

ALPA MICROFORM FLASH CARD

RETIREMENT AND INSURANCE DEPARTMENT

VAULT FILE

DAL - DISABILITY AND SURVIVORSHIP PLAN

EFFECTIVE: 2/1/72

DELTA PILOTS

DISABILITY AND SURVIVORSHIP PLAN

SECTION 1: DEFINITIONS

The following words and phrases when used in this Plan with an initial capital letter, unless the text clearly indicates otherwise, shall have the following meanings:

- 1.01 **ACTUARIAL EQUIVALENT:** The benefit which has the same present value, as determined using assumptions with respect to interest, mortality, morbidity and such other factors as may be pertinent; such assumptions to be adopted from time to time by the Administrative Committee on a non-discriminatory basis.
- 1.02 **BENEFICIARY:** The person or persons last designated by a Participant by written notice filed with the Employing Company to receive a Plan benefit upon his death which may be provided by Section 9 (Prior Plans).
- 1.03 **BENEFIT FUND:** The fund established by contributions of each Employing Company made in order to provide for benefits specified in the Plan as provided in Section 10.03 (Benefit Fund).
- 1.04 **COMMITTEE:** The Administrative Committee provided for in Section 11 (Administration) of this Plan.
- 1.05 **COMPANY:** Delta Air Lines, Inc., a Delaware corporation, and its successors and assigns.
- 1.06 **CONTINUOUS EMPLOYMENT:** Service as an Employee (including successive service with Employing Companies or their predecessors, but only in the manner and to the extent authorized by the Company) which has not terminated as defined in Section 3.04 (Termination of Continuous Employment).
- 1.07 **CREDITED SERVICE:** Service as provided in Section 3 (Credited Service).
- 1.08 **DISABLED:** A Participant shall be considered disabled when he loses his FAA license to fly as an airline pilot, and has been denied restoration of such license by the FAA and has appealed or is in the process of appealing such denial to the FAA at its highest appeal level because of accidental bodily injury or any sickness or disease, including natural deterioration, which shall result in his being prevented from flying as an airline pilot, provided, however, that a Participant shall not be considered eligible for disability benefits hereunder if his disability is:
 - (1) Directly or indirectly caused or contributed to by war or invasion while engaged in or taking part in military service or operations except:
 - (a) Military duties while actively employed by his airline employer and receiving his salary from the airline.
 - (b) Military duties while on leave of absence from his airline employer for a maximum of sixty (60) days in any twelve months' period.
 - (2) Directly or indirectly caused or contributed to by intentional self injury.
 - (3) Directly caused or contributed to by crop dusting, spraying or seeding.
 - (4) Directly or indirectly caused or contributed to by habitual use of narcotics, or alcoholic beverages.After a Participant has become eligible for and is receiving disability benefits, the Company may require him to submit proof of continued disability periodically.
 - (1) Such proof shall consist of taking an FAA physical examination given by a doctor of the Participant's choice who is authorized by the Federal Aviation Administration to give such examinations.
 - (2) In addition, the Company may require the Participant to process an

appeal for restoration of his FAA license to fly as an airline pilot through the N.T.S.B.

- (3) The Company shall not require a Participant to submit proof of continued disability more than once a year during the period in which he retains and continues to accrue Seniority under the Basic Agreement.

Thereafter, disability will be considered permanent and no further proof will be required.

- 1.09 **EARNINGS:** Amounts earned by an Employee for personal service rendered to an Employing Company, as reported for Treasury Department Form W-2, including overtime, but excluding incentive compensation, amounts constituting reimbursements for expenses and expense allowances, and any amounts paid in conjunction with retirement, disability, death or termination of continuous employment in lieu of earned and accrued vacation that has not been taken.
- 1.10 **EFFECTIVE DATE OF THE PLAN:** February 1, 1972.
- 1.11 **ELIGIBLE FAMILY MEMBERS:** The person or persons defined as Eligible Family Members in Section 4.01 (Eligible Family Members).
- 1.12 **EMPLOYEE:** Any person classified as a pilot by an Employing Company and regularly employed by an Employing Company, providing that such term shall not include any person whose customary employment is not for more than 20 hours in one week or for not more than 5 months in any one calendar year. Anyone who has retired under the Retirement Plan which became effective February 1, 1972, shall be considered an Employee for purposes of this Plan.
- 1.13 **EMPLOYING COMPANY:** The Company and any division of the Company, or any subsidiary or other company which adopts this Plan, and which division, subsidiary or other company is designated by the Company as an Employing Company and is included in Section 8 (Employing Companies). Any company acquired by the Company after February 1, 1972, shall be considered a division of the Company for purposes of this Section.
- 1.14 **EVENT DATE:** The earliest of the date of the Employee's becoming disabled, his death or his retirement under the Retirement Plan; provided that such date occurs prior to or coincides with cessation of his Earnings.
- 1.15 **FINAL-AVERAGE EARNINGS:** The monthly average determined by dividing the highest sum of the Earnings in any 60 consecutive months, in which there are Earnings, or all consecutive months if there are less than 60 consecutive months, in the last 120 months of an Employee's Continuous Employment up to the Event Date by the number of complete consecutive calendar months included in such period.
- 1.16 **GENDER AND NUMBER:** Unless otherwise indicated, the masculine pronoun as used herein shall mean the feminine pronoun, and the singular shall include the plural.
- 1.17 **NORMAL RETIREMENT DATE:** The first of the month coincident with or next following attainment of age 60.
- 1.18 **PARTICIPANT:** Anyone who has become included in this Plan as provided in Section 2 (Plan Membership), and who continues to have rights or contingent rights to benefits payable under this Plan.
- 1.19 **PLAN:** Delta Pilots Disability and Survivorship Plan, the terms and provisions of which are herein set forth, as from time to time amended.
- 1.20 **PRIOR PLANS:** Any disability or survivorship plan to which an Employing Company contributed, and designated by the Company as a Prior Plan and included in Section 9 (Prior Plan), which was in effect for an Employee up to the date on which this Plan became effective for him.
- 1.21 **RETIREMENT PLAN:** The Delta Pilots Retirement Plan effective February 1, 1972, and as from time to time amended.
- 1.22 **SENIORITY; SENIORITY LIST:** These terms assessed herein, shall be in accordance with the basic Agreement between Delta Air Lines, Inc. and the Air Line Pilots in the Service of Delta Air Lines, Inc.

- 1.23 **TEMPORARILY DISABLED:** An employee is considered temporarily disabled during a period of time all of which he is prevented from performing the duties of his occupation solely because of injury or disease.
- 1.24 **ENROLLED ACTUARY:** An individual who is registered as an Enrolled Actuary by the Joint Board for the Enrollment of Actuaries or its successors.

SECTION 2: PLAN MEMBERSHIP

- 2.01 **EFFECTIVE DATE:** The Plan becomes effective for an Employee on the later of his Employing Company Date pursuant to Section 8.01. (Employing Companies) and the date on which he first satisfies the definition of Employee in Section 1.12, provided he has not attained age 60 on this date and further provided that the Company may specify a later effective date for any group of Employees of a company becoming an Employing Company other than as of effective date, in accordance with Section 8 (Employing Companies).
- 2.02 **EMPLOYMENT BY MORE THAN ONE EMPLOYING COMPANY:** Anything to the contrary notwithstanding, if an individual is in the employ of, or connected with, two or more Employing Companies, he shall not be eligible for duplicate benefits under this Plan but shall be treated the same as if he were employed by a single Employing Company, and as if all of his Earnings were with one Employing Company.

SECTION 3: CREDITED SERVICE

- 3.01 **CREDITED SERVICE:** An Employee's Credited Service shall be the number of years and completed months of Continuous Employment after the Effective Date of this Plan for him and during which he has retained or accrued Seniority, subject to the further conditions of this Section 3.
- 3.02 **PERIODS INCLUDED IN CREDITED SERVICE:** An Employee's Credited Service, subject to the provisions of Section 3.03 below, shall include periods of Continuous Employment prior to the Effective Date of this Plan for him, as provided in Section 9 (Prior Plans) and during which he retained or accrued Seniority.
- 3.03 **PERIODS EXCLUDED FROM CREDITED SERVICE:** An Employee's Credited Service shall exclude:
- (a) Periods of Continuous Employment after attainment of age 60;
 - (b) Periods of Continuous Employment for which the Employee is entitled to benefits or benefit protection under a disability and survivorship benefit plan (other than this Plan) to which the Employing Company contributes, except as provided in Section 9 (Prior Plans);
 - (c) Periods of service during which the Participant fails to meet the definition of Section 1.12 (Employee).
- Subject to the conditions of Paragraph (a) above and of Section 7 (Termination Benefits), Credited Service accrued prior to an excluded period will be preserved, although there is no further accumulation of Credited Service during the excluded period.
- 3.04 **TERMINATION OF CONTINUOUS EMPLOYMENT:** Continuous Employment shall be deemed to terminate in the event of:
- (a) Resignation or quit by the Employee;
 - (b) Discharge by the Employing Company;
 - (c) Failure to return to work upon expiration of approved medical or military leave of absence or upon recall after furlough, or before expiration of re-employment rights required by law;
 - (d) Elapse of five years during which the Employee is furloughed without recall;

- (e) Other permanent severance of the employment relationship; or
- (f) Removal from the Seniority list following transfer to a class of employment not covered by the definitions of Employee under Section 1.12 (Employee).

3.05 EFFECT OF RE-EMPLOYMENT: In the event of re-employment after termination of Continuous Employment, the Employee shall be treated as a new Employee in all respects, without regard to previous service, subject to the provisions of Section 12.01 (Re-employment Of A Participant Who Has Become Disabled).

SECTION 4: ELIGIBILITY FOR BENEFITS

4.01 ELIGIBLE FAMILY MEMBERS: The term "Eligible Family Members" shall mean the Employee, his Dependent Spouse, and his Dependent Children, provided that for this purpose:

- (a) "Dependent" shall refer to the Spouse or Children with respect to whom the Employee was providing more than 50% of such person's support, as determined by the Administrative Committee on a non-discriminatory basis, on the Event Date, subject to such information and verification of such information as the Administrative Committee may reasonably request the Employee and his nominated Dependent to submit to the Administrative Committee.
 - (b) "Spouse" shall refer to the legal wife or husband of the Employee on the Event Date, as determined by the Administrative Committee, subject to such supporting evidence as the Administrative Committee may reasonably require the Employee or his Spouse to submit to the Administrative Committee; provided that for this purpose, such Spouse must either have maintained such status for at least twelve calendar months prior to the Event Date, or furnish the Administrative Committee with such evidence as it may reasonably request that the Employee was in good health at some time between the date that such Spouse status was first established and the Event Date, provided that such Spouse shall cease to be so considered from the time the Spouse remarries unless the Event Date was the date of retirement of the Employee under the Retirement Plan.
 - (c) "Children" shall refer to children of the Employee:
 - (i) Who, on the Event Date, were:
 - (aa) his natural children, including such children conceived by him prior to such date but born after the Event Date, but excluding any such children conceived after the Event Date, or
 - (bb) children who were legally adopted by the Employee prior to the Event Date; provided that either such children were adopted at least one year before the Event Date, or alternatively, providing that the Employee was in good health as determined by the Administrative Committee at some time between the date of such adoption and the Event Date.
 - (ii) Provided that status as "Children" under this Plan shall continue only while they are unmarried and while they are:
 - (aa) under age 19 if not regular full-time students, or
 - (bb) under age 23 if regular full-time students, or
 - (cc) mentally or physically incapacitated, even beyond the ages specified in (aa) and (bb) above, so long as the child remains incapacitated.
- In no event shall benefits be payable under (aa), (bb) and (cc) unless the child receives 50% of his support from the pilot, is unmarried and has never been married, and is not engaged in full-time permanent employment.
- (iii) All as determined by the Administrative Committee based on such evidence as it may reasonably request to have furnished to it.

- (d) In no event may any person be counted more than once as an Eligible Family Member under this Plan, subject to such non-discriminatory rules of application of this limitation as the Administrative Committee may adopt.

4.02 INCOME BENEFIT COMMENCEMENT: Income benefits under this Plan are payable in an amount determined pursuant to Section 5 (Family Income Benefits) resulting from:

- (a) The Employee's becoming Disabled
 - (i) prior to the cessation of Earnings,
 - (ii) during a disciplinary suspension,
 - (iii) during the first 30 days of furlough,
 - (iv) during military service, but only during the first 60 days of such service during any twelve month period, or
 - (v) during the period a pilot is held out of service for an investigation beginning twelve months after the cessation of Earnings payable from the company; or
- (b) Death of the Employee occurring
 - (i) prior to the cessation of Earnings,
 - (ii) during a disciplinary suspension,
 - (iii) during the first 30 days of furlough,
 - (iv) during military service, but only during the first 60 days of such service during any twelve month period,
 - (v) during the period a pilot is held out of service for an investigation, or
 - (vi) during his retirement under the Retirement Plan, provided such retirement occurred prior to his cessation of Earnings beginning on the first of the month on or after such death, but not before the cessation of Earnings.
- (c) Death while Disabled subsequent to cessation of Earnings, beginning on the first of the month on or after such death.

Any change in the amount of income benefits due resulting from a change in the number of Eligible Family Members shall be recognized on the income payment date on or after the date such change in status shall occur.

4.03 APPLICATION FOR COMMENCEMENT OF BENEFITS: An application for family income benefits must be received in such form as the Administrative Committee may reasonably request, and shall be accompanied by such verification of entitlement to benefits as the Administrative Committee may request.

4.04 BENEFITS MUST BE USED FOR SUPPORT: Notwithstanding any other provisions of this Plan, if the Administrative Committee shall determine that the monthly income benefits are no longer being applied primarily for the care, support and maintenance of each Eligible Family Member, the Administrative Committee may temporarily suspend and/or redirect the payment of such benefits to more nearly accomplish the purposes of this Plan.

SECTION 5: DISABILITY AND SURVIVORSHIP BENEFITS

5.01 DISABILITY BENEFITS: A Participant who becomes Disabled in accordance with the definition in Section 1.08 shall be entitled to a monthly income benefit equal to 50% of his average monthly Earnings during the last 12 consecutive calendar months prior to the Event Date, for which he receives full normal Earnings. This benefit will continue monthly for as long as the Participant remains Disabled.

Upon the death of a Participant who is receiving monthly disability benefits from this Plan or who is eligible to receive disability benefits except that twelve months have not elapsed since his Company paid sick-leave expired, a monthly income shall be payable to the Participant's Eligible Family Members equal to 50% of the rate of monthly benefit currently being paid or to be paid to the Participant immediately prior to his death.

5.02. BENEFITS FOR DEATH IN SERVICE: If a Participant dies during any of the periods specified in Section 4.02(b) or (c), a monthly income benefit will be payable to his Eligible Family Members as follows:

- (a) If death occurs prior to age 50, a monthly income benefit of:
 - (i) 35% of his Final-Average Earnings payable while there are 3 or more Eligible Family Members,
 - (ii) 30% of his Final-Average Earnings payable while there are 2 Eligible Family Members,
 - (iii) 25% of his Final-Average Earnings payable while there is one Eligible Family Member.
- (b) If death occurs after age 50, a monthly income benefit of:
 - (i) 35% of his Final-Average Earnings payable while there are 2 or more Eligible Family Members.
 - (ii) 30% of his Final-Average Earnings payable while there is one Eligible Family Member.
- (c) Provided that the monthly income benefit payable after the date on which the Participant would have attained age 65 shall not exceed 30% of his Final-Average Earnings multiplied by the ratio of (i) to (ii) where
 - (i) is the value of a Benefit Unit on the Participant's date of death plus the value of a Benefit Unit on the date on which the Participant would have attained age 65, and
 - (ii) is twice the value of a Benefit Unit on the Participant's date of death.

5.03. BENEFITS FOR DEATH AFTER RETIREMENT: If a Participant dies during his retirement under the Retirement Plan as provided in Section 4.02(b) hereof, a monthly income benefit will be payable to his Eligible Family Members equal to (a) plus (b), multiplied by (c), where

- (a) is 30% of Final-Average Earnings,
- (b) is 5% of Final-Average Earnings prior to the date on which the Participant would have attained age 65 and if there are 2 or more Eligible Family Members, otherwise it is zero, and
- (c) is the ratio of the Participant's Credited Service to 25 years, with a maximum ratio of 1.0.

5.04. FORM OF FAMILY INCOME: The normal form of Family Income payable under this Plan shall be an income payable monthly for the lifetime of the Eligible Family Members, providing that during the Participant's lifetime, the entire amount due shall be payable to him and the entire amount of payments due after his death shall be paid to the spouse, if surviving, or if only children are surviving, then to such children in equal shares.

One-half of the monthly income benefit of an Eligible Family Member will be payable as a level fixed amount and one-half will be payable on a variable basis as hereinafter described.

On the date on which benefit payments from this Plan commence that half of an Eligible Family Member's monthly income which is to be variable will be converted to Benefit Units by dividing it by the value of a Benefit Unit on the earliest of the date income benefits from this Plan commence or the date of the Participant's Retirement under the Retirement

ment Plan. The annual rate of income in dollars payable in any month thereafter shall be equal to the total number of Benefit Units multiplied by the value of a Benefit Unit during that month.

The value of a Benefit Unit shall be \$10.00 as of February 1, 1972 and shall continue unchanged until March 31, 1973. On that date, and on each March 31 thereafter, the value of a Benefit Unit will be redetermined by changing the value of the Benefit Unit as of the preceding March 31 by a percentage equal to (a) minus (b), where

- (a) is the weighted average of the total yield on the Benefit Fund for each of the five preceding calendar years, using weights of 5, 4, 3, 2 and 1 for the most recent calendar year and each of the four preceding calendar years respectively. For the calendar years 1968 through 1971, the total yield on the Benefit Fund will be deemed to be the same as the yield of the Standard & Poor's Index (including dividends) for that year;
- (b) is the valuation rate of interest used in the actuarial valuation as of the preceding January 1.

Notwithstanding any other provisions of this Section 5.04, the total amount of monthly income benefit paid in any month shall not be less than the dollar amount of monthly income defined in Sections 5.01, 5.02 or 5.03.

SECTION 6: TEMPORARY DISABILITY BENEFITS

6.01 TEMPORARY DISABILITY BENEFITS: A Participant who becomes temporarily disabled in accordance with the definition in Section 1.23 shall be entitled to a weekly benefit equal to the greater of (a) or (b), reduced by (c), where

- (a) is equal to 50% of the weekly average of his total Earnings during the three full calendar months immediately preceding the commencement of a period of disability, and
- (b) is \$300, and
- (c) is any disability benefit which is payable under any temporary disability or cash sickness benefits law or under any applicable workmen's compensation law or occupational disease law, whether or not payment of such benefit is forfeited because of failure to apply.

The weekly benefit will be payable for the period of the Participant's Temporary Disability up to a maximum of 25 weeks, provided that this maximum of 25 weeks will be reduced by any period of Temporary Disability excluded for payment under Section 6.02(d).

6.02 LIMITATIONS: No Temporary Disability Benefit shall be payable under this section for:

- (a) The first seven days of a period of Temporary Disability;
- (b) Any day on which the Participant is not under the care of a physician or surgeon; no period shall be considered to have started until the Participant has been seen and treated personally by a physician or surgeon;
- (c) Any day on which the Participant is performing work of any kind, anywhere, for compensation or profit;
- (d) Any day for which the Participant receives salary or other compensation from his Employing Company.

6.03 CONTINUITY OF TEMPORARY DISABILITY: All Temporary Disability absences of an employee shall be considered as occurring during a single period of Temporary Disability, except that:

- (a) Successive Temporary Disability absences separated by at least two consecutive weeks of active work on full time will not be considered as occurring during the same period of Temporary Disability;