

**OFFSETS TO LONG TERM DISABILITY (LTD) BENEFITS RELATED TO RETIREMENT  
BENEFITS PAID FROM THE DELTA PILOTS RETIREMENT PLAN**

The Delta Pilots Disability and Survivorship (D&S) Plan specifies that retirement benefits paid to pilots from the Delta Pilots Retirement Plan serve as a dollar for dollar offset (reduction) to LTD benefits.

There are several components of this offset.

1. If the pilot elected a lump sum distribution from the retirement plan, the monthly annuity amount that was used to determine the lump sum distribution reduces the LTD benefit.
2. If the pilot received a benefit from the Money Purchase Plan (usually paid as a lump sum distribution), the monthly annuity value of that benefit reduces the LTD benefit.
3. If the pilot receives a benefit from the PBGC, the single life annuity amount of that benefit is a reduction to the LTD benefit. For clarification, the election of a joint life and contingent annuity from the PBGC results in a benefit that is less than the single life annuity amount. However, the single life annuity amount is applied as the reduction to the LTD benefit.