

US AIRWAYS, INC. GROUP LIFE AND DISABILITY PLAN

Effective January 1, 2013

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INTRODUCTION

Effective December 24, 1981, America West Airlines, Inc. (“AWA”) established Plan 501, the “America West Airlines, Inc. Group Life and Medical Insurance Plan.”

Effective August 15, 1983, US Airways, Inc. established Plan 511, the “US Airways, Inc. Life Insurance Plan.”

Effective January 1, 1992, US Airways, Inc. restated Plan 511, the “US Airways, Inc. Life Insurance Plan.”

Effective January 1, 1998, sponsorship of Plan 501 was transferred from AWA to America West Holdings Corporation (hereinafter “America West”) and Plan 501 was renamed the “America West Holdings Corporation Group Life and Medical Insurance Plan.”

Effective January 1, 2003, the benefit programs offered under Plan 501 were realigned and the name of the plan was changed. As of such date, Plan 501 was renamed the “America West Holdings Corporation Group Life and Disability Plan” with such plan providing life, accidental death and dismemberment and disability benefits.

Effective January 1, 2004, America West amended and restated Plan 501, the “America West Holdings Corporation Group Life and Disability Plan.”

Effective January 1, 2011, sponsorship of Plan 501 transferred from America West to US Airways, Inc. As of such date, Plan 501 became Plan 516 and was renamed the “US Airways, Inc. Group Life and Disability Plan for Pilots and Flight Attendants Domiciled in Phoenix, Arizona.”

Effective as of January 1, 2013, Plan 516, the “US Airways, Inc. Group Life and Disability Plan for Pilots and Flight Attendants Domiciled in Phoenix, Arizona” is combined with Plan 511, the “US Airways, Inc. Life Insurance Plan.” The combined plan is renamed the “US Airways, Inc. Group Life and Disability Plan,” which shall remain Plan 516. US Airways, Inc. hereby establishes the “US Airways, Inc. Group Life and Disability Plan” (hereinafter, the “Plan”) in the form of this document.

ARTICLE ONE DEFINITIONS

1.1 Definitions. When a word or phrase appears in the Plan with the initial letter capitalized, and the word or phrase does not begin a sentence, the word or phrase shall generally be a term defined in this Article One or in the Introduction. The following words and phrases used in the Plan with the initial letter capitalized shall have the meanings set forth below, unless a clearly different meaning is required by the context in which the word or phrase is used or the word or phrase is defined for a limited purpose elsewhere in the Plan document.

The following terms, when used in this Plan, shall have the following meanings:

(a) **“Affiliate”** means any member of a “controlled group of corporations” (within the meaning of Section 414(b) of the Code as modified by Section 415(h) of the Code) that includes US Airways, Inc. as a member of the group; any member of an “affiliated service group” (within the meaning of Section 414(m)(2) of the Code) that includes US Airways, Inc. as a member of the group; any member of a group of trades or businesses under common control (within the meaning of Section 414(c) of the Code as modified by Section 415(h) of the Code) that includes US Airways, Inc. as a member of the group; and any other entity required to be aggregated with US Airways, Inc. pursuant to regulations issued by the United States Treasury Department pursuant to Section 414(o) of the Code.

(b) **“Benefit Programs”** means the short-term disability, long-term disability, and life and accidental death and dismemberment benefit programs offered by the Company to its Eligible Employees. The terms of each Benefit Program are as set forth in the Summary Plan Descriptions and the Policies. The Summary Plan Descriptions and the Policies shall form a part of this Plan in the same manner as if all the terms and provisions thereof were included herein. In the event of a conflict between this document and a Summary Plan Description, this document shall control. In the event of a conflict between this document and a Policy, the Policy shall control.

(c) **“Benefits Department”** means the organizational unit of US Airways, Inc. or an Affiliate of US Airways, Inc. with the responsibility of administering Benefit Programs.

(d) **“Board”** means the Board of Directors of US Airways, Inc.

(e) **“Code”** means the Internal Revenue Code of 1986, as amended.

(f) **“Company”** means US Airways, Inc. or any Affiliate of US Airways, Inc. that is authorized by the Board to adopt the Plan and which has adopted the Plan pursuant to Article Seven.

(g) **“Effective Date”** means January 1, 2013.

(h) **“Eligible Employee”** means any employee of the Company who is designated as eligible to participate under a Summary Plan Description or a Policy. An Eligible Employee shall not include any individual who: is a temporary, on-call or seasonal employee; is not classified by the Company, in its discretion, as an employee under Section 3121(d) of the Code (including, but not limited to, an individual classified by the Company as an independent contractor and/or a non—employee consultant); or is classified by the Company, in its discretion, as an employee of an entity other than the Company, even if the classification by the Company is determined to be erroneous, or is retroactively revised. In the event the classification of an individual who is excluded from the definition of Eligible Employee under the preceding sentence is determined to be erroneous or is retroactively revised, the individual shall nonetheless continue to be excluded from the definition of Eligible Employee and shall be ineligible for benefits for all periods prior to the date the Company determines its classification of the individual is erroneous or should be revised.

(i) **“ERISA”** means the Employee Retirement Income Security Act of 1974, as amended.

(j) **“Group Policy”** means any group insurance policy or policies, including amendments or modifications thereto, from time to time issued to the Company for the purpose of providing benefits under the Plan.

(k) **“Insurer”** means any insurance company with which the Company has contracted for group short-term disability, long-term disability, or life and accidental death and dismemberment coverage.

(l) **“Participant”** means any Eligible Employee who has satisfied the eligibility requirements for participation in the Plan.

(m) **“Plan”** means the US Airways, Inc. Group Life and Disability Plan.

(n) **“Plan Administrator”** means US Airways, Inc. The Plan Administrator is the “Named Fiduciary” for purposes of ERISA.

(o) **“Plan Year”** means a twelve (12) month period commencing on each January 1 and ending on each following December 31.

(p) **“Policy”** means a group insurance policy or policies issued to the Company by an Insurer.

(q) **“Summary Plan Descriptions”** mean the following US Airways, Inc. Summary Plan Descriptions, as the same may be amended or updated from time to time:

- US Airways, Inc. All Pre-Merger America West Flight Attendants and All Non-Contract Employees, excluding Director Level and Above, Short Term and Long Term Disability Coverage
- US Airways, Inc. All Non-Contract Employees, Director Level and Above, Short Term and Long Term Disability Coverage
- US Airways, Inc. All Pre-Merger America West Pilots and Supervisory Pilots Short Term and Long Term Disability Coverage
- US Airways, Inc. All Employees Under Combined Collective Bargaining Agreements, excluding Pilots and Flight Attendants, Long Term Disability Coverage
- US Airways, Inc. All Employees under Combined Collective Bargaining Agreements excluding Pilots, Flight Attendants and Non-Contract Employees, Life and Accidental Death and Dismemberment Coverage
- US Airways, Inc. Pre-Merger US Airways Flight Attendants Life and Accidental Death and Dismemberment Coverage
- US Airways, Inc. Pre-Merger US Airways Pilots Life and Accidental Death and Dismemberment Coverage
- US Airways, Inc. PHX-Based Pilots and Flight Attendants Life and

Accidental Death and Dismemberment Coverage

- US Airways, Inc. Non-Contract Employees Life and Accidental Death and Dismemberment Coverage
- US Airways, Inc. CRAF Pilots and Flight Attendants Accidental Death Coverage
- US Airways, Inc. Most Retired Employees Life Coverage
- US Airways, Inc. Retired Early-out and Former Piedmont Pilots Life Coverage
- US Airways, Inc. Shuttle/Closed Group Retirees Life Coverage

1.2 Construction. The masculine gender, when appearing in the Plan, shall include the feminine gender (and vice versa), and the singular shall include the plural, unless the contract clearly states to the contrary. Headings and subheadings are for the purpose of reference only and are not to be considered in the construction of this Plan. If any provision of this Plan is determined to be for any reason invalid or unenforceable, the remaining provisions shall continue in full force and effect. All of the provisions of this Plan shall be construed and enforced according to the laws of the State of Arizona and shall be administered according to the laws of such state, except as otherwise required by ERISA, the Code, or other Federal law.

ARTICLE TWO **CONTRIBUTIONS AND FUNDING**

2.1 Source of Contributions. The Company may require a Participant to pay a portion of the cost of any Benefit Program. Amounts payable by Participants may differ, depending on the type of coverage provided or other factors. Any remaining costs shall be borne by the Company. The Company will determine and periodically communicate Participants' share of the cost of each Benefit Program. Subject to the requirements of any applicable collective bargaining agreement, the Company may change the costs and/or cost-sharing arrangement of any Benefit Program at any time.

2.2 Funding. Benefits provided under the Plan shall be either insured or unfunded, in whole or in part, as determined by the Company. To the extent any benefits are unfunded, such benefits shall be paid by the Company solely from its general assets. The Company shall maintain no separate fund for the payment of any benefits. In the event any benefit is to be provided, in whole or in part, by the purchase of insurance from one or more insurance companies, the Company shall remit to such insurance company or companies as premium payments its contributions and any Participant contributions in respect of such benefits, as appropriate.

Notwithstanding any other provision of the Plan, neither the Company nor the Plan shall have any liability to provide any benefit that is to be provided through any insurance contract in the event that such benefit is not paid or otherwise provided by the issuer of such contract.

ARTICLE THREE
ELIGIBILITY AND BENEFITS

3.1 Eligibility and Benefits. Eligibility requirements for participation in the Plan and benefits under the Plan shall be as set forth in the Summary Plan Descriptions and the Policies. The persons entitled to benefits under the Plan are the Eligible Employees and their dependents as described in the Summary Plan Descriptions and the Policies. The benefits provided under the Plan are those stated in the Summary Plan Descriptions and the Policies in accordance with their conditions, provisions, and terms.

3.2 Benefits Under the Group Policy. The Plan shall provide certain benefits for Eligible Employees of the Company and their dependents and designated beneficiaries, where applicable, as set forth in the Group Policy, any applicable collective bargaining agreement and as set forth in any description, summary, or schedule of benefits of the Plan, as any such description, summary, or schedule of benefits is modified from time to time, subject in each case to any restrictions, conditions, and limitations set forth therein. The Group Policy and any such description, summary, or schedule of benefits, is hereby incorporated by reference into the Plan and made a part of the Plan. Not by way of limitation of the foregoing, the Group Policy and such descriptions, summaries, and schedules of benefits, set forth the conditions for participation in the Plan, the particular benefits available to a Participant under the Plan, and the duration of participation with respect thereto.

ARTICLE FOUR
PLAN ADMINISTRATION

4.1 Plan Administration. The Plan Administrator and the Insurer(s) shall have the power and discretion to perform their respective administrative duties described in this Plan necessary or appropriate to enable them to properly carry out such duties. Without limiting the generality of the foregoing, the Plan Administrator and/or the Insurer(s), in performing their respective administrative duties, shall have the discretionary authority to determine all eligibility for benefits and resolve all questions pertaining to the administration, interpretation and application of Plan provisions, either by rules of general applicability or by particular decisions. The decisions of the Plan Administrator and the Insurer(s) upon all matters within the scope of their respective authority shall be binding and conclusive upon all persons. The Plan Administrator may delegate some (or all) of its authority hereunder to the Benefits Department. The Plan Administrator also may engage agents and obtain other assistance from the Company, including Company counsel. The Plan Administrator shall not be responsible for any action taken or not taken on the advice of legal counsel. The Plan Administrator is given specific authority to allocate and revoke responsibilities among its members or designees. When the Plan Administrator has allocated authority pursuant to the foregoing, the Plan Administrator shall not be liable for the acts or omissions of the party to whom such responsibility has been allocated, except to the extent provided by law.

4.2 Actions of the Company. Any act authorized, permitted, or required to be taken under the Plan by the Company and which has not been delegated in accordance with Section 4.1 of the Plan, may be taken by the appropriate officer of the Human Resources Department of the Company.

4.3 Indemnification. In addition to whatever rights of indemnification any employee

of the Company who is acting within the scope of his employment and who is acting on behalf of the Company pursuant to any power, authority, or responsibility of the Company under Section 4.1 or 4.2 of the Plan may be entitled under the articles of incorporation of the Company, under any provisions of law, or under any other agreement, the Company shall satisfy any liability actually and reasonably incurred by any such person, including expenses, attorneys' fees, judgments, fines, and amounts paid in settlement (other than amounts paid in settlement not approved by the Company), in connection with any threatened, pending or completed action, suit or proceeding which is related to the exercising or failure to exercise by such person of any of the powers, authority, responsibilities, or discretion of the Company under the Plan, or reasonably believed by such person to be exercised in connection therewith, unless the same is judicially determined to be the result of such person's gross negligence or willful misconduct.

ARTICLE FIVE **CLAIMS, APPEALS, AND LEGAL ACTION**

5.1 Claims and Appeals. This Plan shall comply with the claims procedure requirements of Section 503 of ERISA. The procedures governing the filing of claims, notification of benefit determinations, appeals of adverse benefit determinations, and the applicable timeframes for each Benefit Program (collectively referred to as the "Claims Procedures"), are described in the Summary Plan Descriptions and the Policies.

5.2 Legal Action. To the extent permitted by law, completion of the Claims Procedures shall be a mandatory precondition that must be complied with prior to commencement of a legal or equitable action in connection with the Plan by a person claiming rights under the Plan or by another person claiming rights through such a person. The Plan Administrator may, in its sole discretion, waive these procedures as a mandatory precondition to such an action.

Any legal or equitable action filed in connection with the Plan by a person claiming rights under the Plan or by another person claiming rights through such a person must be commenced not later than the earlier of: (1) the shortest applicable statute of limitations provided by law; or (2) two (2) years from the date the written copy of the decision on review is delivered to the claimant.

ARTICLE SIX **AMENDMENT AND TERMINATION**

6.1 General. The Board reserves the right to amend or terminate this Plan at any time, including, but not limited to the right to make any amendments the Company deems necessary or desirable, with or without retroactive effect, to comply with the requirements of law. The Board delegates to the Benefits Department the right to amend (but not terminate) this Plan, and all documents that form a part of this Plan, at any time and from time to time, provided that such amendment does not significantly increase Company costs, unless such cost increase is approved by resolution of the Board. Any amendments by the Board shall be in writing and shall be adopted by formal action of the Board and executed by an officer authorized to act on the behalf of the Company. Any amendments by the Benefits Department shall be in writing and executed by an appropriate officer of the Company.

ARTICLE SEVEN
ADOPTION BY AFFILIATES

7.1 General. An Affiliate may adopt the Plan only with the approval of the Board. By adopting the Plan, the Affiliate shall be deemed to have agreed to: (a) assume the obligations and liabilities imposed upon it by the Plan; (b) comply with all of the other terms and provisions of the Plan; (c) delegate to the Benefits Department the power and responsibility to administer the Plan with respect to the Affiliate's employees; and (d) delegate to US Airways, Inc. the full power to amend or terminate the Plan with respect to the Affiliate's employees.

ARTICLE EIGHT
MISCELLANEOUS

8.1 No Employment Contract. Notwithstanding anything to the contrary contained in the Plan, by the execution of the Plan, the Company does not intend to change the employment-at-will relationship with any of its employees. Instead, subject to the requirements of any applicable collective bargaining agreement, the Company retains its absolute right to terminate any employee at any time.

8.2 Benefit Overpayments. If, due to a mistake or any other reason, an Eligible Employee or former Eligible Employee or other person claiming through an Eligible Employee or former Eligible Employee receives benefits in excess of what the Plan provides, then such person shall repay the overpayment to the Plan in a lump sum within 30 days after receiving notice of the amount of such overpayment. If such person fails to do so, then notwithstanding any provision herein to the contrary and without limiting any other remedies available to the Plan, the amount of such overpayment may be deducted from any other benefits which become payable thereafter to or in respect of such person under the Plan.

8.3 Claims. The provisions of the Plan in no event shall be construed as giving any Eligible Employee or any other person, firm, or corporation, any legal or equitable right as against the Company, its officers, employees, or trustees, except such rights as are provided in accordance with the terms and provisions of the Plan.


8.4 No Precedent. Except as otherwise specifically provided, no action taken in accordance with the provisions of the Plan by the Plan Administrator or Company shall be construed or relied upon as a precedent for similar action under similar circumstances.

8.5 Governing Law. Except as may be governed under ERISA or other federal law, the provisions of the Plan shall be governed by and construed in accordance with the laws of the Commonwealth of Virginia. The invalidity or illegality of any provision of the Plan shall not affect the validity or legality of any other part hereof. The rights of eligible persons under the Plan are legally enforceable.

8.6 ERISA Plan. It is intended that this Plan meet all applicable requirements of the Code and ERISA, and of all regulations issued thereunder. This Plan shall be construed, operated and administered accordingly, and in the event of any conflict between any part, clause or provision of this Plan and the Code and/or ERISA, the provisions of the Code and ERISA shall be deemed controlling, and any conflicting part, clause or provision of this Plan shall be deemed superseded to the extent of the conflict.

EXECUTED at Tempe, Arizona this 21st day of December, 2012.

US AIRWAYS, INC.

By: 
Ryan Price
Vice President, Human Resources