



DELTA DISABLED PILOTS AND SURVIVORS ASSOCIATION

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NEWS RELEASE

VARIABLE BENEFIT INDEX INCREASE

The variable benefit index increased on April 1, 2020 from \$35.90 to \$37.19. This increase of approximately 3.6% in the variable benefit index will result in increased benefit payments on April 30th for many survivors and disabled pilots who are receiving benefits from the Delta Pilots Disability and Survivorship (D&S) Plan. The amount of the benefit increase will depend upon how the variable portion of a person's benefit is impacted. Survivors and disabled pilots who commenced receiving D&S Plan benefits at a time when the variable index was greater than \$37.19 will not receive a benefit increase at this time.

An explanation of the variable benefit is included on the next page. A table of historical changes in the variable benefit index is included on the following page.

The Survivor Benefit Worksheet on the website will be updated to incorporate the current value of the variable benefit index.

DDPSA will continue to monitor events that impact the D&S Plan. We appreciate your support.

Although the information contained herein is believed to be accurate, no warranties are made or implied as to the accuracy of such information.

Understanding the Variable Benefit in the Delta Pilots Disability and Survivorship (D&S) Plan

The D&S Plan specifies a variable benefit feature on one-half of the benefit. This variable feature may be significant for eligible survivors of normally retired pilots because the initial variable index is based upon the pilot's date of retirement. There can be a sizable increase in that variable index between the date of retirement and the date of death.

How is the variable benefit calculated?

When benefit payments (Survivor or Long Term Disability) commence, the variable benefit is converted to benefit units. The variable benefit (one half of the benefit) is divided by the benefit unit value on that date to determine a number of benefit units. The number of benefit units is multiplied by the newly calculated benefit unit value each April 1st to determine the current Variable Benefit. Accordingly, the variable portion of D&S Plan benefits may increase each year on April 1st depending upon the investment performance of the assets in the D&S Trust; however, the Variable Benefit can never decrease below one-half of the initial benefit.

The formula for determining the magnitude of variable increases uses a 5 year weighted average of actual investment performance minus 6.5%. The investment performance in the most recent calendar year is counted 5 times; the yield in the previous year, 4 times; the yield 2 years previously, 3 times; the yield 3 years previously, 2 times; and the yield 4 years previously, 1 time. The sum of this calculation is divided by 15 to produce a weighted average of the investment performance. The weighted average of investment performance is reduced by 6.5% to produce the annual change in the benefit unit value.

D&S PLAN VARIABLE BENEFIT UNIT VALUES: 1980-2020

The table below reflects the Variable Benefit Unit Values used in determining the variable portion of D&S Plan benefits.

YEAR	UNIT VALUE
Apr1980-Mar1981	\$7.92
Apr1981-Mar1982	\$8.54
Apr1982-Mar1983	\$9.02
Apr1983-Mar1984	\$9.97
Apr1984-Mar1985	\$11.04
Apr1985-Mar1986	\$11.63
Apr1986-Mar1987	\$12.68
Apr1987-Mar1988	\$13.92
Apr1988-Mar1989	\$14.69
Apr1989-Mar1990	\$15.54
Apr1990-Mar1991	\$16.92
Apr1991-Mar1992	\$17.31
Apr1992-Mar1993	\$18.66
Apr1993-Mar1994	\$19.80
Apr1994-Mar-1995	\$21.19
Apr1995-Mar1996	\$21.66
Apr1996-Mar-1997	\$23.39
Apr1997-Mar1998	\$25.50
Apr1998-Mar1999	\$28.51
Apr1999-Mar2000	\$31.65
Apr2000-Mar2001	\$35.42
Apr2001-Mar2002	\$37.55
Apr2002-Mar2003	\$37.29
Apr2003-Mar2004	\$34.19
Apr2004-Mar2005	\$33.68
Apr2005-Mar2006	\$33.78
Apr2006-Mar2007	\$34.29
Apr2007-Mar2008	\$35.59
Apr2008-Mar2009	\$37.30
Apr 2009-Mar2010	\$33.61
Apr 2010-Mar2011	\$33.58
Apr 2011-Mar2012	\$34.32
Apr 2012-Mar2013	\$33.84
Apr 2013-Mar2014	\$34.55
Apr 2014-Mar2015	\$36.31
Apr2015-Mar2016	\$37.15
Apr2016-Mar2017	\$36.59
Apr2017-Mar2018	\$36.19
Apr2018-Mar2019	\$37.09
Apr2019-Mar2020	\$35.90
Apr2020-Mar2021	\$37.19