

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) January 24, 2021



United Parcel Service, Inc.
(Exact name of registrant as specified in its charter)

Delaware
(State or other Jurisdiction
of Incorporation)
55 Glenlake Parkway N.E.,
Atlanta, Georgia
(Address of Principal Executive Offices)

001-15451
(Commission File Number)

58-2480149
(IRS Employer
Identification No.)

30328
(Zip Code)

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))

Securities registered pursuant to Section 12(b) of the Act:

Title of Each Class	Trading Symbol	Name of Each Exchange on Which Registered
Class B common stock, par value \$0.01 per share	UPS	New York Stock Exchange
1.625% Senior Notes Due 2025	UPS25	New York Stock Exchange
1% Senior Notes due 2028	UPS28	New York Stock Exchange
0.375% Senior Notes due 2023	UPS23A	New York Stock Exchange
1.500% Senior Notes due 2032	UPS32	New York Stock Exchange

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company.

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 2.06 Material Impairments

On January 25, 2021, United Parcel Service, Inc. (“UPS”) announced that it has entered into a purchase agreement, dated January 24, 2021, pursuant to which it has agreed sell all of its equity interests in its UPS Ground Freight, Inc. subsidiary to TFI International Inc.. Completion of the transaction is subject to certain customary regulatory and other approvals and conditions. In connection with the entry into the agreement, UPS has determined that an impairment triggering event has occurred as of the December 31, 2020 balance sheet date. As a result, UPS expects to recognize a non-cash, pre-tax impairment charge of approximately \$500 million on its statement of consolidated income for the year ended December 31, 2020.

Item 7.01 Regulation FD Disclosure.

A copy of the press release announcing the transaction is furnished as Exhibit 99.1.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

99.1	Press release dated January 25, 2021
104	The cover page from this Current Report on Form 8-K, formatted in Inline XBRL

The information contained in Items 7.01 and 9.01, including Exhibit 99.1, shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934 (the “Exchange Act”) or otherwise subject to the liabilities of that Section, nor shall it be deemed incorporated by reference in any filings under the Securities Act of 1933 or the Exchange Act, except as may be expressly set forth by reference in any such filing.

Cautionary Forward-Looking Statements

The statements made in this Current Report on Form 8-K regarding the amount and timing of the impairment charge UPS expects to record constitute “forward looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. These forward-looking statements are subject to certain risks and uncertainties that could cause actual results to differ materially from present expectations. These risks and uncertainties, many of which are outside UPS’s control, include, but are not limited to, the finalization of the accounting impact of the pending sale of UPS Ground Freight, Inc. and the other factors and risks discussed in UPS’s periodic reports filed with the Securities and Exchange Commission. UPS does not undertake any obligation to update the forward-looking statements in this Current Report on Form 8-K to reflect events, circumstances, changes in expectations, or the occurrence of unanticipated events after the date hereof, except as required by law.

Signatures

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.

Date: January 25, 2021

By: UNITED PARCEL SERVICE, INC.
/s/ BRIAN NEWMAN

Brian Newman
Senior Vice President, Chief Financial Officer and Treasurer



UPS Announces Agreement to Sell UPS Freight to TFI International Inc.

Transaction Highlights

- Includes UPS less-than-truckload (LTL) and dedicated truckload businesses
- Expected to close during the second quarter of 2021

ATLANTA, January 25, 2021 UPS (NYSE:UPS), has entered into a definitive agreement to sell UPS Freight (UPSF) to TFI International Inc. (NYSE and TSX: TFII) for \$800 million, subject to working capital and other adjustments.

“We’re excited about the future and the opportunities this creates for both UPS and UPS Freight as part of TFI International Inc.,” said UPS Chief Executive Officer Carol Tomé. “The agreement allows UPS to be even more laser-focused on the core parts of our business that drive the greatest value for our customers.”

The decision to sell UPS Freight was reached following a thorough evaluation of the UPS portfolio, and aligns with the company’s “better not bigger” strategic positioning.

UPS and TFI International will also enter into an agreement for UPS Freight to continue to utilize UPS’ domestic package network to fulfill shipments, for a period of five years.

The transaction, which is subject to customary closing conditions and regulatory approvals, is expected to close during the second quarter of 2021. UPS expects to recognize a non-cash, pre-tax impairment charge of approximately \$500 million on its statement of consolidated income for the year ended December 31, 2020.

With an operating history of over 85 years, UPS Freight is one of the largest LTL carriers in the U.S., offering a full range of regional and long-haul solutions and an on-time delivery guarantee for all LTL shipments and is headquartered in Richmond, VA.

Goldman Sachs & Co. LLC is serving as financial advisor, and King & Spalding LLP is serving as legal advisor to UPS.

A presentation providing more detail regarding the transaction will be posted to the [UPS Investor Relations website](#).

About UPS

UPS (NYSE: UPS), one of the world’s largest package delivery companies with 2019 revenue of \$74 billion, provides a broad range of integrated logistics solutions for customers in more than

220 countries and territories. The company's more than 500,000 employees embrace a strategy that is simply stated and powerfully executed: Customer First. People Led. Innovation Driven. UPS is committed to being a steward of the environment and positively contributing to the communities we serve around the world. UPS also takes a strong and unwavering stance in support of diversity, equity and inclusion. The company can be found on the Internet at www.ups.com, with more information at www.pressroom.ups.com and www.investors.ups.com.

Forward-Looking Statements

This release contains and refers to "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Statements other than those of current or historical fact, and all statements accompanied by terms such as "expect," "anticipate," "plan," and variations thereof, and similar terms, are intended to be forward-looking statements. Forward-looking statements are made subject to the safe harbor provisions of the federal securities laws pursuant to Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. Forward-looking statements are subject to certain risks and uncertainties that could cause actual results to differ materially from our historical experience, present expectations or anticipated results. These risks and uncertainties, many of which are outside of our control, include, but are not limited to: our and TFI International Inc.'s ability to satisfy the closing conditions and obtain necessary regulatory approvals in a timely manner; the risk that any regulatory approval, consent or authorization required for the proposed transaction is not obtained or is obtained subject to conditions that are not anticipated; unanticipated difficulties or expenditures relating to the transaction; business disruptions during or following the sale, including the diversion of management time and attention; the response of business partners to the announcement and pendency of the transaction; our ability to successfully reinvest the proceeds (after adjustment) from the sale as part of our core business in a way that creates value for our shareholders; and the other risks discussed in our filings with the Securities and Exchange Commission from time to time, including our Annual Report on Form 10-K for the year ended December 31, 2019, our Quarterly Report on Form 10-Q for the quarter ended March 31, 2020 and subsequently filed reports. You should consider the limitations on, and risks associated with, forward-looking statements and not unduly rely on the accuracy of information contained in such forward-looking statements. We do not undertake any obligation to update forward-looking statements to reflect events, circumstances, changes in expectations, or the occurrence of unanticipated events after the date of those statements, except as required by law.

UPS Media Relations 404-828-7123 pr@ups.com