



DP3 Chairman's Update

March 26, 2009

This month's letter will be a departure from Will's usual excellent summaries of the current status of our efforts on your behalf. Will has undertaken so many tasks that I asked him to let me write this one rather than have him take time away from those responsibilities. The fact that he agreed shows how busy he is.

This is an opportunity to show you some of the inner workings of DP3. I'll summarize and provide links to some of our current efforts at the end of this. Additionally, the minutes of our March conference call are available on the website. For those of you interested I hope you'll take the time to read the following section before you scan to the bottom.

We receive email questions every day. We take them very seriously and they are answered according to the first letter in the return email address. Each Trustee except Will and Roger has responsibility for a section of the alphabet. Each Trustee receives every email, and if we receive one that is only addressed to an individual, and there is no personal information included, we forward that to the entire group. Each email is answered and every Trustee is BCC in order to ensure correct and consistent answers.

This weekend we received a question that prompted responses from several trustees including Will and Roger. The questioner was still not fully comfortable with the answers he received so I wrote the following. It is reprinted here in the hope it will illuminate a little more of who DP3 is, what we are doing, and why. The question asked was:

Does DP3 plan to file an objection to Delta's motion to extend the deadline to file objections to claims?

"It has worried me that Will and Roger have spent so much time on the effort to clarify the reasons for our position on this. We actually have tried to forbid Will from answering these web contact questions because he has so much on his agenda. He is putting the finishing touches on an extensive whitepaper and legislative proposal that will benefit many of our retirees. He is consulting with the NLRN on a number of their legislative initiatives because in doing so he insures that they support ours. In the last day he has been in discussions with both United and USAir retiree groups looking for common ground. Those discussions often require the effort of diplomatic missions. He has been coordinating with our legal team as well as a list of lobbyists and consultants looking for angles to make the legislative initiative successful.

Roger has also had all web contacts taken away from him because, as Communications Chairman and Webmaster, he is the glue that holds this entire operation together. The web page, the PayPal system, and every post you see on the web page is due to Roger. Among the daily list of things he is working on right now is an attempt to use automation to provide membership status updates to each individual, reorganize the DP3 document

archive, and create an automated vote tally system. (Remember we are 9 unpaid volunteers, so answering the status questions and tallying the votes is a time consuming nightmare.)

I have a short break in the action, before my R&I committee members start throwing more subtle, esoteric thoughts at me about the loopholes and interpretations in the PBGC process that we may need to address. These guys provided the foundation that Will and Wendell (that's Wendell "have bag, will travel, anytime, anywhere to stand up for the retired pilots" Lewis) used to craft the legislative proposal. So since I have a moment, I will try to answer your question:

The short answer is no.

Here is why:

Let me define two things first. By unsettled claims, I mean unsecured creditors who are suing in court for claims that DAL has denied. That is not us.

By outstanding claims, I mean us (and many others) – those unsecured creditors who have agreed to a settlement and are awaiting the second payment of those claims. These are my terms only for the purpose of this answer.

1. If the deadline is not extended, DAL will probably have to settle all unsettled claims without further court actions. That means much or all of the remaining stock would go to the unsettled claimants and not to the outstanding claims. That is not to you and me.

2. As if #1 is not enough, the amount of benefit to be gained by forcing the process to speed up is likely not to exceed the cost of litigation (even ignoring the effect of #1).

3. And finally, as already mentioned, we are 9 volunteers. We are faced with limitations on what we can do time-wise, and financially. We have to pick and choose what we can and can't do. For the reasons above we have decided this is not the best use of our time and your money.

Frustratingly, the one area we are forced to spend a great deal of time on is generating support from the membership. Astoundingly, we have full financial support from only a minority of most affected retirees. We spend a huge amount of our time trying to convey what we are doing on their behalf in the hope that they will join in and support our actions.

But there are times when we are inundated with questions that express doubt in our judgment and, of more concern to us, our intentions. A few retirees, in their legitimate frustration with the situation, have inaccurately portrayed it as a simple drama in which the good guys are few and no longer involved, and the bad guys are all in collusion and include everyone else. This seems to have sowed seeds of suspicion among too many of our members and potential members. Not only does this undermine support, but it forces the trustees to spend much or most of our time re-answering the same questions again and again.

I hope this helps you to more clearly understand what we are doing and how we go about doing it.”

I did not even address the 50 to 100 emails a day that Jeff, John, Jim, Bill C, and Bill W deal with. Or the fact that Bill Wirth keeps the books, and the membership roles (to include address and email changes), and answers all queries dealing with those duties.

As I hoped this individual, who happens to be a sincere and loyal supporter of our efforts, would gain some insight into our actions, I also hope it will make clear to the rest of our members, and potential members how much we need your support.

Will recently wrote me that we have nine very hard working trustees, committed to improving the lot of the retirees, what we need now is 5000 members committed to supporting us. Currently, we are not close to that number and an even smaller percentage of the younger retirees with the most to gain have fully supported our recent actions on their behalf financially. If you are supporting us now I encourage you to talk to your friends who are not. The Delta retirees are a small group and we can only succeed if we all pull together.

I have addressed a number of the efforts going on previously.

1. Elections are coming up. There are four board seats open. Roger Ross and Bill Caiazza will be running for reelection and two seats are open. We encourage anyone who is willing to consider running. More information is in Will's last chairman's letter at http://www.dp3.org/data/Chairman_Letter_030109.pdf.

That letter referenced closing of nominations on March 31 in anticipation of a proposed change to DP3's bylaws, but this election will be conducted under the current bylaws and the nominations will close on April 15. For members to participate in this election the 2009 annual dues of \$100 must be paid before the election process begins on April 15. The annual dues, or any previous DP3 assessments, may be paid via credit card on our web page at this link http://www.dp3.org/ns/duespay_new.html or by sending a check to DP3, PO Box 76362, Atlanta, GA 30358.

2. Social Security/Medicare Part B premium issue. Several DP3 members have had their premium increases reviewed and restored to the original levels. The SSI has promised a letter will be sent to each member who objected, but they have not issued a formal announcement of the ruling as of today. We will publish the formal ruling or a copy of the official letter when we get one.

3. Only one DP3 member has asked to opt out of the NRLN email messages. All that is required to get off the NRLN CAPWIZ list is a simple matter of clicking the "unsubscribe" link on any email you receive from the NRLN. The membership is encouraged to review the DP3 policy statement on the web page for information on our email policies.

4. In the next few days we will be publishing information on the recent court successes by the USAir Soaring Eagles organization in their litigation with the PBGC.

5. We cannot legally give tax advice. We have heard that some of the 1099-R forms sent out by the PBGC have a mistake in box 3 that may trigger a tax penalty. We suggest that

retirees (particularly under age 59 ½) have their tax professionals be alert for this. We have been told that the PBGC will reissue the form on a request basis.

6. Other areas that we are actively working (but consider it prudent not to fully outline) include an HCTC health insurance issue, legislative and government initiatives, and legal strategies on several fronts. We also maintain a working relationship with the Delta Disabled Pilots and Survivors Association (<http://www.ddpsa.com/>) and stand ready to join them in actions to protect the D&S plan.

7. We continue to keep pressure on Delta Airlines in a measured, professional manner, reminding them that the retired pilots have been forced to sacrifice more than any other group. Remember that as an organization we take these actions only if there is a definable goal. Many of the suggestions for attacking or suing Delta that we receive would certainly "feel good", and some even sound doable on the surface, but after investigating the realities, and weighing the costs and benefits, we decide only on the basis of "do they meet our mission statement" –

To work to preserve the earned pensions, health insurance, and other benefits paid by Delta Air Lines to Retired Delta pilots, their dependents and survivors.

Thanks,

Tom Seever
DP3 Trustee