

# Pay and Benefit Comparison – Aircraft Maintenance Technicians (AMTs)

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ΡΑΥ	
Delta	Northwest
Delta is committed to reaching industry standard pay by the end of 2010, and continues to provide pay increases at regular intervals to reach this commitment. Next increase will occur on 1/1/09 of 4% to all steps on the scale.	Contractual increases of 1.5% on 1/1/2009, 1/1/2010, and 1/1/2011. The sum of these increases will not reach industry standard.
Technician (AMT) top of scale is \$5,333 per month which is reached after 8.5 years, including \$693 per month for 2 licenses and \$130 per month line premiums. Starting 1/1/09, top of scale increases to \$5514 per month.	Technician (AMT) top of scale is \$4,718 per month which is reached after 5 years, including \$620 per month for 2 licenses. Starting 1/1/09, increases to \$4779.
Inspector pay is \$5488 per month, including \$693 for 2 licenses. Starting 1/1/09, increases to \$5680 per month.	General Inspector pay is \$4935 per month, including \$620 per month for 2 licenses. Starting 1/1/09, increases to \$4999.
	Parts and Materials Inspector pay is \$4814 per month, including \$620 per month for 2 licenses. Starting 1/1/09, increases to \$4876.
	*Monthly rate is based on 173.3 hours
Eligible Technicians receive 2 license premium of \$693 and line premium of \$130 per month. In addition to base rate and license premiums, Inspectors receive Pre-Flight premium (2 aircraft minimum) of	2 license premium is \$620 per month. NW has no line premium, pre-flight premium or radiographer premium.
\$130.00 and/or Radiographer premium of \$130.00.	
Lead premium pay \$1.65 per hour.	Currently, no employees hold lead position at NW.
Delta Aircraft Maintenance Technicians (AMTs) do not have union dues.	Monthly union dues are based on two time hourly wage.
Additional shift differential of \$0.45-\$0.52 per hour.	No shift differential.
Regular overtime paid at rate of 1.5 times base rate including line and license premiums. In addition, employees receive 2 times base rate including line and license premiums for daily overtime in excess of 4 hrs and weekly overtime in excess of first 8 regular overtime hours.	All overtime paid at 1.5 times base rate including license premiums, for all work performed in excess of 8 hours in one day.
Special Out of Town Jobs (Field Trips, Field Service) are paid minimum of eight hours for each day away from base whether traveling, working or resting (including hotel time). Paid at applicable overtime rates for hours worked. Additional travel and standby time is paid at straight time.	Special Out of Town Jobs (Field Trips, Field Service) are paid minimum of eight hours for each day away from base whether traveling or working. Paid at straight time or applicable overtime rates for hours worked. Additional travel and standby time is paid at straight time unless released for hotel rest time after working sixteen hours.





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#### **PROFIT SHARING**

Delta	Northwest
15% cash payout on profits of first \$1.5 billion and 20% on profits over \$1.5 billion. Starting 1/1/09, 20% profit sharing threshold will change to \$2.5 billion of combined company profit.	10% cash payout if pretax margin is less than or equal to 10% and 15% payout on overage if greater than 10%.
Profit sharing begins at first dollar of profit.	Profit sharing begins after the first \$1 million of profit.
2007 actual payout equaled 5.5% of pay.	2007 actual payout equaled 3.77% of pay.
DL SHARED REWARDS AND NW PERFORMANCE	NCENTIVES
Delta	Northwest
The program provides monthly incentive payouts based on performance in three operational areas. Goals can be achieved either through relative performance to the industry or by meeting or exceeding internal goals.	The program provides quarterly incentive payouts. Goals can be achieved through operational performance relative to network carriers and internal divisional goals.
Payout of \$25 for meeting or exceeding one goal, \$75 for two and \$100 for three.	Payout based on 0.5%, 1% or 1.25% of pay. Employees with higher salaries receive higher payouts.
2007 payout of \$800 for all employees.	2007 payout averaged \$331 for Technicians (AMTs).
RETIREMENT – 401(k) and Pension	
Delta	Northwest
Delta sponsors a Defined Benefit Pension Plan that was frozen during bankruptcy, but not terminated. This Plan will be unaffected by the merger.	Northwest sponsors a Defined Benefit Pension Plan that was frozen during bankruptcy, but not terminated. This Plan will be unaffected by the merger.
For on-going retirement benefits, Delta sponsors a Defined Contribution Plan, to which Delta contributes up to 7% of eligible earnings. Delta contributes an amount equal to 2% of eligible earnings to your 401k account whether or not you contribute any money to the Plan. In addition, Delta matches another 5% of your contributions dollar for dollar.	For on-going retirement benefits, Northwest sponsors a Defined Contribution Plan, to which Northwest contributes 5% of your earnings, whether or not you contribute any money to the Plan.
Investments are managed by employee at Fidelity, with a full range of investment options, in addition to Financial Engines investment advice services being added in January 2009.	Investments are managed by employee at ING, with a set of core investment options and a brokerage account, in addition to Financial Engines investment advice services.



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#### **ACTIVE MEDICAL**

Delta	Northwest
Employees contribute 22% of the cost on average. The dollar amount of premiums has not increased for the past 4 years.	Employees contribute 25% of the cost, with a 7% annual cap on the dollar amount of premium increases.
Account based plan design with 4 coverage options. Most popular medical option includes a company-provided account that pays the first \$500 of medical cost. Unused account funds are rolled over from year to year.	PPO Plan design with 1 choice for coverage.
Under all plans, in-network preventive care covered at 100% with no deductibles or copays.	In-network preventive care is covered at 90% with no deductible or copays. Employee is responsible for the remaining 10% cost.
All options administered by UnitedHealthcare.	Administered by Blue Cross Blue Shield.
RETIREE MEDICAL	
Delta	Northwest
Active employees do not subsidize cost of retiree health coverage for current retirees. Company does not provide retiree health subsidy.	Active employee premiums help subsidize the cost for health coverage for current retirees. In addition, Company provides 50% retiree health subsidy for employees who retire at age 55 and with minimum of 23 years of service.
Account based plan design with 4 choices for coverage.	PPO Plan design with 1 choice for coverage.
Under all plans, in-network preventive care covered at 100% with no deductibles or copays.	In-network preventive care is covered at 90% with no deductible or copays. Employee is responsible for 10% of cost.

#### LIFE INSURANCE & GROUP ACCIDENT INSURANCE

Delta	Northwest
New hires after January 1, 2009 receive company- provided Basic Life Insurance with a payout of the greater of \$50,000 or 1x base pay up to \$250,000 maximum.	Company-provided Basic Life Insurance provides a flat payout of \$50,000.
Employees can purchase additional coverage through Optional Life Insurance (up to \$1.5M for employee, \$250,000 for spouse, and \$20,000 for children).	Employees can purchase additional coverage through Optional Life Insurance (up to \$165,000 for employee, \$50,000 for spouse, and \$20,000 for children).
Employees can purchase up to \$750,000 in Group Accident (AD&D) Insurance for employee and family coverage.	No Group Accident (AD&D) insurance is offered.
Employees can purchase up to \$300,000 in Private Pilots Accident Insurance.	No Private Pilots Accident Insurance is offered.



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#### **PASS TRAVEL**

Delta	Northwest
Stand-by boarding priority based on date of hire, regardless of job classification.	Stand-by boarding priority based first on job classification and then date of hire. Contract employees board after active and retired management.
All employees pay flat \$50 annual activation fee. Employees are eligible to travel in all classes of service, and no separate charges are required for employee or retiree travel, except for international taxes and fees.	Contract employees pay upgrade fee for first class travel and retired contract employees pay service fees for all travel. Active and retired management pay no charges, except for international taxes and fees.
Eligible pass riders include spouse/domestic partner, travel companion, dependent children, non-dependent children and two parents (at this time).	Eligible pass riders include spouse/domestic partner, travel companion, dependent children and four parents (natural and stepparents are both allowed).
Same Sex Domestic Partners are eligible for pass travel. Opposite Sex Domestic Partners not eligible (at this time).	Same Sex Domestic Partners are eligible for pass travel. Opposite Sex Domestic Partners are eligible for pass travel.
Confirmed space travel at 20% discount off of available fares (at this time).	Confirmed space travel at 20% discount of the lowest published fare available, and a deeper discount with additional restrictions on the lowest published fare available.
Buddy pass travel allowed on an unaccompanied basis.	Buddy pass travelers must be accompanied by the employee, with certain exceptions.
For standby travel, retirees board after active employees based on date of hire and continue their eligibility for the same free travel, pass riders, and buddy passes.	For standby travel, retired management boards before active and retired contract employees. Retired contract board after active contract employees and pay service fee in all classes. NW retirees not eligible for travel companions, parents or buddy pass travel.
HOLIDAYS	
Delta	Northwest
6 premium and 4 floating holidays per year.	6 premium and 0 floating holidays per year.
Employees who work on a premium holiday are paid at	Employees who work on a premium holiday receive additional pay depending on the day: 3 holidays are paid

Employees who work on a premium holiday are paid at rate of 2 times base rate including line and license premiums.

Employees who work on a premium holiday receive additional pay depending on the day: 3 holidays are paid at rate of 1.5 times base rate including license premium and 3 holidays are paid at rate of 2.5 times base rate including license premium.

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#### VACATION

Delta	Northwest
Maximum of 25 days of vacation per year for employees hired prior to March 31, 1988. For others, maximum of 20 vacation days per year after 11 years of service.	Maximum of 20 vacation days per year after 9 years of service.
No rollover or banking of vacation.	Unused vacation can be rolled over and banked up to 40 hrs.
Vacation accrued in current year becomes earned and gets used in the following year (get all your vacation at one time).	Vacation is earned currently (earn as you go).
DL PAID PERSONAL TIME & CERTIFIED TIME AND NW	SICK TIME
Delta	Northwest
Maximum of 56 hours of Paid Personal Time (PPT) earned per year.	Maximum of 40 hours of sick time earned per year.
All hours used paid at 100% of pay.	First 7 consecutive workdays of each occurrence are paid at 75% of pay.
Employees have the flexibility to use PPT for any reason, not just personal illness.	Can only be used for personal illness.
Employees can choose to receive a cash payout of unused PPT. In 2008, the average PPT payout was \$650 per employee. In addition, employees receive a cash payout of unused time when you leave the company.	Employees do not receive a cash payout of unused time.
As an alternative to cash payout, employees can choose to rollover unused PPT up to 112 hrs maximum. Once that maximum is reached, employees can then choose to rollover unused PPT to build Certified Time banks up to 1200 hours for 100% pay protection on full-time absences lasting over 7 calendar days when certified as disabled. Average Certified time balance for Technicians (AMTs) is 458 hrs.	1040 hrs maximum allowed in sick bank, with average balance of 484 hrs in sick bank.
While on approved leave, employees continue their eligibility for active employee core and optional benefits (i.e. Medical, Basic Life, etc.)	While on paid sick status, employees continue their eligibility for active employee core and optional benefits (i.e. Medical, Basic Life, etc.)







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#### DL OJI PAY AND NW OCCUPATIONAL INJURY LEAVE

Delta	Northwest
No accrual necessary. Company-provided OJI Pay continues for up to 26 weeks per injury with no limit on number of occurrences.	Maximum of 40 hrs of Occupational Injury Leave (OIL) earned per year up and can be banked up to 800 hours maximum.
Benefits are available for any work-related injury or illness approved by Workers Compensation.	OIL benefits are limited to certain work-related injuries.
Once PPT and Certified Time is exhausted, employees receive 66.67% OJI Pay on a tax free basis. Benefit is paid primarily through workers compensation, with additional benefits provided if employee would not otherwise receive at least 66.67% of pay on leave due to state workers compensation rules.	First 7 consecutive workdays of each occurrence are paid at 75% of pay. Occupational Injury Leave benefits are taxable and State Workers Compensation Benefits are turned over to the Company
Once OJI Pay is exhausted, employee receives State Workers Compensation Benefits, as well as Long Term Disability Benefits described below.	Once OIL and sick time is exhausted, employee only receives State Workers Compensation benefits. If the employee does not have OIL or Sick time, employee only receives state workers compensation pay which may provide less than 66.67% of pay depending on state maximum.
While on approved leave, employees continue their eligibility for active employee core and optional benefits (i.e. Medical, Basic Life, etc.)	Treated as COBRA event as soon as employee exhausts paid sick time and OIL time. COBRA rates based on 102% of the cost or roughly 4 times higher than the active employee contribution of 25% of cost.

#### SHORT-TERM DISABILITY (STD)

Delta	Northwest
60% plan available for employee purchase. STD Benefits are paid tax-free.	Not available. Employees who do not have banked time have no pay protection during their absence.
Provides benefits for work related and non-work related claims.	STD benefit not available for any claims.
While on approved leave, employees continue their eligibility for active employee core benefits (i.e. Medical, Basic Life, etc.)	Treated as COBRA event as soon as employee exhausts paid sick time and OIL time. COBRA rates based on 102% of the cost or roughly 4 times higher than the active employee contribution of 25% of cost.



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### LONG-TERM DISABILITY (LTD)

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50% benefit (up to 60% with Buy-up).	66.67% pay protection.
Employees eligible for coverage at date of hire.	Employees eligible for coverage after 12 months of employment.
Company pays 100% of the premium cost. In addition, employees can decide to enroll in additional coverage to receive 60% pay protection.	Employee pays 50% of the premium cost and enrollment is mandatory.
Provides benefits for work related and non-work related claims.	Provides benefits for <u>work related <b>and</b> non-work</u> related claims.
6 months "own occupation" definition to continue qualifying for benefits.	24 months "own occupation" definition to continue qualifying for benefits.
Employee uses PPT, Certified Time and STD for coverage until LTD begins after 180 day waiting period.	Employee uses sick time for coverage until LTD begins after 90 day waiting period.
While on approved leave, employees continue their eligibility for active employee core and optional benefits (i.e. Medical, Basic Life, etc.)	Treated as COBRA event as soon as employee exhausts paid sick time. COBRA rates based on 102% of the cost or roughly 4 times higher than the active employee contribution of 25% of cost.