



DP3 Chairman's Update

January 26, 2009

Dear DP3 member/retired Delta pilot:

I have some exciting news to share with you regarding a new direction the DP3 Trustees have decided to pursue that will hopefully benefit all retired Delta pilots.

First I want to thank all of you who have supported DP3 from its inception by paying all dues and assessments. These voluntary payments provided DP3 with the funding required to protect the interests of the retired Delta pilots both before and after the Delta bankruptcy proceedings. For those of you who have not supported DP3 in the past, I want to say that I understand some of the reasons you have chosen to remain on the sidelines and promise to address those issues going forward. Hopefully, for the other non-contributors it is simply a case that you have not heard about this organization and the tremendous efforts its volunteer trustees have made on your behalf over the past six years.

While I doubt that any retired Delta pilot is satisfied with the outcome of the bankruptcy, I am also confident that if DP3 had not been there to fight for our benefits, the outcome could have been far worse. Even the retired pilots who are currently excluded from receiving PBGC benefits received a bankruptcy claim to help compensate for the termination of their non-qualified pensions—a claim that Delta initially denied it owed to any of us.

Because I am a relatively new DP3 trustee, I don't recall if DP3 has ever acknowledged the contribution that most of you made to fund our court expenses through the money withheld from a portion of your bankruptcy claims. Even though those fees were awarded by the court, they came out of your pocket and I would like to acknowledge our thanks for your contribution, even if you did not have a personal choice in the matter.

Another issue not discussed in the past, related to the payments mentioned above, is how DP3 has remained solvent even though our last member assessment was issued in 2006. The short answer is that after receiving the court award, our attorneys voluntarily credited us with prior payments by DP3, and we have been sustaining our ongoing legal efforts by working off of a credit balance. Due to the fact that money is power when it comes to legal challenges, for strategic reasons we have been reluctant to publish our current balance sheet, but those records are available to any retired pilot who would like to discuss the matter with our Treasurer, Bill Wirth.

That pretty well sums up where we have been, but now I would like to tell you about a new direction we are heading.

Last week DP3 Vice Chairman Wendell Lewis and I were invited to attend the annual conference of an organization called the National Retiree Legislative Network ([NRLN](http://NRLN.org)). This meeting was held in Washington, D.C. and in addition to the NRLN members, key representatives from the federal government were invited to discuss retiree issues.

The NRLN currently represents over two million members from thirty retiree organizations, and it is the only national organization whose goal is to protect the earned pension and healthcare benefits of retired employees. You can learn more about the NRLN and its goals and objectives by visiting their website at <http://NRLN.org>.

While attending the conference it became apparent that the Delta pilots were the only group in attendance who had already suffered a pension termination. It was also clear that these other organizations did not really understand how vulnerable their earned benefits could become if their former employers saw a significant decline in their fortunes during the current economic crisis.

Out of these discussions we realized that DP3 could offer these retiree organizations valuable information, while they could offer us necessary political clout through their large number of members. We also determined by attending this meeting that some of our issues could better be addressed through the legislative process than through the courts.

This week the DP3 Trustees held our monthly conference call and reached two major decisions. The first is that we decided to become a full member of the NRLN, at a cost to DP3 of just \$3 annually per member. After discussions with the NRLN leadership I have offered to write a "white paper" that will define the hard lessons DP3 learned in bankruptcy, and will include suggested legislative initiatives that will level the playing field during the bankruptcy process--changes that will provide greater protections for retirees.

In return for our input, the NRLN will make their lobbyist, ERISA attorney, and ERISA expert (a college professor on the Obama transition team) available to help us craft legislative proposals that could help mitigate some of the damages we suffered during the Delta bankruptcy. Some of the solutions we will pursue must remain private at this time, so that those opposed to these changes cannot anticipate the thrust of our initiatives. These proposals will not only benefit the retired Delta pilots, but would also benefit the other two million members of the NRLN if their former employers end up in Bankruptcy Court, therefore the NRLN will provide us with the support of their large (and growing) membership.

The second major change initiated by the DP3 trustees is a decision to implement an annual dues program. In the past the DP3 assessments were designed to fund our legal expenses and we had a policy to only represent DP3 members during court proceedings.

It has now been over a year and a half since Delta exited bankruptcy, but DP3 has ongoing expenses as we prepare for the PBGC to issue its final benefit determinations, and as we explore strategies to possibly restore some of our lost benefits. Now that DP3 has decided to pursue a legislative initiative we will have recurring costs associated with drafting legislation and traveling to Washington to meet with leaders of Congress and key government agencies. These dues are not designed to cover future court costs, and DP3 will still only represent those Honor Roll members who have paid all dues and assessments in future legal proceedings.

The DP3 trustees have set the 2009 initial annual dues at \$100, due and payable now for all members. Payment by March 31, 2009 is required to maintain Honor Roll status. I know this is a relatively large amount for those of you receiving reduced pension benefits, but funding this effort is our only hope of restoring some of those lost benefits. The majority of the qualified pension losses suffered by retired Delta pilots are due to the PBGC's use of annual earning limits, set by congress, to reduce our earned benefits through their "lookback" authority. If we can force a change in those calculations, outside of court, we will return your dues value to you many times over.

If you have never joined DP3, you may begin supporting DP3 by paying the 2009 dues, which will help support our congressional efforts, as well as our communications efforts via the web page and email service. Since this new annual dues payment is not designed or intended to cover court costs, if you want us to represent you in future legal action, it will require full Honor Roll membership and payment of all previous dues and assessments (\$1000.) Remember - we will have only 45 days to respond to the PBGC final benefit letters, and we can only represent in court our fully paid Honor Roll members. To join, download the DP3 application here: www.dp3.org/pdf/2009_DP3_application.pdf and send to us at the address listed on the form. (We will accept a payment plan to help those of you who are not currently Honor Roll members catch up with the past assessments.)

We are looking into the requirements for setting up a credit card system to collect the DP3 dues, and you will be notified as soon as it is ready for use. If you prefer not to pay by credit card, you can send your check to DP3, PO Box 76362, Atlanta, GA 30358. (Please mark the memo line of your check: DP3 Annual Dues.)

DP3 can only be successful if you support us both financially and emotionally. Please respond to any requests from DP3 to contact your elected representatives or the media, as we pursue these future initiatives. You can also help us by organizing all of your bankruptcy paperwork so that you can find your own answers to most of your questions rather than submitting them to us. We are all volunteers and you cannot imagine the number of hours we spend answering questions from members--questions that are either already answered on our website, or where the answers can be found in your own bankruptcy related paperwork.

The DP3 Trustees highly encourage all retired Delta pilots to join us as members--through unity there is strength. Please help us increase our numbers by distributing this message to your fellow retired pilots.

Sincerely Yours,

Will Buergey
Chairman, DP3