SURVIVOR BENEFIT PLAN (SBP)

(Effective January 1, 2015)
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INTRODUCTION

The Allied Pilots Association ("APA") has developed the Allied Pilots Association Survivor Benefit Plan ("Plan"), a non-contributory plan for Eligible Members that provides a Death Benefit of $25,000 to the Plan Participant’s Beneficiary.

This Plan is your Plan and for your benefit. To obtain Plan benefits, you must follow the procedures and requirements of the Plan as contained in this booklet.

NGS Insurance Agency, Inc. ("NGS") has been appointed as the Claims Processor for Plan benefits, as described in the CLAIMS PROCESSING PROVISIONS section. If you have any questions about the Plan, please contact NGS. You can reach NGS at the following address and phone number:

NGS Insurance Agency, Inc.
P.O. Box 830846
Richardson, TX 75083-0846
(800) 298-8793
apalife@ngsemail.com

When the text references another section, every letter in the section that is referenced is capitalized. When the text references another subsection, the first letter of each word in the subsection that is referenced is capitalized and the entire heading is in quotations. At the end of this booklet is a DEFINITIONS section of commonly used terms. These terms are capitalized throughout this booklet. Please review the DEFINITIONS to fully understand the terms in this booklet.

This booklet constitutes the complete and official Plan document and Summary Plan Description. It is intended to give you a description of the benefits provided by the Plan, how to file a claim for benefits and your rights under the Plan. The terms of this Plan document govern all determinations made by the Plan Administrator, in accordance with its discretionary authority under the Plan, such as determinations regarding eligibility and benefits payable from the Plan. Plan terms may not be amended by verbal representations made by APA, an employee, agent, third-party administrator, or representative of APA and/or the Plan, or any other person. In the event a verbal representation conflicts with any term of the Plan, the Plan terms will control.

APA reserves the right to amend or terminate this Plan at any time. These rights are described in more detail in the “Plan Continuance” subsection.
BASIC PLAN PROVISIONS

AVAILABILITY OF PLAN COVERAGE
APA designed the Plan to provide a Death Benefit for Plan Participants. This section contains the eligibility, benefit and termination of coverage provisions under the Plan.

Effective Date of Coverage for Plan Participant
An APA Member who is an Eligible Member on January 1, 2015 becomes a Plan Participant on January 1, 2015. An Eligible Member who is in bad standing as defined in the APA Constitution and Bylaws, on the Effective Date of Coverage, shall not become a Plan Participant until such APA Member’s status changes to good standing. Subsequently, an APA Member becomes a Plan Participant on the date that the APA Member becomes an Eligible Member.

BENEFIT
Benefit Amount
The Plan is a non-contributory plan that provides a Death Benefit of $25,000 to the Plan Participant’s Beneficiary. The Claims Processor will pay the Death Benefit in one lump sum.

Payment of Funeral Expenses
The Beneficiary may assign the Death Benefit to a funeral home, crematory, or internment facility. The Claims Processor may make such payment after the Claims Processor receives Proof that such expenses were Incurred.

TERMINATION OF COVERAGE
Termination of Plan Participant’s Coverage
The coverage of any Plan Participant shall automatically cease at 12:01 a.m. on the earliest of the following dates:

(A) The date APA Membership terminates except as provided in paragraph (F) below; or

(B) The date the Plan Participant retires; or

(C) The date the Plan Participant terminates employment from the Company, except as provided in paragraph (F) below; or

(D) The date the Furloughed Member loses or relinquishes rights of recall; or

(E) 24 months after the date Furloughed; or

(F) For TAG Members, 60 months after the date terminated by the Company; or

(G) The date that the Plan or any coverage under the Plan terminates for all Plan Participants or a given class of Plan Participants of which the Plan Participant is a member; or

(H) 30 days following the date on the APA certified letter notifying the Plan Participant of an overpaid benefit under any Other APA-sponsored Plan, if the Plan Participant fails to return such Overpayment or overpaid benefit or enter into a Reimbursement Agreement in accordance with the administrative practices established by the BRAB; a copy of those administrative practices is available on request from the Claims Processor; or

(I) The end of the month following the month a payment is due but unpaid to any Other APA-sponsored Plan in accordance with a Reimbursement Agreement with the Plan or any Other APA-sponsored Plan, unless the Plan Participant can show, to the satisfaction of, and in the sole discretion of, the BRAB, that failure to make such payment was not within the Plan Participant’s reasonable control.
CLAIMS PROCESSING PROVISIONS

CLAIMS FILING
If a Plan Participant dies, Proof of the Plan Participant’s death must be Filed with the Claims Processor. When the Claims Processor receives such Proof with the claim, the Claims Processor will review the claim and, if the Claims Processor approves it, will pay the Beneficiary the $25,000 Death Benefit under the Plan.

TIME LIMIT FOR FILING CLAIMS
Except as provided below, written Proof of a claim must be Filed with the Claims Processor within 24 months from the date of death. Benefits generally will not be payable unless this requirement is met. Benefits are based upon the Plan’s provisions at the time of the Plan Participant’s death.

Failure to furnish notice or Proof of a claim within the time provided above shall not invalidate or reduce any claim if the Beneficiary can show that it was not within the reasonable control of the Beneficiary to furnish such notice or Proof, and that such notice or Proof was furnished as soon as was reasonably possible.

Written Proof of a claim must be Filed with the Claims Processor within 24 months from the date of death, provided that the Plan remains in force. If coverage ceases due to termination of the Plan, final claims must be received within 90 days following the effective date of termination of the Plan. Claims will be paid from available trust funds.

HOW TO FILE A CLAIM
The following summarizes the Plan’s claims Filing process. Please read and follow the instructions on the claim form carefully before submitting a claim.

(A) Obtain a Survivor Benefit Plan Claim Form by calling APA.

(B) Complete the claim form using the instructions that accompany the form.

(C) The completed claim form and an original certified death certificate should be Filed directly with the Claims Processor using the address on the claim form within 24 months of the date of death (or within 90 days following termination of the Plan, as described above).

CLAIMS PROCESS
The Claims Processor has the responsibility for completing the initial claims process. The Claims Processor will generally complete the claims process within 30 days from the date that the claim form and the certified death certificate are Filed. If the claim is denied, in whole or in part, the Claims Processor shall provide a written notice of denial within 30 days of the date that the claim is Filed. This 30-day period can be extended an additional 15 days if more time is needed for claim processing and the Claims Processor notifies the claimant during the initial 30-day period.

If the period of time to process the claim must be extended because of the Beneficiary’s failure to submit information necessary to a full and fair decision on the claim, the period for making the decision will be tolled from the date on which the notification of the extension is sent to the Beneficiary until the date on which the Beneficiary responds to the request for additional information, but not more than 90 days.

APPEAL PROCESS FOR DENIED CLAIMS
APA hopes disputes can be resolved if they arise so that Beneficiary’s will obtain the benefits to which they are entitled with as little inconvenience and delay as possible. To that end, the Plan provides an appeal procedure, as well as addresses, telephone numbers and other references where additional information and assistance can be obtained.
The following describes the appeal process under this Plan:

(A) If the Beneficiary’s claim is wholly or partially denied, the notice of denial must include specific reasons for such denial, reference to Plan terms and conditions on which the denial was based, a description of the Plan’s appeal procedures, and the time limits applicable to such procedures. If the claim is denied because necessary information was not available to the Claims Processor, the notice will describe the additional material or information that is required in order for the Beneficiary to perfect a claim, will provide an explanation of why such material or information is necessary, and will state that such material or information must be provided within 180 days after the Beneficiary receives notice of the adverse benefit determination. The notice will also include a statement that the Beneficiary has the right to bring a civil action under Section 502(a) of ERISA to seek a judicial decision on the Beneficiary’s right to the benefit but that no such lawsuit can be filed until the appeal rights provided in this Plan have been exercised and the Plan benefits requested in such appeal has been denied in whole or in part by the BRAB.

(B) If a Protocol was relied upon in making the adverse determination, the Beneficiary is entitled to a copy the Protocol, or to be told that the Protocol was relied upon in making the determination, and that the Beneficiary can receive a copy of the Protocol free of charge, upon written request to the Claims Processor.

(C) The Beneficiary can request that the BRAB review the denial of all or part of a claim by filing an appeal. This appeal must be in writing and must be received by the BRAB no more than 180 days after the Beneficiary receives notice of the adverse benefit determination. Any appeal received by the BRAB after this 180-day period will be null and void. This appeal should be addressed to the BRAB, c/o Director of Benefits, Allied Pilots Association, 14600 Trinity Blvd., Suite 500, Fort Worth, TX 76155-2512.

(D) As part of the appeal process, the Beneficiary can submit Appeal Materials. The Beneficiary must be provided, upon request and free of charge, reasonable access to and copies of the Record. The BRAB’s review of the appeal must take into account the Appeal Materials, regardless of whether any of the Appeal Materials was submitted or considered in the initial benefit determination; however, only Appeal Materials received by the BRAB prior to the end of the 180-day filing period will be considered. There will be no exception to this rule.

(E) The BRAB will decide the Beneficiary’s appeal based on the information submitted in accordance with paragraphs (B) and (C) above and the Record from the Claims Processor. No deference will be given to the initial adverse benefit determination, and the decision on the appeal will be made by the BRAB. The BRAB will not include any individual who made the initial adverse determination or a subordinate of that individual. The BRAB shall have discretion to interpret the Plan and to make all determinations on appeal.

(F) The BRAB will advise the Beneficiary of the results of its review of the appeal within 60 days after it receives the appeal and the timely filed Appeal Materials.

(G) If the period of time to process the request for review must be extended because of the Beneficiary’s failure to submit information necessary for a full and fair decision on the appeal, the notice will also state the period for making the decision will be tolled from the date on which the notification of the extension is sent to the Beneficiary until the date on which the Beneficiary responds to the request for additional information, but not more than 90 days.

(H) When the review of the appeal is completed, the Beneficiary will receive a written decision that will include reference to Plan terms and conditions on which the decision was based. If the Beneficiary’s appeal has been denied, in whole or in part, the Beneficiary must be told the specific reason(s) for the denial and a reference to specific Plan provisions on which the decision is based. The Beneficiary is entitled to receive, upon request and free of charge, reasonable access to, and copies of, the Record.
(I) If a Protocol was relied upon in making the adverse determination on appeal, the Beneficiary is entitled to a copy of the Protocol, or to be told that the Protocol was relied upon in making the determination and that the Beneficiary can receive a copy of the Protocol free of charge, upon request to the APA.

(J) After exhausting the Plan’s administrative claims and appeals process as contained in this section, the Beneficiary may bring a civil action under Section 502(a) of ERISA for any benefit that is denied in whole or in part. No action at law or in equity shall be brought to recover benefits under the Plan prior to the exhaustion of all internal administrative remedies in accordance with the requirements of the Plan, nor shall any action be brought at all unless brought before the later of:

(1) three years after the date a benefit claim is Filed, or

(2) three years after the date on the letter stating the Plan’s final decision on the Beneficiary’s benefit appeal.

(K) Nothing in this section shall preclude a Beneficiary’s or Plan Participant’s authorized representative from acting on a behalf of such Beneficiary or Plan Participant in pursuing a benefit claim or appeal to the BRAB of an adverse benefit determination. If the Beneficiary’s or Plan Participant’s authorized representative is not a lawyer, the Beneficiary will be required to provide written confirmation that the representative is authorized to act on the Beneficiary’s or Plan Participant’s behalf.
GENERAL PLAN PROVISIONS

ERISA RIGHTS
This section contains a statement of rights under the Employee Retirement Income Security Act of 1974, as amended from time to time (“ERISA”) that is required by Federal law and regulation.

As a participant in the Allied Pilots Association Survivor Benefit Plan, you are entitled to certain rights and protections under ERISA. ERISA provides that all plan participants shall be entitled to:

Receive Information About Your Plan and Benefits
Examine, without charge, at the plan administrator’s office and at other specified locations, such as worksites and union halls, all documents governing the Plan, including insurance contracts and collective bargaining agreements, and a copy of the latest annual report (Form 5500 series) filed by the plan with the U.S. Department of Labor and available at the Public Disclosure Room of the Employee Benefits Security Administration.

Obtain, upon written request to the plan administrator, copies of documents governing the operation of the Plan, including insurance contracts and collective bargaining agreements, and copies of the latest annual report (Form 5500 series) and updated summary plan description. The administrator may make a reasonable charge for the copies.

Receive a summary of the plan’s annual financial report. The administrator is required by law to furnish each participant with a copy of this summary annual report.

Prudent Action by Plan Fiduciaries
In addition to creating rights for plan participants ERISA imposes duties upon the people who are responsible for the operation of the employee benefit plan. The people who operate your plan, called “fiduciaries” of the plan, have a duty to do so prudently and in the interest of you and other plan participants and beneficiaries. No one, including your employer, your union, or any other person, can fire you or otherwise discriminate against you in any way to prevent you from obtaining a welfare benefit or exercising your rights under ERISA.

Enforce Your Rights
If your claim for a welfare benefit is denied or ignored, in whole or in part, you have a right to know why this was done, to obtain copies of documents relating to the decision without charge, and to appeal any denial, all within certain time schedules.

Under ERISA, there are steps you can take to enforce the above rights. For instance, if you request a copy of plan documents or the latest annual report from the plan and do not receive them within 30 days, you may file suit in a Federal court. In such a case, the court may require the plan administrator to provide the materials and pay you up to $110 a day until you receive the materials, unless the materials were not sent because of reasons beyond the control of the plan administrator. If you have a claim for benefits that is denied or ignored, in whole or in part, you may file suit in a state of Federal court. In addition, if you disagree with the plan’s decision or lack thereof concerning the qualified status of a domestic relations or a medical child support order, you may file suit in Federal court. If it should happen that plan fiduciaries misuse the plan’s money, or if you are discriminated against for asserting your rights, you may seek assistance from the U.S. Department of Labor, or you may file suit in a Federal court. The court will decide who should pay court costs and legal fees. If you are successful the court may order the person you have sued to pay these costs and fees. If you lose, the court may order you to pay these costs and fees, for example, if it finds your claim is frivolous.

Assistance with Your Questions
If you have any questions about your plan, you should contact the plan administrator. If you have any questions about this statement or about your rights under ERISA, or if you need assistance in obtaining documents from the plan administrator, you should contact the nearest office of the Employee Benefits Security Administration, U.S. Department of Labor, listed in your telephone directory or the Division of
PLAN INTERPRETATION
In carrying out their respective responsibilities under the Plan, the APA and certain other Plan Fiduciaries, including, as applicable, the BRAB shall have the discretionary authority to interpret the terms of the Plan and to determine eligibility for and entitlement to any Plan benefits in accordance with the terms of the Plan. Any interpretation or determination made pursuant to such discretionary authority shall be given full force and effect, unless it can be shown that the interpretation or determination was arbitrary and capricious. Benefits under this Plan will be paid only if a Plan Fiduciary (e.g., the BRAB regarding benefit claim appeals) decides in its discretion that the Plan Participant is entitled to them.

PLAN CONTINUANCE
APA expects to continue the Plan indefinitely, but an unqualified commitment to continue the Plan without modification is not possible. Therefore, APA reserves the right to amend or terminate this Plan, in whole or in part, including without limitation adjustments to benefits and termination of the Plan with respect to all Participants or any group or class of Participants, at any time through a resolution approved by the APA Board of Directors; provided, however, that any amendment required by law can be approved by the President of APA with no APA Board of Directors action required. The APA Board of Directors may delegate to the APA President and/or the BRAB, and the APA President can delegate to the BRAB, the authority to implement any resolution or action amending the Plan by preparing Plan documents (e.g., Plan amendments, Plan restatements, summaries of material modifications, etc.) and Plan-related documents (e.g., explanations, announcements, information, correspondence, etc.) consistent with such resolution or action and by taking such other actions as are reasonable and necessary to implement such resolution or action. Such amendment shall be effective as of (A) the date of approval of the resolution by the APA Board of Directors, if no effective date is stated in the resolution, (B) the effective date expressly set forth in the resolution, or (C) for an amendment required by law, the effective date expressly set forth in writing by the APA President.

RELATIONSHIP BETWEEN PLAN PARTICIPANTS AND THE APA
The terms of this Plan are intended solely to govern the relationship between Plan Participants and the Plan. Nothing in this Plan is intended or should be interpreted to define, qualify, limit or provide terms and conditions for the relationship between APA and the Plan Participants in non-Plan contexts. Nothing contained in the Plan shall limit or interfere with the right of APA to discharge, expel or take other action regarding a Plan Participant in the Plan Participant’s role as a member of the APA, regardless of the effect that such action may have upon the Plan Participant as a member of the APA.

RETIREE HEALTH BENEFITS
To the extent funds are available in the Subaccount (as defined in this paragraph), the Plan shall provide Retiree Health Benefits (as defined in this paragraph). For purposes of providing Retiree Health Benefits, the provisions of the Allied Pilots Association Retiree Health Benefit Plan ("Retiree Health Benefit Plan") applicable to Retiree Health Benefits are hereby incorporated. The term “Subaccount” means the subaccount within this Plan’s subaccount in the Master Trust, which is described in the PLAN TRUST FUND AND TRUSTEE section of this Plan booklet and which provides Retiree Health Benefits. The term “Retiree Health Benefits” means benefits that are payable under the Retiree Health Benefit Plan to a Plan Participant (as defined in that plan).

If Retiree Health Benefits are approved but not payable in full because there are insufficient funds in the Subaccount, the amount of the benefits that are approved but not payable from the Subaccount will be paid from the Retiree Health Benefit Plan and not from any other assets of this Plan.
PLAN TRUST FUND AND TRUSTEE
All funds used to provide Plan benefits and pay reasonable Plan expenses are held in the Master Trust and are invested by the investment manager and the Master Trustee. The Master Trustee and investment manager are selected by APA and approved by the APA Board of Directors. Retiree Health Benefits described in the RETIREE HEALTH BENEFITS section above are paid first from a Subaccount that is under this Plan within the Master Trust. The beginning balance for this Subaccount was the amount of the expected post-employment benefit obligation for Retiree Health Benefits under the Retiree Health Benefit Plan as of the Retiree Health Benefit Plan’s June 30, 2006 actuarial valuation.

The Subaccount will increase or decrease based on its proportional share of Master Trust investment returns allocable to the Subaccount and by contributions from Plan Participants of the Retiree Health Benefit Plan and any designated additional employer contributions, if the APA, in its sole discretion, decides to make additional contributions. No Plan benefits other than Retiree Health Benefits shall be payable from the Subaccount and no Retiree Health Benefits shall be payable from this Plan’s subaccount or assets, other than the Subaccount. If Retiree Health Benefits are approved but not payable in full because there are insufficient funds in the Subaccount, the amount of benefits that are approved but not payable from the Subaccount will be paid by the Retiree Health Benefit Plan and not from any other assets of this Plan. Upon this Plan’s termination, Plan funds remaining in the Subaccount after all benefit payments and expenses have been paid (as determined by the BRAB) shall be used as directed by APA in compliance with applicable law.

The investment policy and objectives for the Master Trust are established by APA and carried out by the Master Trustee and investment manager, as applicable, in a manner consistent with the law and the Master Trust. Such policy and objectives can be changed from time to time, as the APA Board of Directors, in its sole discretion, shall determine.

MANAGEMENT OF PLAN
The Plan must be managed fairly and in the interest of all Plan Participants. Whenever any discretionary action is required in administering the Plan, APA and the other Plan Fiduciaries shall exercise their authority in a non-discriminatory manner so that all Plan Participants similarly situated receive substantially the same treatment and so that no discretionary acts are taken that would be discriminatory under the Internal Revenue Code of 1986, as amended from time to time. No one may be discriminated against because of a disputed claim or due to the exercise of any rights under the law.

CURRENCY
All benefit payments from the Plan shall be made in the lawful currency of the United States of America.

ASSIGNMENT
A Plan Participant may assign the Plan Participant’s Death Benefit rights and benefits as a gift or as a viatical assignment. The Plan will recognize the assignee(s) under such assignment as owner(s) of the Plan Participant’s right, title and interest in the Plan if:

(A) a written form satisfactory to the Claims Processor, affirming this assignment, has been completed;

(B) the written from has been signed by the Plan Participant and the assignee(s);

(C) the Claims Processor acknowledges that the Plan Participant’s Death Benefit being assigned is in force on the life of the assignor; and

(D) the written form is delivered to the Claims Processor for recording.

Viatical assignments may only be made after the Plan Participant’s Death Benefit has been in effect under this Plan for two years. However, the Plan Participant may make a viatical assignment before the end of the two year period if the Plan Participant is Terminally Ill.
BENEFICIARY DESIGNATION
A Plan Participant may designate a Beneficiary on a beneficiary designation form. The Plan Participant may change the Beneficiary at any time. To do so, the Plan Participant must send a signed and dated beneficiary designation form to the Claims Processor. The Plan Participant's written request to change the Beneficiary must be sent to the Claims Processor within 30 days of the date the Plan Participant signs such request.

The Plan Participant does not need the Beneficiary’s consent to make a change. When the Claims Processor receives the change, it will take effect as of the date the Plan Participant signed it. The change will not apply to any payment made in good faith by the Claims Processor before the change request was recorded.

If two or more Beneficiaries are designated and their share is not specified, they will share the benefit equally.

If there is no Beneficiary designated or no surviving Beneficiary at the Plan Participant’s death, the Claims Processor will determine the Beneficiary, by order of precedence, to the first person or persons listed below who are alive on the date title to the payment arises:

(A) The Plan Participant’s spouse;

(A) the Plan Participant’s child(ren);

(B) the Plan Participant’s parent(s); or

(D) the Plan Participant’s sibling(s).

If no survivor, the Claims Processor will pay the Plan Participant’s estate. Any payment made in good faith will discharge the Plan’s liability to the extent of such payment.

If a Beneficiary entitled to receive benefits under the Plan is determined by the Claims Processor (or its delegate) to be incompetent, or is adjudged by a court of competent jurisdiction to be legally incapable of giving valid receipt and discharge for benefits provided under the Plan, the Plan may pay such benefits to the duly-appointed guardian or conservator of such Beneficiary or to any third party who is authorized (as determined by the Claims Processor or its delegate) to receive any benefit under the Plan on the Beneficiary’s behalf. Such payment shall fully discharge all liabilities and obligations of the Plan with respect to payment of Plan benefits to such Beneficiary.

FUNDING AND TAXABILITY OF PAYMENT(S)
This benefit is provided by the APA through a trust, as described in greater detail in the GENERAL PLAN INFORMATION section. It is the APA’s intent that self-insured Death Benefits provided by the Plan will be excludible from the recipient’s gross income, consistent with current Internal Revenue Service guidance.

RECOVERY OF OVERPAYMENT(S)
(A) The Plan has the right to recover any Overpayments.

(B) By participating in the Plan, the Plan Participant and Beneficiary consents and agrees:

(1) to immediately return any such Overpayment to the Plan; and

(2) that an equitable lien by agreement in favor of the Plan exists and attached to any Overpayment.

(C) The Plan may withhold or reduce future benefit payments as an offset for Overpayment, sue to recover Overpayments, or may use any other lawful remedy to recover Overpayments.
The Plan has the right to recover an Overpayment from one or more of:

(1) the Beneficiary to whom or on whose behalf it made the Overpayment; or

(2) other persons or entities.

The Plan's right to recover an Overpayment shall not be affected or reduced by Equitable Defenses.

GOVERNING LAW, ETC.
The Plan shall be construed according to the laws of the State of Texas, except as otherwise provided by ERISA or other applicable Federal legislation. Headings of sections and subsections contained in this booklet are included solely for convenience of reference, and if there is any conflict between such headings and the text, the text shall control.

ADDRESS FOR NOTICES
APA can give any notice required to be given to a Plan Participant or any other person entitled to benefits under the Plan, by mailing such notice to such person at the address last furnished to APA by the Plan Participant.

PLAN EXPENSES
All expenses of the Plan, unless paid by APA in its sole discretion, shall be paid out of the Master Trust.

RELIANCE ON OTHER PROFESSIONALS
APA can employ accountants, attorneys, consultants or other experts to render advice with respect to their fiduciary responsibilities. The Master Trustee can also do so at the direction of APA. APA can rely exclusively on all reports, valuations, tables, certifications, and opinions furnished by, or in accordance with, the instructions of accountants, counsel, consultants, or other experts employed or engaged by APA.

OBLIGATIONS OF APA
The obligations of APA under the Plan shall be limited to those obligations specifically assumed by it under the terms of this booklet, together with such additional obligations, if any, as may be imposed upon APA by applicable law.

NEED HELP?
If you need further assistance, please contact:

General Information
Allied Pilots Association
14600 Trinity Blvd., Suite 500
Fort Worth, Texas 76155-2512
(817) 302-2272
(800) 323-1470
www.alliedpilots.org

Claims Processor
NGS Insurance Agency, Inc.
P.O. Box 830846
Richardson, TX 75083-0846
(800) 298-8793
www.ngsins.com
GENERAL PLAN INFORMATION

Plan Name   Allied Pilots Association Survivor Benefit Plan
Plan Identification Numbers  502
Tax Identification Number  13-1982245
Type of Plan:   ERISA Welfare plan providing a Death Benefit
Type of Administration  Contract Administration
Explanation of Contract  The Claims Processor performs the services described in the service agreement between the Claims Processor and the APA in accordance with the terms and conditions of the Plan and within the framework of policies, interpretations, rules, practices and procedures made by the Plan Sponsor or Plan Administrator, to the extent that such are consistent with the service agreement and all applicable laws and regulations.
Name and address of the Plan Named Fiduciary  Allied Pilots Association
(Plan Administrator and Plan Sponsor)  14600 Trinity Blvd., Suite 500
Fort Worth, Texas  76155-2512
(817) 302-2272 or (800) 323-1470
www.alliedpilots.org
Agent for Service of Legal Process  Allied Pilots Association
Allied Pilots Association
14600 Trinity Blvd., Suite 500
Fort Worth, Texas  76155-2512
Service of process may also be made upon the Master Trustee
Claims Processor  NGS Insurance Agency, Inc.
P.O. Box 830846
Richardson, TX  75083-0846
(800) 298-8793
www.ngsins.com
Source of financing of the fund and identity of any organization through which benefits are provided:  Contributions are made to the Master Trust by the Allied Pilots Association. Benefits are provided directly from the Master Trust, through the Claims Processor.
Master Trustee  State Street Bank of Boston
1200 Crown Colony Drive CC17
Quincy, MA 02169
Plan Year   January 1st through December 31st of each year
DEFINITIONS

The following terms, wherever used in this Plan booklet, have the following meaning:

APA
The term “APA” means the Allied Pilots Association.

APA Member or APA Membership
The terms “APA Member” or “APA Membership” mean a pilot who has been approved for membership in accordance with the APA Constitution and Bylaws and whose membership has not been terminated.

Appeal Materials
The term “Appeal Materials” means written comments, documents, records, and other information relevant to the Plan Participant’s benefits claim. Note that Appeal Materials received by APA after the end of the 180-day Filing period will not be considered in the review of or decision on the appeal. There is no exception to this rule.

Beneficiary or Beneficiaries
The terms “Beneficiary” or “Beneficiaries” mean the person(s) to whom the Plan will pay a Death Benefit as determined in accordance with the GENERAL PLAN PROVISIONS section.

BRAB
The term “BRAB” means the voting members of the APA Benefits Review and Appeals Board.

CHIP Plan Participant(s)
The term “CHIP Plan Participant(s)” means an individual who:

(A) was a plan participant in the Allied Pilots Association Catastrophic Major Medical Benefit Plan (“CHIP”) prior to January 1, 2015; and

(B) had not terminated from CHIP as of December 31, 2014; and

(C) satisfied the CHIP requirements for benefit payments in the WHEN BENEFITS ARE PAYABLE section of the CHIP booklet as of December 31, 2014.

Claims Processor
The term “Claims Processor” means the firm providing or arranging for administrative and consulting services to APA in connection with the operation of the Plan and performing such other functions, including processing and payment of claims, as may be delegated to it. The Claims Processor is NGS Insurance Agency, Inc., P.O. Box 830846, Richardson, TX 75083-0846, (800) 298-8793, apalife@ngsemail.com.

Company
The term “Company” means any subsidiary of American Airlines Group, Inc. or its successor, whose employees are represented for collective bargaining by the APA.

Death Benefit
The term “Death Benefit” means a one-time benefit due to the death of the Plan Participant. The amount of the Death Benefit is $25,000.

Disabled Member
The term “Disabled Member” means an APA Member who is unable to perform the material duties as a Company pilot. The APA Member must be under the regular care and attendance of a physician and must be unable to maintain either a first or second class FAA medical certificate.
Effective Date
The term “Effective Date” means the date on which the coverage becomes effective either for the Plan or a Plan Participant, given the context of its use.

Eligible Member
The term “Eligible Member” means an APA Member on the pilot system seniority list, subject to the following:

(A) Disabled Members will be Eligible Members for as long as they are disabled or until they terminate their employment with the Company or retire,

(B) Furloughed Members will be Eligible Members for the first 2 years following the date of Furlough,

(C) TAG Members will be Eligible Members.

Fiduciary or Fiduciaries
The terms “Fiduciary” or “Fiduciaries” mean person(s) responsible for the operation of the Plan. A Plan Fiduciary may serve in more than one Fiduciary capacity with respect to the Plan. In addition, Plan Fiduciaries may delegate Fiduciary responsibilities (other than trustee responsibilities) to persons other than named Plan Fiduciaries by a written instrument signed by the delegating Plan Fiduciary and the delegate. For example, the BRAB is a Plan Fiduciary.

Filed or Filing
The terms “Filed” or “Filing” mean the date the claim form, death certificate, or Proof is postmarked, if mailed, or sent by overnight delivery; otherwise, it is the date the Claims Processor receives the form.

Furlough or Furloughed
The terms “Furlough” or “Furloughed” mean the period during which an APA Member is laid off by the Company and maintains rights of recall.

Furloughed Member
The term "Furloughed Member" means an employee of the Company who is also an APA Member or who has applied for and been approved for membership with APA and who has been Furloughed by the Company and maintains rights of recall for the first 24 months of Furlough. Furloughed Member does not include any pilot who defers recall by the Company for the period during which the deferral of recall remains in effect.

Incur or Incurred
The terms “Incur” or “Incurred” mean an expense that shall be deemed to be Incurred on the date the purchase is made or the service is rendered for which the charge is made.

Master Trust
The term “Master Trust” means the Allied Pilots Association Welfare Benefits Master Trust, a trust formed to pay Plan benefits and reasonable Plan expenses in accordance with the terms of this Plan and Section 501(c)(9) of the Internal Revenue Code.

Master Trustee
The term “Master Trustee” means State Street Bank of Boston, 1200 Crown Colony Drive, CC17, Quincy, MA 02169.

Named Fiduciary
The term “Named Fiduciary” means the person with the authority to control and manage the operation and administration of the Plan. APA is the Named Fiduciary for the Plan. The BRAB is also a Fiduciary and the APA has delegated to the BRAB the authority to interpret the Plan and to decide benefit claim appeals.
Other APA-sponsored Plan(s)
The term "Other APA-sponsored Plan(s)" means the APA Pilot Occupational Disability Plan, the APA Voluntary Supplemental Medical and Custodial Care Benefit Plan, and/or the APA Pilot Mutual Aid Plan.

Overpayment
The term "Overpayment" means any amount paid to or on behalf of a Beneficiary by the Plan that is greater than the benefit to which such Beneficiary is entitled, including without limitation benefits erroneously paid by the Plan based on a mistake of fact or administrative error or as a result of fraud, misrepresentation, or concealment of any relevant fact (as determined by the Plan Administrator in its sole discretion).

Plan
The term "Plan" means the Allied Pilots Association Survivor Benefit Plan.

Plan Administrator
The term "Plan Administrator" means APA, or its successor entity.

Plan Participant(s)
The term "Plan Participant(s)" means an Eligible Member who is participating in the Plan and whose coverage has not terminated.

Plan Sponsor
The term "Plan Sponsor" means the APA or its successor entity.

Proof
The term "Proof" means any documentation of a claim for a Death Benefit that establishes:

(A) the nature and extent of the loss or condition;

(B) the Plan’s obligation to pay the claims; and

(C) the Beneficiary’s right to receive payment.

Proof must be provided at the Beneficiary’s expense.

Protocol
The term "Protocol" means the internal rule, guideline, or other similar criterion relied upon in making the benefits determination.

Record
The term "Record" means any materials pertaining to a Plan Participant’s claim that may exist at any level of the claims process.

Reimbursement Agreement
The term "Reimbursement Agreement" means (A) the written agreement between the Plan Participant and the Plan regarding the repayment of an Overpayment or (B) a similar agreement between the Plan Participant and any Other APA-sponsored Plan regarding an overpaid benefit from such plan.

Terminally Ill
The term "Terminally Ill" means that a Plan Participant is expected to die within 12 months. As proof of a Plan Participant’s Terminal Illness, the Plan Participant or Beneficiary must provide the Claims Processor with a signed physician’s certification that the Plan Participant is Terminally Ill. The Claims Processor may also request an exam by a physician of the Plan’s choice, at the Plan’s expense.
Terminated Awaiting Grievance Member or TAG Member
The terms “Terminated Awaiting Grievance Member” or “TAG Member” mean an APA Member who has been terminated by the Company, has filed a grievance for reinstatement, is awaiting the final settlement of the grievance within the first 60 months from the date of termination by the Company and is also an APA Member.
This section applies to the CHIP Plan Participants enrolled in CHIP on December 31, 2014. It contains the provisions applicable to medical claims Incurred under the Catastrophic Major Medical Benefit Plan ("CHIP") prior to January 1, 2015.

Effective January 1, 2015, CHIP was amended in accordance with APA Board of Directors resolution R2014-31 to eliminate coverage for medical and prescription drug benefits. Claims Incurred prior to December 31, 2014 must be Filed no later than March 31, 2015.

CLAIMS FILING
CHIP Plan Participants are required to file a completed claim form when applying for reimbursement of eligible expenses under CHIP. Failure to provide complete and accurate information on the claim form can unnecessarily delay claim processing.

A claim is a request for a benefit determination by a CHIP Plan Participant or a CHIP Plan Participant’s authorized representative that is made in accordance with CHIP’s procedures in effect prior to January 1, 2015. A claim must be received by WebTPA Employer Services, LLC (“WebTPA”) on behalf of CHIP so that the claim review and benefit determination process can begin. CHIP covers post-service claims only.

TIME LIMIT FOR FILING A CLAIM
Eligible claims Incurred prior to January 1, 2015 must be Filed with WebTPA no later than March 31, 2015. No benefit will be payable unless this requirement is met. Benefits are based upon the CHIP provisions at the time the charges were Incurred. Charges are considered Incurred when treatment or care is given or supplies are provided. Claims will be paid from available trust funds.

HOW TO FILE A CLAIM
The following summarizes CHIP’s claims filing process. Please read and follow the instructions on the claim form carefully before submitting a claim.

(A) Obtain a Catastrophic Major Medical Claim Form by calling WebTPA, at (800) 477-8957, or from the Benefits section of the APA Website at www.alliedpilots.org.

(B) Complete the claim form using the instructions that accompany the form.

(C) Submit an itemized statement of expenses that includes the following to WebTPA, P.O. Box 1987, Grapevine, TX 76099-1987, (800) 477-8957, FAX (469) 417-1979, www.webtpa.com.

   (1) Name of Plan Participant patient,

   (2) the date of service, a specific health condition or symptom or diagnostic code and a specific treatment,

   (3) service or supply (or procedure/revenue codes) for which a benefit or benefit determination is requested,

   (4) the amount of the charges,

   (5) the address (location) where services were received,

   (6) provider name, address, phone number and tax identification number,
(7) A copy of the Explanation of Benefits ("EOB") from the Company's medical plan or other group health coverage for eligible expenses reduced due to reaching lifetime maximum payment limits under the Company's medical plans or other group health coverage.

(D) The completed claim form and accompanying information must be FILED with WebTPA using the address on the claim form.

PLEASE RETAIN A COPY OF ALL SUBMITTED INFORMATION FOR YOUR RECORDS.

APPEAL PROCESS FOR DENIED CLAIMS UNDER CHIP

APA hopes disputes can be resolved if they arise so that CHIP Plan Participants will obtain the benefits to which they are entitled with as little inconvenience and delay as possible. To that end, CHIP provides an appeal procedure for denied CHIP claims, as well as addresses, telephone numbers and other references where additional information and assistance can be obtained.

The following describes the appeal process under CHIP:

(A) If the CHIP Plan Participant's claim is wholly or partially denied, the notice of denial must include specific reasons for such denial, reference to CHIP's terms and conditions on which the denial was based, a description of CHIP's appeal procedures, and the time limits applicable to such procedures. If the claim is denied because necessary information was not available to WebTPA, the notice will describe the additional material or information that is required in order for the CHIP Plan Participant to perfect a claim, will provide an explanation of why such material or information is necessary, and will state that such material or information must be provided within 180 days after the CHIP Plan Participant receives notice of the adverse benefit determination. The notice will also include a statement that the CHIP Plan Participant has the right to bring a civil action under Section 502(a) of ERISA to seek a judicial decision on the CHIP Plan Participant's right to the benefit but that no such lawsuit can be filed until the appeal rights provided in CHIP have been exercised and CHIP benefits requested in such appeal have been denied in whole or in part by the BRAB.

(B) If a Protocol was relied upon in making the adverse determination, the CHIP Plan Participant is entitled to a copy the Protocol, or to be told that the Protocol was relied upon in making the determination, and that the CHIP Plan Participant can receive a copy of the Protocol free of charge, upon written request to WebTPA.

(C) The CHIP Plan Participant can request that the BRAB review the denial of all or part of a claim by Filing an appeal. This appeal must be in writing and must be received by the BRAB no more than 180 days after the CHIP Plan Participant receives notice of the adverse benefit determination. Any appeal received by the BRAB after this 180-day period will be null and void. This appeal should be addressed to the BRAB, c/o Director of Benefits, Allied Pilots Association, 14600 Trinity Blvd., Suite 500, Fort Worth, TX 76155-2512.

(D) As part of the appeal process, the CHIP Plan Participant can submit Appeal Materials. The CHIP Plan Participant must be provided, upon request and free of charge, reasonable access to and copies of the Record. The BRAB's review of the appeal must take into account the Appeal Materials, regardless of whether any of the Appeal Materials was submitted or considered in the initial benefit determination; however, only Appeal Materials received by the BRAB prior to the end of the 180-day Filing period will be considered. There will be no exception to this rule.

(E) The BRAB will decide the CHIP Plan Participant's appeal based on the information submitted in accordance with paragraphs (B) and (C) above and the Record from WebTPA. No deference will be given to the initial adverse benefit determination, and the decision on the appeal will be made by the BRAB. The BRAB will not include any individual who made the initial adverse determination or a subordinate of that individual. The BRAB shall have discretion to interpret CHIP and to make all determinations on appeal.
(F) The BRAB will advise the CHIP Plan Participant of the results of its review of the appeal within 60 days after it receives the appeal and the timely filed Appeal Materials.

(G) If the period of time to process the request for review must be extended because of the CHIP Plan Participant's failure to submit information necessary for a full and fair decision on the appeal, the notice will also state the period for making the decision will be tolled from the date on which the notification of the extension is sent to the CHIP Plan Participant until the date on which the CHIP Plan Participant responds to the request for additional information, but not more than 90 days.

(H) When the review of the appeal is completed, the CHIP Plan Participant will receive a written decision that will include reference to CHIP terms and conditions on which the decision was based. If the CHIP Plan Participant's appeal has been denied, in whole or in part, the CHIP Plan Participant must be told the specific reason(s) for the denial and a reference to specific CHIP provisions on which the decision is based. The CHIP Plan Participant is entitled to receive, upon request and free of charge, reasonable access to, and copies of, the Record.

(I) If a Protocol was relied upon in making the adverse determination on appeal, the CHIP Plan Participant is entitled to a copy of the Protocol, or to be told that the Protocol was relied upon in making the determination and that the CHIP Plan Participant can receive a copy of the Protocol free of charge, upon request to the APA.

(J) After exhausting the CHIP’s administrative claims and appeals process as contained in this section, the CHIP Plan Participant may bring a civil action under Section 502(a) of ERISA for any benefit that is denied in whole or in part. No action at law or in equity shall be brought to recover benefits under CHIP prior to the exhaustion of all internal administrative remedies in accordance with the requirements of CHIP, nor shall any action be brought at all unless brought before the later of:

   (1) three years after the date a benefit claim is Filed, or

   (2) three years after the date on the letter stating CHIP's final decision on the CHIP Plan Participant's Beneficiary's benefit appeal.

(K) Nothing in this section shall preclude a CHIP Plan Participant’s authorized representative from acting on a behalf of such CHIP Plan Participant in pursuing a benefit claim or appeal to the BRAB of an adverse benefit determination. If the CHIP Plan Participant's authorized representative is not a lawyer, the CHIP Plan Participant will be required to provide written confirmation that the representative is authorized to act on the CHIP Plan Participant's behalf.