



DELTA DISABLED PILOTS AND SURVIVORS ASSOCIATION

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May 4, 2014

LATEST FINANCIAL INFORMATION ON THE D&S PLAN

The latest financial information on the D&S Plan is detailed in the IRS Form 5500 for the Plan year that ended on June 30, 2013. The entire Form 5500 filing can be viewed by clicking on a link on two different pages of the DDPSA website –the D&S PLAN page or the NEWS page.

A brief summary of the information included in the Form 5500 is as follows:

1. The good news is that Net Assets of the Plan increased and Plan Benefit Obligations decreased during the Plan year.
2. The Net Assets available to pay benefits increased by approximately \$34 million to approximately \$1 billion during the Plan year.
3. The increase in Plan assets was attributable to investment gains of approximately \$115 million and contributions from Delta in the amount of approximately \$52 million.
4. Part of Delta's contribution (\$32 million) was related to provisions enacted during the Delta bankruptcy under which up to \$60 million of D&S Trust assets were authorized to be expended annually on pilot sick leave. The pilot sick leave expenditures ceased at the end of 2012 and the related contributions ceased in 2013.
5. Delta's additional contributions of approximately \$20 million during the year appear to be related to reimbursement for expenditures to pay disability benefits and life insurance premiums for former Northwest pilots.
6. Benefit payments amounted to approximately \$126 million; insurance premiums were approximately \$5 million; and administrative expenses were approximately \$2 million.
7. The Plan covered 10,640 active pilots, 5,142 retired pilots and 775 survivors of deceased pilots.
8. Plan Benefit Obligations stood at approximately \$1.9 billion as of June 30, 2013, a decrease of approximately \$118 million from the previous year. The decrease was primarily a result of an increase in the discount rate from 4.375% to 4.875% as well as actuarial adjustments.

The bottom line is that it was not a bad year for the Plan. However, the Net Assets of the Plan still amount to only approximately 52% of the Plan Benefit Obligations.

Although the information stated above is believed to be accurate, no warranties are made or implied as to its accuracy.

