

**FIRST AMENDMENT
TO THE
US AIRWAYS, INC. HEALTH BENEFIT PLAN**

The US Airways, Inc. Health Benefit Plan (the "Plan"), established effective April 8, 1976, and amended and restated effective January 1, 2013, is hereby amended effective January 1, 2014 as follows:

1. Section 1.2 of the Plan shall be amended by changing the definition of "**Dependent**" by deleting the paragraph defining "spouse" in its entirety and replacing it with the following:

"For purposes of this definition of Dependent, the "spouse" of an Employee means the lawful wife of a male Employee, or the lawful husband of a female Employee, provided that such marriage has been licensed by a governmental authority. Effective September 16, 2013, a "Spouse" shall mean a person who is lawfully married to an Employee under the laws of any U.S. or foreign jurisdiction having the legal authority to sanction marriage. "Children" of an Employee, or his or her registered Domestic Partner, mean:..."

2. Section 1.2 of the Plan shall be amended by changing the definition of "**Employee**" by replacing the first paragraph with the following:

"An "**Employee**" effective January 1, 2014 means any active, full-time or part-time employee of the Employer, but excluding a pilot listed on the Pilots System Seniority List that is domiciled in Phoenix, Arizona. Prior to January 1, 2014, the term "Employee" had different meanings, as memorialized in prior amendments and restatements to the Plan."

3. Section 4.6 of the Plan shall be amended by changing this section as follows:

4.6 Subrogation and Reimbursement

Unless otherwise specified in an applicable insurance policy, this Section applies if another party is, or may be considered, liable for a Participant's injury, sickness, or other condition (including insurance carriers who are so financially liable).

- (a) If this Section applies, the Plan will not cover either the reasonable value of the services to treat such an injury, sickness or other condition or the treatment of such an injury, sickness, or other condition. These benefits are specifically excluded. The Plan may, however, advance moneys or provide care for such an injury, sickness or other condition, and, if so, in consideration for the advancement of benefits, the Plan is subrogated to all of the rights of the Participant against any third party liable for the Participant's injury, sickness, or other condition, or is or may be liable for the payment for the medical treatment of such injury, sickness or other condition (including any insurance carrier), in the amount of benefits advanced or provided by the Plan to the Participant. The Plan has the right to subrogate 100% of the benefits paid or to be paid on the Participant's behalf. The Plan may assert this right of subrogation independently

of the Participant. This right includes, but is not limited to, the Participant's rights under uninsured and underinsured motorist coverage, any no-fault insurance, medical payment coverage (auto, homeowners or otherwise), workers' compensation coverage, or other insurance, as well as the Participant's rights under the Plan to bring an action to clarify his or her rights under the Plan. The Plan is not obligated in any way to pursue this right independently or on behalf of the Participant, but may choose to pursue its rights to reimbursement under the Plan, at its sole discretion. If such moneys are advanced, as described in this Section, the Participant shall be considered the constructive trustee over these funds, and failure to hold such funds in trust will be deemed a breach of the Participant's fiduciary duty to the Plan. The Plan's right to reimbursement applies when the Plan pays benefits, and a judgment, payment, or settlement is made on behalf of the Participant for whom the benefits were paid. Reimbursement to the Plan of 100% of these charges shall be made at the time any such payment is received by a Participant or his or her representative or any other entity. The Plan's right to reimbursement or subrogation is based on the terms of the Plan in effect at the time of the judgment, payment or settlement.

- (b) The Plan has a first priority right to receive payment on any claim against a third party before Participant receives payment from that third party. The Plan has the right to 100% reimbursement in a lump sum and has the right to recover interest on the amount paid by the Plan because of the actions of a third party. Further, the Plan's first priority right to payment is superior to any and all claims, debts or liens asserted by any medical providers, including but not limited to hospitals or emergency treatment facilities, that assert a right to payment from funds payable from or recovered from an allegedly responsible third party and/or insurance carrier. The Plan's subrogation and reimbursement rights apply to full and partial settlements, judgments, or other recoveries paid or payable to the Participant, or his/her representative or estate, no matter how those proceeds are captioned or characterized. This applies regardless of whether a Participant has been fully compensated for injuries or made whole. Payments from which the Plan may collect include, but are not limited to, economic, non-economic, and punitive damages. No "collateral source" rule, any "Made-Whole Doctrine" or "Make-Whole Doctrine," claim of unjust enrichment, nor any other equitable doctrine or state law shall limit or defeat the Plan's subrogation and reimbursement rights. The Plan is not required to help a Participant pursue his/her claim for damages or personal injuries and the Plan is not responsible for Participant's attorney's fees, expenses and costs. The Plan's first priority right shall not be reduced due to Participant's negligence.
- (c) The Participant is obligated to cooperate with the Plan and its agents to protect the Plan's subrogation and reimbursement rights. Cooperation means providing the Plan or its agents with any relevant information requested by them, signing and delivering such documents as the Plan or its agents reasonably request to secure the Plan's subrogation claim, and obtaining the consent of the Plan or its agents

before releasing any party from liability for payment of medical expenses. A Participant's failure to cooperate with the Plan is considered a breach of contract. As such, the Plan has the right to terminate Participant's benefits, deny future benefits, take legal action against Participant, and/or set off from any future benefits the value of benefits the Plan has paid relating to any sickness or injury alleged to have been caused or caused by any third party to the extent not recovered by the Plan due to the failure of Participant or his/her representative's to cooperate with the Plan. If the Plan incurs attorneys' fees and costs in order to collect third party settlement funds held by Participant or his/her representative, the Plan has the right to recover those fees and costs from Participant. Participant will also be required to pay interest on any amounts Participant holds which should have been returned to the Plan.


- (d) If the Participant enters into litigation or settlement negotiations regarding the obligations of other parties, the Participant must not prejudice, in any way, the subrogation or reimbursement rights of the Plan under this Section. If the Participant fails to cooperate as provided herein, including executing any documents required herein, the Plan may, in addition to remedies provided elsewhere in the Plan and/or under the law, set off from any future benefits otherwise payable under the Plan the amount of benefits advanced under this Section to the extent not recovered by the Plan.
- (e) The costs of legal representation of the Plan in matters related to subrogation or reimbursement shall be borne solely by the Plan. The costs of legal representation of the Participant shall be borne solely by the Participant. The Plan is not subject to any state laws or equitable doctrines, including but not limited to the so-called "Fund Doctrine" or "Common Fund Doctrine" or "Attorney's Fund Doctrine," which would purport to require the Plan to reduce its recovery by any portion of a Participant's attorney's fees and costs.
- (f) The Plan has the right to file suit on behalf of a Participant for the condition related to the medical expenses in order to recover benefits paid or to be paid by the Plan.

4. In all other respects, the Plan is hereby ratified and affirmed.

* * * * *

IN WITNESS WHEREOF, the Company has caused this First Amendment to be executed this ____ day of December, 2013.

US AIRWAYS, INC.

By: 

Elise Eberwein
Executive Vice President
People and Communications