

Update on Current Topics and Questions

PBGC

The PBGC is gradually working through the remaining benefit estimates and retroactive pay distributions to those who have not yet received them. Many pilots have recently reported receiving updated benefit estimate letters from the PBGC.

A representatives from the PBGC also told us this week that the estimated 1,400-plus retirees with QDROs will likely take the longest since each QDRO is unique, originating from many different states, counties, judges, etc. These individual court orders must be overlaid onto an already complex retirement benefit estimate process.

As you know, we are still about two years away from the PBGC's final benefit determination on our qualified annuities. DP3's counsel is in regular contact with the PBGC on a number of issues, including the valuation of our pension trust, the value of the PBGC claims, recovery distribution ratios, the procedures for calculating PC4 and PC5 benefits and others. We will post any new information on these and other subjects as it becomes available.

Disability and Survivorship Plan

The D&S plan is an entirely separate plan from the terminated defined benefit pension plan. It is fully funded and is continuing to pay all of its obligations to survivors and should continue to do so indefinitely.

We recommend that you call the Employee Service Center at 1-800-MY DELTA and ask for a print out of your survivor benefits that you should receive in the mail within two weeks. The benefit information provided may prove both reassuring and helpful in your estate planning.

Medical insurance premium refund

Under the terms of the 1114 settlement, those pilot retirees who are ineligible for the Health Coverage Tax Credit due solely to not receiving a PBGC benefit are entitled to a refund of 16% of the full premium rate of their Delta Pilot Medical Plan health insurance premiums.

There are the usual fine print qualifications to meet, but if you think you are entitled to the refund, please call the Delta ESC and ask for the forms or procedures. The documentation may not be automatically sent to you, so you must notify the ESC if you think you are eligible for the refund. For more details, see the footnote on pages 2 and 3 of Exhibit B of the

Bankruptcy Agreement of October 4, 2006:
<http://www.dp3.org/data/Docket%203336%20Exhibit%20B.pdf>

Legislation

ALPA is currently sponsoring two sets of legislation through Congress.

H.R. 4061 and S. 2505, introduced by Congressman John Lewis, D-GA, and Senator Maria Cantwell, D-WA, would allow employees (and retirees) of a commercial passenger airline who receive payments in a bankruptcy proceeding to roll over such payments into an individual retirement plan within 180 days of enactment of the Act. DP3 believes these bills deserve our support, and we encourage you to contact your representatives urging enactment.

H.R. 2103 and S. 1270 introduced by Congressman George Miller, D-CA, and Senator Daniel Akaka, D-HI, would change the PBGC rules dealing with age 65 guarantees as they have been applied to pilots mandatorily retiring at age 60. Since the introduction of these bills, President Bush signed H.R. 4343 into law raising the mandatory retirement age to 65. Because of this change, your DP3 legal team is investigating whether the Miller/Akaka bills would have an unfair impact on those pilots already retired. We will advise you of our position in the near future.

To follow the progress of S205, follow this link: <http://www.govtrack.us/congress/bill.xpd?bill=s110-2505>

Final bankruptcy award and a possible merger

We have been asked what effect any potential merger will have on our remaining unsecured debt payments, should any additional distributions be forthcoming. The short answer is that all such unsecured debt obligations remain in force through any merger or acquisition at a value that will be equivalent to the current value of any such outstanding claim.

Remember, the **earliest** date for any further distribution of unsecured claim stock is May 2008 but that is by no means assured. We will keep you informed of any update to that potential distribution process.

2007 tax information from Delta

Delta has issued W-2s and 1099s for the 2007 tax year; however the W-2s will be corrected and re-posted for online retrieval and also mailed beginning Monday, Jan. 28. Please see the DP3 BLOG or the Delta Retiree Info web site for more information.

Where to go with your questions

The best resource for answers to PBGC benefit questions is the PBGC at 1-800-400-7242. The best resource for retiree personal or financial information (survivor benefits, W2/1099-R's, DPMP refunds, etc.) is the Delta ESC at 1-800-MYDELTA.