and informed the Plan by a letter dated August 6, 2002, that the Plan and related trust are designed in accordance with applicable sections of the IRC and is exempt from federal income tax under Section 501(a). Although the Plan has been amended since that date, the Plan administrator and the Plan's co-counsels believe that the Plan is designed and is currently being operated in compliance with the applicable requirements of the IRC.

Accounting principles generally accepted in the United States of America require plan management to evaluate tax positions taken by the Plan and recognize a tax liability (or asset) if the Plan has taken an uncertain position that more likely than not would not be sustained upon examination by the Internal Revenue Service. The plan administrator has analyzed the tax positions taken by the Plan, and has concluded that as of December 31, 2014, there are no uncertain positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements. Employee benefit plans are subject to routine audits by taxing jurisdictions; however there are currently no audits for any tax periods in progress for the Plan. The plan administrator believes it is no longer subject to income tax examinations for years prior to December 31, 2011.

Note 9 - Risks and Uncertainties

Plan participants invest in various investment securities that are exposed to various risks, such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the value of investment securities will occur in the near term and those changes could materially affect the amounts reported in the statements of net assets available for benefits.

The Teamsters - UPS National 401(k) Tax Deferred Savings Plan
Notes to Financial Statements (Continued)
December 31, 2014 and 2013

Note 10 - Reconciliation of Financial Statements to Form 5500

The following is a reconciliation of the statements of net assets available for benefits for the years ended December 31, 2014 and 2013 to Schedule H of Form 5500:

	<u>2014</u>	<u>2013</u>
Per financial statements:		
Self-managed accounts	\$ 341,784,486	\$ 324,178,921
Short-term investment fund	56,843,013	93,163,479
Guaranteed investment contracts	<u>1,350,820,382</u>	<u>1,316,866,397</u>
Line 1c(15), Schedule H	<u>\$ 1,749,447,881</u>	<u>\$ 1,734,208,797</u>
Net investment income from common collective trusts per financial statements	\$ 618,620,461	
Add: change in contract value to fair value adjustment for fully benefit-responsive investment contracts	<u>12,528,790</u>	
Line 2b(6), Schedule H	<u>\$ 631,149,251</u>	

The following is a reconciliation of the statement of changes in net assets available for benefits for the year ended December 31, 2014 to Schedule H of Form 5500:

Total additions per financial statements	\$ 1,120,839,717
Add: investment expenses shown on	
Line 2i(3), Schedule H	2,834,426
Add: change in contract value to fair value adjustment for fully benefit-responsive investment contracts	<u>12,528,790</u>
Line 2d, Schedule H	<u>\$ 1,136,202,933</u>
Benefit payments per Line 2e(1), Schedule H	\$ 404,202,084
Deemed distributions per Line 2g, Schedule H	<u>3,068,883</u>
Total benefits paid to participants per financial statements	<u>\$ 407,270,967</u>
Per financial statements:	
Total deductions	\$ 411,718,349
Add: investment expenses	<u>2,834,426</u>
Line 2j, Schedule H	<u>\$ 414,552,775</u>

The Teamsters - UPS National 401(k) Tax Deferred Savings Plan
(Supplemental Schedule)
Schedule of Delinquent Participant Contributions
December 31, 2014

EIN: 95-1732075
Plan No. 003

Form 5500, Schedule H, Line 4(j)

(a)	(b) Identity of Issue	(c) Description of Investment			(d) Cost	(e) Value
		Rate	Maturity	Shares		
	Common Collective Trusts:					
*	Standard & Poor's 500 Flagship Fund	N/A	N/A	29,792,966	\$ 1,427,966,757	\$ 2,932,471,425
*	Balanced Fund	N/A	N/A	11,501,724	338,543,285	513,512,638
*	Bright Horizon Income Fund	N/A	N/A	4,643,576	63,852,395	81,058,026
*	Bright Horizon 2015 Fund	N/A	N/A	5,188,190	106,604,055	152,726,440
*	Bright Horizon 2025 Fund	N/A	N/A	4,543,463	167,200,965	250,487,671
*	Bright Horizon 2035 Fund	N/A	N/A	3,585,508	142,677,714	230,416,587
*	Bright Horizon 2045 Fund	N/A	N/A	3,245,288	39,065,072	53,701,685
*	Bright Horizon 2055 Fund	N/A	N/A	233,525	2,706,673	2,810,535
*	Bright Horizon 2010 Fund	N/A	N/A	665,829	9,681,576	11,292,174
*	Bright Horizon 2020 Fund	N/A	N/A	3,322,286	53,890,046	63,894,118
*	Bright Horizon 2030 Fund	N/A	N/A	2,078,084	35,581,132	43,385,241
*	Bright Horizon 2040 Fund	N/A	N/A	1,280,825	22,914,088	27,962,183
*	Bright Horizon 2050 Fund	N/A	N/A	781,673	14,145,398	17,180,717
*	Russell 2000 Index Fund	N/A	N/A	13,815,263	407,250,728	768,548,910
*	S & P 400 Mid-Cap Index Fund	N/A	N/A	15,160,972	535,227,548	1,049,901,018
*	Passive Bond Market Index Fund	N/A	N/A	11,173,821	230,399,619	270,233,493
*	International Index Fund	N/A	N/A	18,154,992	178,476,197	234,835,154
*	REIT Index Fund, Series A	N/A	N/A	13,424,353	121,725,503	181,019,880
*	Prudential Retirement Insurance and Annuity Company:					
*	Government STIF	N/A	N/A	68,359,362	230,621,967	231,228,941
	Total common/collective trusts				4,128,530,718	7,116,666,836
*	Self-managed accounts					341,784,486
	Short-Term Investor Fund:					
*	TBC INC Pooled EMP Daily Liquidity Fd	0.15%	N/A	56,843,013	56,843,013	56,843,013
	Guaranteed Investment Contracts (GIC):					
	Bank of Tokyo Mitsubishi:					
	Contract BNYUPS12-1	1.73%	**	N/A	290,046,125	293,946,754
	Prudential:					
	Contract GA 62501	0.84%	12/28/21	N/A	138,151,600	137,651,496
	United of Omaha:					
	Contract SVW 15526	1.71%	**	N/A	300,384,782	304,523,588
	Transamerica Premier Life Insurance:					
	Company					
	Contract MDA00713TR	1.73%	**	N/A	316,612,008	320,660,926
	Royal Bank of Canada:					
	Contract SSTEAM-G01	1.73%	**	N/A	290,347,560	294,037,618
	Total GIC				1,335,542,075	1,350,820,382
	Total investments at fair value					\$ 8,866,114,717
*	Participant loans	4.25% - 10.50%				\$ 97,141,054
*	Party-in-interest ** Constant Duration					

See Independent Auditor's Report

**THE TEAMSTERS-UPS NATIONAL 401(k)
TAX DEFERRED SAVINGS PLAN**

**Financial Statements
and
Supplemental Schedules**

For the Years Ended December 31, 2014 and 2013



**THE TEAMSTERS-UPS NATIONAL 401(k)
TAX DEFERRED SAVINGS PLAN
Financial Statements and Supplemental Schedules
For the Years Ended December 31, 2014 and 2013**

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INDEPENDENT AUDITOR'S REPORT

Board of Trustees
The Teamsters - UPS National 401(k)
Tax Deferred Savings Plan

Report on the Financial Statements

We have audited the accompanying financial statements of The Teamsters - UPS National 401(k) Tax Deferred Savings Plan (the "Plan"), which comprise the statements of net assets available for benefits as of December 31, 2014 and 2013, and the related statements of changes in net assets available for benefits for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Plan's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Plan's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets available for benefits of the Plan as of December 31, 2014 and 2013, and the changes in net assets available for benefits for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Report on Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The supplemental schedule on page 16 is presented for purposes of additional analysis and is not a required part of the financial statements but is supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audits of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Buchbinder Tunick & Company LLP

BUCHBINDER TUNICK & COMPANY LLP
Bethesda, Maryland
October 7, 2015

The Teamsters - UPS National 401(k) Tax Deferred Savings Plan
Statements of Net Assets Available for Benefits
December 31, 2014 and 2013

	2014	2013
Assets:		
Investments, at fair value:		
Common collective trusts	\$ 7,116,666,836	\$ 6,416,946,591
Self-managed accounts	341,784,486	324,178,921
Short-term investment fund	56,843,013	93,163,479
Guaranteed investment contracts	1,350,820,382	1,316,866,397
Total investments	<u>8,866,114,717</u>	<u>8,151,155,388</u>
Receivables:		
Participant contributions	9,246,466	8,087,613
Notes receivable from participants	97,141,054	91,796,506
Total receivables	<u>106,387,520</u>	<u>99,884,119</u>
Total assets	<u>8,972,502,237</u>	<u>8,251,039,507</u>
Liabilities:		
Accounts payable	491,167	678,595
Total liabilities	<u>491,167</u>	<u>678,595</u>
Net assets reflecting investments at fair value	8,972,011,070	8,250,360,912
Adjustment from fair value to contract value for fully benefit-responsive investment contracts	<u>(15,278,307)</u>	<u>(2,749,517)</u>
Net assets available for benefits	<u>\$ 8,956,732,763</u>	<u>\$ 8,247,611,395</u>

See notes to financial statements

The Teamsters - UPS National 401(k) Tax Deferred Savings Plan
Statements of Changes in Net Assets Available for Benefits
For the Years Ended December 31, 2014 and 2013

	2014	2013
Additions to net assets attributed to:		
Investment income:		
Interest - guaranteed investment contracts	\$ 22,494,963	\$ 23,841,709
- short-term investment fund	180,807	223,082
Net investment earnings:		
Common collective trusts	618,620,461	1,278,978,691
Self-managed accounts	12,630,696	52,524,940
	653,926,927	1,355,568,422
Less: investment expenses	2,834,426	3,102,831
Net investment income	651,092,501	1,352,465,591
Participants' contributions	463,471,408	408,714,118
Other contributions	1,928,790	-
Interest income from notes receivable from participants	4,347,018	4,190,066
Total additions	1,120,839,717	1,765,369,775
Deductions from net assets attributed to:		
Benefits paid to participants	407,270,967	350,996,050
Administrative expenses	4,447,382	4,167,086
Total deductions	411,718,349	355,163,136
Net increase	709,121,368	1,410,206,639
Net assets available for benefits:		
Beginning of year	8,247,611,395	6,837,404,756
End of year	\$ 8,956,732,763	\$ 8,247,611,395

See notes to financial statements

The Teamsters - UPS National 401(k) Tax Deferred Savings Plan
Notes to Financial Statements
December 31, 2014 and 2013

Note 1 - Description of the Plan

The following description of The Teamsters - UPS National 401(k) Tax Deferred Savings Plan (the "Plan") is provided for general information purposes only. Participants should refer to the Plan agreement for a more complete description of the Plan's provisions.

General

The Plan is a voluntary defined contribution plan established for employees of United Parcel Service, Inc. ("UPS") who are represented by the International Brotherhood of Teamsters ("IBT") or other labor unions as approved by the trustees and who satisfy the participation requirements of the Plan. Employees are eligible to become a participant on his/her first day of employment. The Plan is subject to the requirements of the Employee Retirement Income Security Act of 1974 ("ERISA"), as amended.

The Plan became effective July 1, 1988, and allows participants to defer a portion of their compensation on a pre-tax and after-tax basis under the rules of Sections 401(k) and 401(m) of the Internal Revenue Code ("IRC") and satisfies the conditions for participant-directed investments under the rules of Section 404(c) of ERISA.

Plan Administration

The Plan is supervised by ten trustees ("Board of Trustees" or "Trustees"), consisting of five IBT trustees and five UPS trustees. The responsibility of the Board of Trustees is to act in the best interest of Plan participants at all times. The Trustees have the exclusive power and discretion to interpret the Plan document and to decide all matters arising in its administration and operations including questions pertaining to eligibility for, and the amount of, benefits to be paid by the Plan. Through December 31, 2014, Prudential Retirement Insurance and Annuity Company served as plan administrator and Bank of New York Mellon served as plan custodian and investment manager.

Contributions

Participants, other than eligible participants in Puerto Rico, may elect to contribute to the Plan up to 35% of their eligible regular compensation on a pre-tax basis, up to 5% of their eligible regular compensation on an after-tax basis, and up to 100% of any option week pay. Participants employed in Puerto Rico may elect to contribute up to 10% pre-tax and 5% after-tax of their eligible compensation to the Plan. The total of a participant's annual deferrals may not exceed 35% of eligible regular earnings, as adjusted for deferrals from special bonus or qualified vacation compensation, not to exceed the maximum dollar limit as defined by the IRC. Participants who are age 50 or older or who will turn 50 during the Plan year are eligible to make catch-up contributions in accordance with IRC Section 414(v), up to 10% of their eligible regular compensation. Effective July 1, 1994, a participant may contribute to the Plan an amount consisting of an eligible roll-over distribution or transfer from a conduit Individual Retirement Account ("IRA").

The Teamsters - UPS National 401(k) Tax Deferred Savings Plan
Notes to Financial Statements (Continued)
December 31, 2014 and 2013

Note 1 - Description of the Plan (Continued)

Contributions (Continued)

A former participant may contribute to the Plan provided that the former participant (1) ceased to be a participant as a result of his/her retirement, (2) makes a contribution to the Plan within 18 calendar months from the date of his/her retirement, and (3) has not otherwise received a distribution of his/her individual account. Roll-over contributions are at all times fully vested and non-forfeitable.

Participant Accounts

Each participant has an individual account and is credited with the participant's voluntary contribution and investment earnings. Administrative expenses are charged to participant accounts on a per capita basis. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

Vesting

All participants are 100% vested upon participation in the Plan.

Notes Receivable from Participants

Participants may borrow from their fund accounts a minimum of \$1,000 up to a maximum of the lesser of \$50,000 (less any amounts borrowed from any other UPS plans) or 50% of their account balances. Loan terms range from 1 to 5 years or up to 20 years for the purchase of a primary residence. The loans are secured by up to one-half of the balance in the participant's account and bear interest at a fixed rate equal to one percentage point above the prime rate on the last business day of the month prior to the month in which the participant makes application for the loan. Interest rates range from 4.25% to 10.50%. Principal and interest are paid ratably through regular payroll deductions. Upon termination of employment, a participant with an outstanding loan must repay the entire loan or the participant will be deemed to have received a taxable distribution.

Payment of Benefits

The Plan does not permit withdrawals or distributions (other than their after-tax and/or rollover contributions and the investment earnings thereon), prior to age 59½, except in the case of hardship, upon termination of employment, or upon the death or total and permanent disability of the participant. In order to qualify for a hardship withdrawal, the participant must satisfy the legal requirements of a financial hardship as set forth in Internal Revenue Service regulations. The participant may elect to receive a lump-sum distribution or to roll over his/her vested interest into a qualified plan. Participants invested in the Self-Managed Account may choose to receive an "in-kind" distribution from the Self-Managed Account in lieu of a distribution in cash. The value of all other investment options will be distributed in cash.

The Teamsters - UPS National 401(k) Tax Deferred Savings Plan
Notes to Financial Statements (Continued)
December 31, 2014 and 2013

Note 2 - Summary of Significant Accounting Policies

Basis of Accounting

The accompanying financial statements of the Plan have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

Investment contracts held by a defined-contribution plan are required to be reported at fair value. However, contract value is the relevant measurement attribute for that portion of the net assets available for benefits of a defined-contribution plan attributable to fully benefit-responsive investment contracts because contract value is the amount participants would receive if they were to initiate permitted transactions under the terms of the Plan. The statements of net assets available for benefits present the fair value of the investment contracts as well as the adjustment of the fully benefit-responsive investment contracts from fair value to contract value. The statements of changes in net assets available for benefits are prepared on a contract value basis.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and changes therein and disclosures of contingent assets and liabilities at the date of the financial statements. Actual results could differ from those estimates.

Investment Valuation and Income Recognition

Investments are stated at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. See Note 4 for a discussion of fair value measurements.

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Investment income derived from common collective trusts and self-managed accounts, including unrealized and realized gains and losses and dividend income, are respectively included in separate line items for each investment type in the accompanying financial statements.

Notes Receivable From Participants

Notes receivable from participants are measured at their unpaid principal balance plus any accrued but unpaid interest. Delinquent notes receivable from participants are recorded as a distribution based upon the terms of the plan document.

The Teamsters - UPS National 401(k) Tax Deferred Savings Plan
Notes to Financial Statements (Continued)
December 31, 2014 and 2013

Note 2 - Summary of Significant Accounting Policies (Continued)

Payment of Benefits

Benefits are recorded when paid.

Administrative Expenses

Investment management fees and asset custody expenses incurred in connection with managing the Plan's investments are charged against investment returns. Additionally, expenses incurred in administering the Plan are charged to participant accounts on a per capita basis. The administrative cost of processing distributions, rollovers, loan applications, and distributing loan proceeds are deducted from that participant's account.

Subsequent Events

The Plan has evaluated subsequent events through October 7, 2015, the date the financial statements were available to be issued.

Note 3 - Investments

The following presents investments that represent 5 percent or more of the Plan's net assets.

	(In Thousands)	
	December 31,	
	2014	2013
Standard & Poor's 500 Flagship Fund	\$ 2,932,471	\$ 2,575,891
Russell 2000 Index Fund	768,549	769,955
Standard & Poor's 400 Mid-Cap Index Fund	1,049,901	966,966
Balanced Fund	513,513	454,465

Note 4 - Fair Value Measurements

Financial Accounting Standards Board ("FASB") *Accounting Standards Codification (ASC) 820, Fair Value Measurements and Disclosures*, provides a framework for measuring fair value and clarifies the definition of fair value within that framework. Fair value is defined as an exit price, which is the price that would be received for an asset or paid to transfer a liability in the Plan's principal or most advantageous market for the asset or liability, in an orderly transaction between market participants on the measurement date. The fair value hierarchy generally requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. Observable inputs reflect the assumptions market participants would use in pricing the asset or liability and are developed based on market data obtained from sources independent of the reporting entity.

The Teamsters - UPS National 401(k) Tax Deferred Savings Plan
Notes to Financial Statements (Continued)
December 31, 2014 and 2013

Note 4 - Fair Value Measurements (Continued)

Unobservable inputs reflect the entity's own assumptions based on market data and the entity's judgments about the assumptions that market participants would use in pricing the asset or liability, and are to be developed based on the best information available in the circumstances.

The Plan determines the fair market value of its investment in securities based on the fair value definition and hierarchy levels.

The three levels within its hierarchy that may be used to measure fair value are:

Level 1: Unadjusted quoted prices in active markets for identical assets or liabilities.

Level 2: Observable inputs, including Level 1 prices that have been adjusted; quoted prices for similar assets or liabilities; quoted prices in markets that are less active than traded exchanges; and other inputs that are observable or can be substantially corroborated by observable market data.

Level 3: Unobservable inputs that are supported by little or no market activity and that are a significant component of the fair value of the assets or liabilities.

The lowest level of input that is a significant component of the fair value measurements determines the placement of the entire fair value measurement in the hierarchy. The Plan's assessment of the significance of a particular input to the fair value measurement requires judgment, and may affect the classification of fair value assets and liabilities within the fair value hierarchy levels.

The following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2014 and 2013.

Common collective trusts:

The common collective trusts are valued at the net asset value ("NAV") of units of a bank collective trust. The NAV, as provided by the trustee, is used as a practical expedient to estimate fair value. The NAV is based on the fair value of the underlying investments held by the fund less its liabilities. This practical expedient is not used when it is determined to be probable that the Plan will sell the investment for an amount different than the reported NAV. Participant transactions (purchased and sales) may occur daily. Were the Plan to initiate a full redemption of the collective trust, the investment adviser reserves the right to temporarily delay withdrawal from the trust in order to ensure that securities liquidations will be carried out in an orderly business manner.

Short term investment fund:

The short term investment fund is stated at cost, which approximates fair value.

The Teamsters - UPS National 401(k) Tax Deferred Savings Plan
Notes to Financial Statements (Continued)
December 31, 2014 and 2013

Note 4 - Fair Value Measurements (Continued)

Self-managed accounts:

The self-managed accounts may include the following investments: stocks, bonds, mutual funds and U.S. government securities or mortgage backed securities which are valued based on quoted market prices.

Guaranteed investment contracts:

The fair value of the guaranteed investment contracts are calculated by discounting the related cash flows based on current yields of similar instruments with comparable durations.

The preceding valuation methods may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Plan believes the valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following table sets forth, by level, the Plan's assets that were accounted for at fair value on a recurring basis as of December 31, 2014.

	(In Thousands)		
	Total	Level 1	Level 2
Investments at fair value:			
Common collective trusts:			
Index funds	\$ 4,387,109	\$ -	\$ 4,387,109
Mid-Cap fund	1,049,901	-	1,049,901
Target date funds	934,915	-	934,915
Balanced fund	513,513	-	513,513
Government short term investment	231,229	-	231,229
Total	7,116,667	-	7,116,667
Self-managed accounts	341,784	341,784	-
Short-term investment fund	56,843	56,843	-
Guaranteed investment contracts:			
Fixed maturity synthetic	137,651	137,651	-
Constant duration synthetic and wrap	1,213,169	-	1,213,169
Total	1,350,820	137,651	1,213,169
Total investments	<u>\$ 8,866,114</u>	<u>\$ 536,278</u>	<u>\$ 8,329,836</u>

The Teamsters - UPS National 401(k) Tax Deferred Savings Plan
Notes to Financial Statements (Continued)
December 31, 2014 and 2013

Note 4 - Fair Value Measurements (Continued)

The following table sets forth, by level, the Plan's assets that were accounted for at fair value on a recurring basis as of December 31, 2013.

(In Thousands)			
	Total	Level 1	Level 2
Investments at fair value:			
Common collective trusts:			
Index funds	\$ 3,958,811	\$ -	\$ 3,958,811
Mid-Cap fund	966,966	-	966,966
Target date funds	806,624	-	806,624
Balanced fund	454,465	-	454,465
Government short term investment	230,081	-	230,081
Total	<u>6,416,947</u>	<u>-</u>	<u>6,416,947</u>
Self-managed accounts	<u>324,179</u>	<u>324,179</u>	<u>-</u>
Short-term investment fund	<u>93,163</u>	<u>93,163</u>	<u>-</u>
Guaranteed investment contracts:			
Fixed maturity synthetic	136,424	136,424	-
Constant duration synthetic and wrap	<u>1,180,442</u>	<u>-</u>	<u>1,180,442</u>
Total	<u>1,316,866</u>	<u>136,424</u>	<u>1,180,442</u>
Total investments	<u><u>\$ 8,151,155</u></u>	<u><u>\$ 553,766</u></u>	<u><u>\$ 7,597,389</u></u>

The investment strategy of the Index Funds is to track the performance in each invested Index in proportion to their weighting in the Index. The investment strategy of the MidCap Fund is to invest in all 400 mid-capitalization stocks in the S&P MidCap 400 Index in proportion to their weighting in the Index.

The Target Date Funds invest in a combination of stocks and bonds and allocates their assets among these securities according to a predetermined asset allocation strategy. On an annual basis, the Funds shift assets to a more conservative strategy as the year gets closer to their target date.

The Balanced Fund has a target asset allocation of 50% equities and 50% fixed income invested in a mix of securities that together are designed to track the performance of the S&P 500 Index and the Barclays Capital U.S. Aggregate Bond Index.

As of December 31, 2014 and 2013, the Plan had no unfunded capital commitments with respect to its investments in these common collective trusts. Additionally, the Plan can redeem its investment upon request.

The Teamsters - UPS National 401(k) Tax Deferred Savings Plan
Notes to Financial Statements (Continued)
December 31, 2014 and 2013

Note 4 - Fair Value Measurements (Continued)

Change in Fair Value Levels

The availability of observable market data is monitored to assess the appropriate classification of financial instruments within the fair value hierarchy. Changes in economic conditions or model-based valuation techniques may require the transfer of financial instruments from one fair value level to another. In such instances, the transfer is reported at the beginning of the reporting period.

Management evaluated the significance of transfers between levels based upon the nature of the financial instrument and size of the transfer relative to total net assets. For the years ended December 31, 2014 and 2013, there were no significant transfers in or out of Levels 1, 2, or 3.

Note 5 - Related Party Transactions

Certain Plan investments are shares of commingled funds (common collective trusts) managed by Bank of New York Mellon Dreyfus in 2014. Bank of New York Mellon is a custodian and investment manager as defined by the Plan and, therefore, these transactions qualify as party-in-interest transactions. Fees charged to the Plan for investment management services amounted to \$2,834,426 and \$3,102,831 for 2014 and 2013, respectively.

During 2014 the Plan received \$1,928,790 of other contributions from Prudential Retirement Insurance and Annuity Company, the plan administrator, to correct for an understatement in applying the Plan's automatic escalation provision for certain automatically enrolled participants. The understatement was properly corrected under the IRS Employee Plans Compliance Resolution System.

UPS was reimbursed \$155,218 and \$315,872 in 2014 and 2013, respectively, for expenses it paid on behalf of the Plan.

Note 6 - Guaranteed Investment Contracts with Investment and Insurance Companies

The Plan has entered into 6 benefit-responsive investment contracts with various investment and insurance companies. The investment and insurance companies maintain the contributions in a general account. The account is credited with earnings on the underlying investments and charged for participant withdrawals and administrative expenses. The contracts are included in the statements of net assets available for benefits at fair value as determined using the market approach based on market prices of similar contracts. The adjustment from fair value to contract value is based on the contract value as reported to the Plan by the issuing investment and insurance companies.

Contract value represents contributions made under the contract, plus earnings, less participant withdrawals and administrative expenses. The guaranteed investment contract issuer is contractually obligated to repay the principal and a specified interest rate that is guaranteed to the plan.

The Teamsters - UPS National 401(k) Tax Deferred Savings Plan
Notes to Financial Statements (Continued)
December 31, 2014 and 2013

Note 6 - Guaranteed Investment Contracts with Investment and Insurance Companies (Continued)

A benefit-responsive investment contract attempts to protect principal and accumulated interest, and credits and a stated interest rate for a specified period of time. Investment gains and losses are amortized over the expected duration through the calculation of the interest rate applicable to the fund on a prospective basis ("crediting rate"). The crediting rate is primarily based on the current yield-to-maturity of the covered investments over the duration of the covered investments at the time of computation. The crediting rate is most impacted by the change in the annual effective yield to maturity of the underlying securities, but is also affected by the differential between the contract value and the market value of the covered investments. Depending on the change in duration from each reset period, the magnitude of the impact to the crediting rate of the contract to market difference is heightened or lessened. The crediting rate can be adjusted periodically and is usually adjusted either monthly or quarterly, but in no event is the crediting rate less than zero. The crediting rate may be impacted amongst other things, by volatility and illiquidity in the fixed-income securities market. If the market value of the underlying investments is lower than their contract value, the crediting rate may be lower than the return on the underlying investments. Contributions from participants may increase market value attributed to the underlying investments and increase the crediting rate and the fund's return. Redemptions may have an opposite effect, where if the fund experiences significant redemptions when the market value is below the contract value, the fund's return may be reduced to zero. As described in Note 2, because the guaranteed investment contract is fully benefit-responsive, contract value is the relevant measurement attribute for that portion of the net assets available for benefits attributable to the guaranteed investment contract. Contract value, as reported to the Plan by the investment and insurance companies represents contributions made under the contract, plus earnings, less participant withdrawals and administrative expenses. Participants may ordinarily direct the withdrawal or transfer of all or a portion of their investment at contract value

There are no reserves against contract value for credit risk of the contract issuer or otherwise.

The fair value of the investment contracts at December 31, 2014 and 2013 was \$1,350,820,382 and \$1,316,866,397, respectively. Certain events limit the ability of the Plan to transact at contract value with the issuer. Such events include the following: (1) amendments to the Plan documents (including complete or partial plan termination or merger with another plan), (2) changes to the plan's prohibition on competing investment options or deletion of equity wash provisions, (3) bankruptcy of the plan sponsor or other plan sponsor events (for example, divestitures or spin-offs of a subsidiary) that cause a significant withdrawal from the Plan, or (4) the failure of the trust to qualify for exemption from federal income taxes or any required prohibited transaction exemption under ERISA. The plan administrator does not believe that any events which would limit the Plan's ability to transact at contract value with participants are probable of occurring.

The Teamsters - UPS National 401(k) Tax Deferred Savings Plan
Notes to Financial Statements (Continued)
December 31, 2014 and 2013

Note 6 - Guaranteed Investment Contracts with Investment and Insurance Companies (Continued)

The average yields earned by the Plan for all benefit responsive contracts for the years ended December 31, 2014 and 2013 are as follows:

	2014	2013
Based on actual earnings	1.57%	1.62%
Based on interest rate credited to participants	1.55%	1.28%

Note 7 - Plan Termination

Although they have not expressed intent to do so, the Trustees have the right under the Plan to terminate the Plan subject to the provisions of ERISA. In the event of termination, the assets then remaining in the Plan, after providing for any administrative expenses, shall be allocated among the participants.

Note 8 - Tax Status

The Internal Revenue Service had determined and informed the Plan by a letter dated August 6, 2002, that the Plan and related trust are designed in accordance with applicable sections of the IRC and is exempt from federal income tax under Section 501(a). Although the Plan has been amended since that date, the Plan administrator and the Plan's co-counsels believe that the Plan is designed and is currently being operated in compliance with the applicable requirements of the IRC.

Accounting principles generally accepted in the United States of America require plan management to evaluate tax positions taken by the Plan and recognize a tax liability (or asset) if the Plan has taken an uncertain position that more likely than not would not be sustained upon examination by the Internal Revenue Service. The plan administrator has analyzed the tax positions taken by the Plan, and has concluded that as of December 31, 2014, there are no uncertain positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements. Employee benefit plans are subject to routine audits by taxing jurisdictions; however there are currently no audits for any tax periods in progress for the Plan. The plan administrator believes it is no longer subject to income tax examinations for years prior to December 31, 2011.

Note 9 - Risks and Uncertainties

Plan participants invest in various investment securities that are exposed to various risks, such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the value of investment securities will occur in the near term and those changes could materially affect the amounts reported in the statements of net assets available for benefits.

The Teamsters - UPS National 401(k) Tax Deferred Savings Plan
Notes to Financial Statements (Continued)
December 31, 2014 and 2013

Note 10 - Reconciliation of Financial Statements to Form 5500

The following is a reconciliation of the statements of net assets available for benefits for the years ended December 31, 2014 and 2013 to Schedule H of Form 5500:

	<u>2014</u>	<u>2013</u>
Per financial statements:		
Self-managed accounts	\$ 341,784,486	\$ 324,178,921
Short-term investment fund	56,843,013	93,163,479
Guaranteed investment contracts	<u>1,350,820,382</u>	<u>1,316,866,397</u>
Line 1c(15), Schedule H	<u>\$ 1,749,447,881</u>	<u>\$ 1,734,208,797</u>
Net investment income from common collective trusts per financial statements	\$ 618,620,461	
Add: change in contract value to fair value adjustment for fully benefit-responsive investment contracts	<u>12,528,790</u>	
Line 2b(6), Schedule H	<u>\$ 631,149,251</u>	

The following is a reconciliation of the statement of changes in net assets available for benefits for the year ended December 31, 2014 to Schedule H of Form 5500:

Total additions per financial statements	\$ 1,120,839,717
Add: investment expenses shown on	
Line 2i(3), Schedule H	2,834,426
Add: change in contract value to fair value adjustment for fully benefit-responsive investment contracts	<u>12,528,790</u>
Line 2d, Schedule H	<u>\$ 1,136,202,933</u>
Benefit payments per Line 2e(1), Schedule H	\$ 404,202,084
Deemed distributions per Line 2g, Schedule H	<u>3,068,883</u>
Total benefits paid to participants per financial statements	<u>\$ 407,270,967</u>
Per financial statements:	
Total deductions	\$ 411,718,349
Add: investment expenses	<u>2,834,426</u>
Line 2j, Schedule H	<u>\$ 414,552,775</u>

The Teamsters - UPS National 401(k) Tax Deferred Savings Plan
(Supplemental Schedule)
Schedule of Delinquent Participant Contributions
December 31, 2014

EIN: 95-1732075
Plan No. 003

Form 5500, Schedule H, Line 4(j)

(a)	(b) Identity of Issue	(c) Description of Investment			(d) Cost	(e) Value
		Rate	Maturity	Shares		
	Common Collective Trusts:					
*	Standard & Poor's 500 Flagship Fund	N/A	N/A	29,792,966	\$ 1,427,966,757	\$ 2,932,471,425
*	Balanced Fund	N/A	N/A	11,501,724	338,543,285	513,512,638
*	Bright Horizon Income Fund	N/A	N/A	4,643,576	63,852,395	81,058,026
*	Bright Horizon 2015 Fund	N/A	N/A	5,188,190	106,604,055	152,726,440
*	Bright Horizon 2025 Fund	N/A	N/A	4,543,463	167,200,965	250,487,671
*	Bright Horizon 2035 Fund	N/A	N/A	3,585,508	142,677,714	230,416,587
*	Bright Horizon 2045 Fund	N/A	N/A	3,245,288	39,065,072	53,701,685
*	Bright Horizon 2055 Fund	N/A	N/A	233,525	2,706,673	2,810,535
*	Bright Horizon 2010 Fund	N/A	N/A	665,829	9,681,576	11,292,174
*	Bright Horizon 2020 Fund	N/A	N/A	3,322,286	53,890,046	63,894,118
*	Bright Horizon 2030 Fund	N/A	N/A	2,078,084	35,581,132	43,385,241
*	Bright Horizon 2040 Fund	N/A	N/A	1,280,825	22,914,088	27,962,183
*	Bright Horizon 2050 Fund	N/A	N/A	781,673	14,145,398	17,180,717
*	Russell 2000 Index Fund	N/A	N/A	13,815,263	407,250,728	768,548,910
*	S & P 400 Mid-Cap Index Fund	N/A	N/A	15,160,972	535,227,548	1,049,901,018
*	Passive Bond Market Index Fund	N/A	N/A	11,173,821	230,399,619	270,233,493
*	International Index Fund	N/A	N/A	18,154,992	178,476,197	234,835,154
*	REIT Index Fund, Series A	N/A	N/A	13,424,353	121,725,503	181,019,880
*	Prudential Retirement Insurance and Annuity Company:					
*	Government STIF	N/A	N/A	68,359,362	230,621,967	231,228,941
	Total common/collective trusts				4,128,530,718	7,116,666,836
*	Self-managed accounts					341,784,486
	Short-Term Investor Fund:					
*	TBC INC Pooled EMP Daily Liquidity Fd	0.15%	N/A	56,843,013	56,843,013	56,843,013
	Guaranteed Investment Contracts (GIC):					
	Bank of Tokyo Mitsubishi:					
	Contract BNYUPS12-1	1.73%	**	N/A	290,046,125	293,946,754
	Prudential:					
	Contract GA 62501	0.84%	12/28/21	N/A	138,151,600	137,651,496
	United of Omaha:					
	Contract SVW 15526	1.71%	**	N/A	300,384,782	304,523,588
	Transamerica Premier Life Insurance:					
	Company					
	Contract MDA00713TR	1.73%	**	N/A	316,612,008	320,660,926
	Royal Bank of Canada:					
	Contract SSTEAM-G01	1.73%	**	N/A	290,347,560	294,037,618
	Total GIC				1,335,542,075	1,350,820,382
	Total investments at fair value					\$ 8,866,114,717
*	Participant loans	4.25% - 10.50%				\$ 97,141,054
*	Party-in-interest ** Constant Duration					

See Independent Auditor's Report