

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT
PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934

Date of Report (Date of earliest event reported):
May 1, 2006

United Parcel Service, Inc.

(Exact name of registrant as specified in its charter)

Delaware ----- (State or other jurisdiction of incorporation)	001-15451 ----- (Commission File Number)	58-2480149 ----- (IRS Employer Identification Number)
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55 Glenlake Parkway, N.E. Atlanta, Georgia ----- (Address of principal executive offices)	30328 ----- (Zip Code)
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Registrant's telephone number, including area code: (404) 828-6000

Not applicable

(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

ITEM 1.01 ENTRY INTO A MATERIAL DEFINITIVE AGREEMENT

Effective May 1, 2006, the forms of award agreement for nonqualified stock options and restricted performance units granted pursuant to the United Parcel Service, Inc. Incentive Compensation Plan were revised and updated. The revised forms are attached hereto as Exhibits 10.1 and 10.2.

ITEM 9.01 FINANCIAL STATEMENTS AND EXHIBITS

(c) Exhibits

<TABLE>	
<S>	<C>
10.1	Form of Nonqualified Stock Option Award Agreement pursuant to the United Parcel Service, Inc. Incentive Compensation Plan.
10.2	Form of Restricted Performance Unit Award Agreement pursuant to the United Parcel Service, Inc. Incentive Compensation Plan.
</TABLE>	

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

UNITED PARCEL SERVICE, INC.

Date: May 5, 2006

By: /s/ D. Scott Davis

Name: D. Scott Davis

Title: Senior Vice President, Treasurer and Chief
Financial Officer

EXHIBIT INDEX

<TABLE>	
Exhibit No.	Description
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Form of
 United Parcel Service, Inc.
 Incentive Compensation Plan
 Long-Term Incentive Awards

Nonqualified Stock Option Award Agreement
 (Not Transferable)

THIS AGREEMENT evidences the grant by UNITED PARCEL SERVICE, INC., a Delaware corporation (the "Company") in accordance with the Company's Incentive Compensation Plan (the "Plan"), of a nonqualified stock option ("Option") to the employee named below ("Employee"). This Option entitles Employee to purchase from the Company the number of shares of the Company's class A Common Stock ("Shares") set forth below upon satisfaction of the vesting requirements and payment of the exercise price per Share ("Option Price"), in each case, as set forth below. This Option is granted effective as of the date set forth below ("Grant Date ") and is subject to all of the terms and conditions set forth below.

Employee:	-----	((Employee))
Number of Shares:		((Number))
Option Price:		((Option))
Grant Date:		[insert date]
Earliest Exercise Date:		[five years from grant date]
Latest Exercise Date:		[ten years from grant date]

ATTEST: UNITED PARCEL SERVICE, INC.

 Secretary

 Chairman and Chief Executive Officer

Terms and Conditions

1. Plan. This Option is subject to all of the terms and conditions set forth herein and in the Plan, as the same may be amended from time to time, which is herein incorporated by reference; provided, however, that if a term of the Plan would cause this Option to be subject to Section 409A of the Code, such term is not incorporated by reference. Terms not defined in this agreement are defined in the Plan. If any term or condition in this Option is inconsistent with the Plan, the Plan shall control. By accepting this Option, the Employee unconditionally agrees to be bound by the applicable terms, conditions and provisions of the Plan and this Award. The grant of an Option in any year does not entitle an individual to an Option in any subsequent year.
2. Vesting.
 - a. General Rule. The Option will vest and become exercisable on the Earliest Exercise Date; provided that you are employed by the Company or a Subsidiary on that date.
 - b. Death, Disability or Retirement. If your employment terminates by reason of your death, disability (as defined in the Plan) or retirement (as defined in the Plan) before the Earliest Exercise Date, the Option will immediately vest.
 - c. Termination for Reasons Other than Death, Disability or Retirement. You will forfeit any right to exercise any outstanding non-vested Option if you terminate employment before the Earliest Exercise Date other than by reason of your death, disability or retirement. Your vested Option (if any) must be exercised within 90 calendar days of termination and will expire at 4:00 p.m. New York Time on the 90th calendar day following the date your employment terminates. The forfeited Option will not be restored even if you return to employment with the Company or a Subsidiary before the Earliest Exercise Date.
3. Exercise. You may exercise your Option at any time (subject to the UPS Insider Trading Guidelines) between the Earliest Exercise Date and the Latest Exercise Date (unless your Option terminates earlier as a result of termination of employment). You may partially exercise your Option if the number of Shares you purchase is at least 500 or, if less, all the Shares remaining unexercised under the Option. Payment may be made in cash or in Shares that you own (the Shares must have been held by you for over six months and not encumbered and, if acquired by exercise of an ISO, must have been held by you for over one year), or a combination of cash and Shares. We will withhold shares to pay the taxes due upon the exercise of your Option.
4. Expiration. This Option will expire immediately at 4:00 p.m. New York Time on the Latest Exercise Date.

5. Nontransferable. This Option is not transferable except by will or the laws of descent and distribution.

Form of
 United Parcel Service, Inc.
 Incentive Compensation Plan
 Long-Term Incentive Awards

Restricted Performance Unit Award Agreement
 (Not Transferable)

THIS AGREEMENT evidences the grant by UNITED PARCEL SERVICE, INC., a Delaware corporation (the "Company") in accordance with the Company's Incentive Compensation Plan (the "Plan"), to the employee named below ("Employee") of the number of restricted performance units ("RPUs") specified below. Each RPU has a value that equals the value of one share of the Company's class A Common Stock ("Share"). This Award is granted effective as of the date set forth below ("Grant Date ") and is subject to all of the terms and conditions set forth below.

 Employee: ((Employee))
 Number of RPUs: ((Number))
 Grant Date: [insert date]
 Target Earnings Per Share: \$ _____

ATTEST: UNITED PARCEL SERVICE, INC.

 Secretary Chairman and Chief Executive Officer

Terms and Conditions

1. Plan. This Award is subject to all of the terms and conditions set forth herein and in the Plan, as the same may be amended from time to time, which is herein incorporated by reference. Terms not defined in this agreement are defined in the Plan. If any term or condition in this Award is inconsistent with the Plan, the Plan shall control. By accepting this Award, the Employee unconditionally agrees to be bound by the applicable terms, conditions and provisions of the Plan and this Award. The grant of an Award in any year does not entitle an individual to an Award in any subsequent year.
2. Bookkeeping Account. A bookkeeping account will be maintained to keep track of the RPUs you earn and any dividend equivalent units attributable to your RPUs as described below.
3. Dividend Equivalent Units. The RPUs credited to your account will be credited quarterly with dividend equivalent units ("DEUs") for cash or stock dividends paid on a Share. DEUs attributable to cash dividends are determined by
 - multiplying the cash dividend paid per Share by the number of RPUs and DEUs previously credited to your account, and
 - dividing the product determined above by the New York Stock Exchange closing price of the Company's class B common stock on the day before the dividend is paid.

Each DEU has a value equal to one Share.
4. Vesting.
 - a. General Rule. The RPUs and DEUs credited to your account will vest on the fifth anniversary of your Grant Date; provided that you are employed by the Company or a Subsidiary on that date. The benefit payable to you will be based entirely on the number of vested RPUs and DEUs credited to your account at the time the award becomes payable, generally, on [insert date approximately five years from grant date].
 - b. Death, Disability or Retirement. If your employment terminates by reason of your death, disability (as defined in the Plan) or retirement (as defined in the Plan) before the fifth anniversary of the Grant Date, you immediately will vest in any RPUs and DEUs credited to your account.
 - c. Termination for Reasons Other than Death, Disability or Retirement. You will forfeit any right to the RPUs and DEUs credited to your account if you terminate employment before the fifth anniversary of the Grant Date other than by reason of your death, disability or retirement. The forfeited RPUs and DEUs will not be restored even if you return to employment with the Company or a Subsidiary before the fifth

anniversary of the Grant Date.

5. Additional RPU's. You also may receive additional RPU's if you vest in your Award (other than as a result of your death) and the Company's diluted earnings per Share for the fiscal year ending December 31, _____ exceeds the Target Earnings Per Share set forth above. If this occurs, the number of RPU's and DEU's credited to your account determined as of the fifth anniversary of the Grant Date will be increased by 10 percent. For this purpose, diluted earnings per share is determined based on diluted earnings per share as reported in the Form 10-K filed by UPS with the Securities and Exchange Commission for calendar year _____, as adjusted in the Committee's discretion, to reflect the exclusion of certain items.
6. Shares. A number of Shares equal to the number of vested RPU's and DEU's credited to your account (less Shares withheld to pay taxes) will be transferred to you on [insert date approximately five years from grant date], except that if your employment terminates by reason of your death, the Shares will be transferred to your estate no later than March 15 after the end of the calendar year of your death.
7. Nontransferable. This Award and your RSUs and DEU's are not transferable except by will or the laws of descent and distribution.