



Emirates Pilots
Loss of Income Protection

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Neither Emirates Airline (including any department of Emirates Airline) nor any officer of Emirates acting in his capacity as such officer has any connection with or responsibility for Loss of Income Protection Scheme (LIPS) or for any company involved in LIPS or for any representation of fact or suggestion as to future fact or future results, contained in or referred to in any document of any nature whatsoever prepared by or on behalf of LIPS or any company involved in LIPS.

1. PURPOSE OF THE PLAN

1.1 The purposes of the Plan are to protect Emirates pilots from financial hardship in the event of permanent loss of Class I Medical Certificate and termination as a pilot by Emirates Airlines for medical reasons, and to provide savings benefits for Members and their Dependents and/or Relations, which is an optional benefit.

1.2 Loss of Income Protection Scheme (LIPS) referred to herein as LIPS or the Plan, is established to benefit its members by providing, insofar as the funds held under the Plan allow, for the payment of medical disability benefits after Emirates Loss of License Insurance benefits have been paid.

1.2.1 Emirates Loss of License Insurance benefits are made in a 'lump-sum' payout, normally within 30-90 days of the pilot's GCAA Class I Medical Certificate being permanently revoked, irrespective of the same pilot being offered another position within the company. Once the pilot has received the Emirates Loss of License Insurance lump-sum payout following the permanent revocation of his/her GCAA Class I Medical Certificate, he/she is eligible to receive benefits from LIPS, in accordance with the LIPS Rules.

1.3 As of May 1, 2015 LIPS began its transition to the Aircrew Protection International Trust. Members will be required to apply to the Trust at a date specified by The Directors. Members remain under the rules of LIPS until their application is approved by the Aircrew Protection International Trustee. In preparation to Members making contributions directly to the Trust, approximately AED 17M has been transferred from LIPS to the API Trust.

2. ELIGIBILITY AND MEMBERSHIP

2.1 Any pilot in the full-time employ of Emirates is eligible to become a member of LIPS, subject to that pilot holding a valid Class I Medical Certificate issued by the General Civil Aviation Authority (GCAA) of the United Arab Emirates (UAE) on the day of registration.

2.2 Application for membership of, and participation in, the Plan shall be on the application form prescribed by The Directors. Approval of the application and acceptance into the Plan shall be at the discretion of the Directors.

2.3 Every member shall acknowledge, on joining the Plan, that their contributions to the Plan shall be held in Managed Funds constituted of all the contributions made by all the members together with any investment returns made thereon less all expenses incurred.

2.4 In accordance with Section 1.3, when a Member's application is approved by the Aircrew Protection International Trustee he / she ceases to be a member of LIPS.

3. CONTRIBUTIONS TO THE PLAN

3.1 Each member shall contribute to the Plan the amount as determined by The Directors.

3.2 Each member shall pay his/her monthly/annual contribution to the Plan, unless otherwise informed in writing by the Directors.

3.3 Contributions under Rule 3.1 may be payable at monthly or annual intervals.

3.4 Following a member's payment not being received in the month when due, the member will have an additional thirty (30) day's grace period to make a payment. During the grace period the member will be notified via company email, registered mail or telephone that the member's coverage is due to expire. At the conclusion of this grace period, if payment has not been received, coverage will be terminated. Should a member desire reinstatement, see Section 4.

3.5 Contributions are made by online transfer to an account in the name in LIPS Holdings, LTD. Held at the Abu Dhabi Islamic Bank. In accordance with Section 1.3, at a date specified by The Directors, The Directors shall begin the process of transferring member contributions from the LIPS Holdings, LTD. account to the Aircrew Protection International Trust account. At that time, Members will be instructed to make their contribution payments directly to the Aircrew Protection International Trust.

3.6 Contributions shall terminate in accordance with Section 12.

4. MEMBERSHIP REINSTATEMENT

4.1 Any person who has voluntarily terminated his/her membership or had membership terminated due failure to pay his/her contribution may apply to the Directors to be reinstated as a member.

4.2 The Directors are not obliged to reinstate such a person as a member.

4.3 The Directors shall not be required to give any reasons should they refuse to reinstate a former member.

4.4 Should the Directors reinstate a pilot to full membership, the pilot will join as a new member except as provided in section 4.5 below.

4.4.1 If prior membership was terminated due failure to pay his/her contribution that unpaid amount shall be collected before membership/reinstatement is approved.

4.4.2 The reinstated membership Leaving Service Benefit as described in Section 7.1 shall only be payable from the new date of joining / reinstatement and shall not be retroactively applied to the original joining date.

4.4.3 As a reinstated member, the pre-existing condition definition shall be as follows:

4.4.3.1 an illness, injury or condition for which the member was diagnosed or treated, or received diagnostic or treatment services or was prescribed medication by a physician for a diagnosis or treatment for a specific medical condition if the condition presented itself or made itself known or came to be known following the member's date of joining as a pilot with Emirates Airline AND re-occurs within the first thirty-six (36) months immediately following the first day of the member's REINSTATED coverage with LIPS.

4.5 When membership had previously lapsed solely due to the member reaching the age of sixty (60) the following reinstatement conditions will apply:

4.5.1 Except as provided in Section 4.5.2, past years of membership will be credited to the member for the purposes of Leaving Service Benefits payments.

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4.5.2 If the member received a Leaving Service Benefit when his past membership had been terminated at age 60, this payment will be deducted from any future benefit entitlements including subsequent Leaving Service Benefits.

4.5.3 The returning member will have to register on the website at www.aircrewprotection.org and verify his / her GCAA Class I Medical Certificate is valid.

4.5.3.1 In the event the GCAA Class 1 Medical Certificate is not valid the member will be denied reinstatement until the certificate is re-validated by the GCAA.

4.5.3.2 In the event the GCAA Class 1 Medical Certificate was suspended after the member's sixtieth (60th) birthday and prior to reinstatement to LIPS, the medical condition that caused the suspension qualifies is an LIPS pre-existing condition and will remain a pre-existing condition until the member turns sixty-five (65). No benefit will be paid if the same medical condition causes termination from Emirates for medical reasons.

4.5.3.3 Any mis-representation as to the member's GCAA Class I Medical Certificate validity will be cause for termination from the Plan with no refund of contributions or Leave Service Benefit.

4.5.3.4 If a member's GCAA Class I Medical Certificate is suspended after re-instatement to LIPS the member shall be required to immediately present his / her EK Medical Records to Harvey Watt & Co. for review.

5. NOTIFICATIONS AND RESPONSIBILITIES

5.1 Members (or beneficiaries) shall notify LIPS within thirty (30) days following written or verbal notification by the GCAA or Emirates Medical Services that pilot services are suspended for medical reasons, or following the death or total incapacitation of the member. Members shall also notify LIPS immediately of their resignation from LIPS or Emirates Airlines or termination by Emirates Airlines.

5.2 The Directors, or the medical advisory service contracted by the Directors, may require the member or beneficiary to submit, at a time of the Directors' choosing and at the member's own cost, to a medical check-up, medical specialist, aviation medical examination or psychological assessment of the Directors' choice as advised by the medical advisory service. The original medical reports will be supplied to the Directors' medical advisory service directly from the examiner. Every attempt shall be made to not cause undue harm or financial strain to the member and every effort shall be made by the Directors to ensure the examiner is located locally to the member. Refusal to submit to the above shall be grounds for immediate termination from the Plan, with the member or beneficiary forfeiting, in their entirety, any contributions, future financial payments or legal claims against the plan.

5.3 Any member or nominated beneficiary shall submit written notification to the Directors. This notification shall include the following documentation:

5.3.1 Notice that the pilot's license is suspended for medical reasons by the GCAA;

5.3.2 Medical evidence of permanent disability as determined by the GCAA;

5.3.3 Termination of pilot services by Emirates Airlines for medical reasons;

5.3.4 Benefits he/she received under the Emirates Loss of License Insurance;

5.3.5 Proof of death (when death benefit is claimed).

5.4 Any benefits claim filed more than thirty (30) days following notification may have benefits delayed, though such delayed payments shall be made in full once the claim is accepted by the Directors. Any benefits claim filed more than one (1) year following termination of pilot services for medical reasons by Emirates Airline will not be accepted, unless member can demonstrate total medical incapacitation that would have made notification impossible.

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5.5 The Directors may request a member claiming benefits under the Plan to submit further information or documentation as they require in order to determine whether benefits should be paid.

5.6 The Directors shall be under no obligation to issue any Notice of Entitlement unless a member has submitted all the evidence and documentation required by the Directors to its satisfaction to enable it to determine that a benefit is payable under the Plan.

5.7 No payments shall be made by the Directors to any member or member's nominated beneficiary or dependent of a member or beneficiary unless the Directors has issued a Notice of Entitlement.

5.8 Members and claimants shall remain liable to pay their monthly contributions (unless medically incapacitated), even following termination as an Emirates pilot, until commencement of benefits under the Plan.

5.9 Benefits payable under the Plan to members cannot exceed the value of the assets held in the Plan at any time.

5.10 If the balance of the funds becomes insufficient to pay the claimants as per Section 6, then the income of the fund shall be distributed to the claimants to the maximum extent possible on a pro-rata basis as determined by the Directors.

5.11 Under certain unlikely conditions, (for example a sudden, massive increase in the number of claims due the same tragedy ie. a large group of pilots travelling together) the Plan allows for monthly payments to claimants to be reduced, at the discretion of the Directors. This would only be towards ensuring viability of the Plan. In the unlikely event this facility of the Rules is required, members and claimants will be provided with three months' written notice.

5.12 The Directors shall notify the LIPS membership that, on the date specified by the Directors (Date of Notification), members may begin applying to the Aircrew Protection International Trust (API Trust). Any member who has applied to the API Trust and is awaiting notification of acceptance into the Trust is fully covered under the LIPS Plan.

5.13 The Directors shall notify the LIPS membership that, on a date not less than ninety (90) days from the Date of Notification (Last Date of Application) any member who has not applied to the API Trust will be ineligible to make further contributions to the LIPS Plan in accordance with Section 3.6 or receive Disability Benefits in accordance with Section 6 or Leave Service

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Benefits in accordance with Section 7 or avail of the Death Benefit or Legal Cover as described in the Schedule at the end of this document. Such members will be placed under Section 12.1.7.

5.13.1 Notification in terms of Section 5.12 and 5.13 will be effected by:

(a) Company email with return receipt requested and

(b) The Medical Newsletter delivered to the member's company PO Box number at Emirates Group Headquarters.

5.14 With reference to Section 5.12 and 5.13 'applying to the API Trust' is defined as the member having delivered, in person or by registered mail, the signed Application to the API Trust document with all substantiating documentation to the address delineated in the application form.

5.14.1 Rule 2.4 of the Aircrew Protection International Trust states: "every member's account shall be paid in full with no outstanding payments on the date that the Application is applied to the Trust. A member is not eligible to apply to the Trust if he / she maintains an outstanding balance of contributions from the Loss of Income Protection Scheme (LIPS)." Therefore, any member of the LIPS Plan who maintains an outstanding balance shall be so notified and his / her application, in accordance with Section 5.14, disallowed, notwithstanding that the member has complied with Section 5.12 or 5.13 or 5.14, until such outstanding balance is paid in full. Upon payment in full of the outstanding balance, the member shall be notified that he / she has completed the application process.

6. DISABILITY BENEFITS

6.1 Following a determination of disability, the Directors shall issue a Notice of Entitlement to the member with the following benefits:

6.1.1 AED 25,000 per month. The payment eligibility date is the date the member receives his Emirates Loss of License lump-sum payout OR the date the member is terminated as an Emirates pilot, whichever occurs last, and is payable until the member reaches his/her sixty-fifth (65th) birthday (except as excluded in Section 10 of this document).

AND

6.1.2 This amount shall be increased on the first day of the first calendar month following the first anniversary of the first payment of the benefit by 3% and annually thereafter by 3% per annum to a maximum of AED 35,000 per month.

6.2. Actual receipt of payments by the member may vary based on member's bank regulations or wire transfer delays. These delays are normal and are outside the control of LIPS.

6.3 Nothing in this section shall prevent the Directors from delaying payment until the necessary due diligence is complete as required by the Directors and / or the medical advisory service contracted by the Directors.

7. LEAVING SERVICE BENEFITS

7.1 If a member resigns as a pilot or is terminated as a pilot by Emirates or retires upon reaching his/her sixty-fifth (65th) birthday the Directors shall issue a Notice of Entitlement to pay to the Member a Leaving Service Benefit (LSB) as follows (all dates to coincide with the last day of the month of the last month of the inclusive period):

7.1.1 during the first 10 years of membership, 10% of the member's Contribution Account;

7.1.2 from 10 years to 20 years of membership, 15% of the member's Contribution Account;

7.1.3 from 20 years to 30 years of membership, 20% of the member's Contribution Account; and

7.1.4 from 30 years to age 65, 30% of the member's Contribution Account.

7.2 The Directors may, from time to time, review the level of LSB and may, upon receipt of actuarial advice, increase or decrease the LSB. Members will be notified of these changes in the 'NEWS' link on the official website at www.aircrewprotection.org.

7.3 During the calculation of the LSB, if it is determined that a past payment delinquency occurred the amount of the delinquent payment(s) will be subtracted from the LSB payment.

7.4 LSB shall not be paid if no LSB claim has been made prior to the member's last day of service with Emirates.

8. CONTRIBUTIONS TO THE INVESTMENT PLAN

8.1 A Member may contribute Additional Voluntary Contributions into the Investment Plan of such amounts and regularity as shall be agreed with the Directors (including such lump sums as and when the Member may determine, if any). The contributions shall be unconditional.

8.2 A Member is entitled to be a member of the Plan notwithstanding that he makes no contribution to the Investment Plan.

9. BENEFIT CLAIMS – INVESTMENT PLAN

9.1 At any time a Member may elect to commute the value of his funds held in the Investment Plan for an immediate cash lump sum payment.

9.2 If, in the opinion of the Directors the Member becomes incapacitated then, subject to any requirements in relation to Exemption, the Directors may commute the value of the Member's funds held in the Investment Plan for an immediate cash lump sum payment.

9.2.1 The amount of such cash lump sum referred to in 9.1 and 9.2 above shall be determined by the Directors by reference to the value of the Member's funds held within the Investment Plan.

9.3 A Member may continue to be a Member of the Scheme even if his funds in the Investment Plan have been paid to him, provided that the membership fees for the protection plan continue to be paid.

10. DEATH PAYOUT – INVESTMENT PLAN

10.1 Once the Directors have received proof of a Member's death, the Directors shall apply the Member's funds held in the Investment Plan at the date of death to provide an immediate cash lump sum (being the value of the funds less liabilities and taxes, if any).

10.2 The Directors shall have the power after the Member's death to pay such benefit from the Investment Plan to the personal representative of the Member and/or to pay or apply such benefit to or for the benefit of any one or more of the Member's Dependants and Relations living (or en ventre sa mere at the Member's death and/or such persons or bodies as the Member nominates as possible recipients of any benefit payable from the Investment Plan on the Member's death) in such shares and in such manner as the Directors shall decide. The Directors may have regard to but shall not be bound by any wishes or nomination notified to the Directors by the Member.

10.3 If within two years the Directors shall not have applied the funds or only applied some of them, the Directors shall pay the whole of the balance (as the case may be) of such benefit to the personal representative of the Member, except that if the residuary estate of the Member shall belong to the Crown as bona vacantia the said benefit or such balance thereof shall not be payable but shall fall into and form part of the assets of the Plan for all the purposes of the Plan.

11. VALIDITY AND CHANGES OF RULES

11.1 The Rules of the Plan are posted on the LIPS official website at www.aircrewprotection.org.

11.2 The current version of the Rules posted on the website is the valid, controlling version.

11.3 The current version of the Rules (section 11.2 above) on the date a benefits claim is filed shall be the controlling version for the claim. It is the responsibility of LIPS to furnish the current, controlling version of the Rules to the member when the benefit claim is filed.

11.3 Changes to the Rules will be posted under 'NEWS' on the official website at www.aircrewprotection.org.

11.4 Previous versions of the Rules are obsolete when a newer version is posted on the official website. Terms and conditions of previous versions of the Rules are not controlling and have no validity except on the date that the Emirates Loss of Income Protection Scheme (LIPS) notifies the members that it has changed its name to Aircrew Protection International (API):

11.4.1 Any member whose GCAA Class I Medical Certificate was not valid shall only be eligible to receive a Notice of Entitlement until his / her sixtieth (60th) birthday.

11.4.1.2 If a member's GCAA Class I Medical Certificate is not or was not valid on that date and is subsequently reissued and the member restored to a flying status 11.4.1 does not apply and any subsequent Notice of Entitlement shall be to the members sixty-fifth (65th) birthday.

11.4.2 Any member is currently receiving benefits following a Notice of Entitlement shall not be eligible to have the Notice of Entitlement extended beyond his / her sixtieth (60th) birthday.

11.5 The Directors provides the Rules in both English and Arabic. Due to small variations in grammar, text, content and application updates to the official website, the English version as posted on the website will always be the official, controlling version.

12. TERMINATION OF MEMBERSHIP

12.1 Membership of the Plan ends when a member:

12.1.1 dies;

12.1.2 leaves service as an Emirates pilot on a voluntary basis before his/her sixty-fifth (65th) birthday;

12.1.3 reaches his/her sixty-fifth (65th) birthday;

12.1.4 gives written notice to the Directors of voluntary termination of his/her membership, in which case membership shall cease immediately after such notice is received by The Directors. In the event payment was received in advance in accordance with Rule 3.3, coverage shall continue until the expiration of the advanced pay.

12.1.4.1 Any member who voluntarily terminates the Plan shall not be entitled to any LSB except as provided in Section 7.

12.1.5 Fails to pay his/her contribution. Failure to pay grace period of coverage shall be thirty (30) days to the day at 23:59 Dubai Local Time from the last date payment was / should have been received in accordance with Section 3.4.

12.1.6 Is awarded a Notice of Entitlement or is accepted into the API Trust, Guernsey U.K.

12.1.7 Fails to apply to the API Trust by the Last Date of Application in accordance with the procedure set forth in Section 5.13.

12.1.8 Fails to comply with Section 5.2.

13. EXCLUSIONS

13.1 No benefits shall be payable to, or in respect of, a member if he/she was deemed under the Emirates Loss of License Insurance not to qualify for loss of license benefits for reason of not suffering from medical or other infirmity qualifying him/her for such benefits. (Details of Emirates Loss of License Exclusions are available in the Emirates Employee Handbook.)

13.2 No LIPS benefits shall be payable to, or in respect of, a member for the period preceding such member receiving benefits under the Emirates Loss of License Insurance Plan. If eligibility to receive benefits under LIPS is approved by the Directors, it shall commence within thirty (30) days following the benefit payout from the Emirates Loss of License Plan. Nothing in this section shall prevent the Directors from delaying approval to receive benefits until the necessary due diligence is complete as required by the Directors and / or the medical advisory service contracted by the Directors.

13.3 No benefits shall be payable to or in respect of a member where their disability or death arises from:

13.3.1 a pre-existing condition as defined in Section 18 of this document;

13.3.2 any self-inflicted condition being any injury, physical condition, illness, disease or other condition which was deliberately caused, inflicted or contracted by the member.

13.3.3 suicide or attempted suicide.

13.3.4 use or ingestion of illegal drugs;

13.3.5 intentional and /or wilful misstatement or concealment;

13.3.6 committing, or attempting to commit a criminal act;

13.3.7 operating a motor vehicle or accident caused by operating a motor vehicle while under the influence of alcohol or drugs. A motor vehicle accident will be deemed to be caused by the use of alcohol or drugs if it is determined that at the time of the accident the member was operating the vehicle while under the influence of alcohol or drugs;

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13.3.8 injury incurred as a result of deliberate exposure by the member to exceptional danger (except in an attempt to save human life);

13.3.9 If the member's contributions (including any reinstatement contribution) are not paid in full up to the last day of the monthly period in which the benefit would otherwise become payable;

13.4 A reduced Notice of Entitlement shall be issued for the following:

13.4.1 Self-reported Disabilities (as defined in Section 18). If a self-reported disability is the reason a member's Class I Medical Certificate was permanently revoked and the Emirates Loss of License Insurance was paid, the Notice of Entitlement shall be limited to twenty-four (24) months from date the member receives his Emirates Loss of License lump-sum payout or the date the member is terminated as an Emirates pilot or the date the notice of eligibility is approved, whichever occurs last.

13.4.2 Special Term Disabilities (as defined in Section 18). If a time-limited disability is the reason a member's Class I Medical Certificate was permanently revoked and the Emirates Loss of License Insurance was paid, the Notice of Entitlement shall be limited to sixty (60) months from date the member receives his Emirates Loss of License lump-sum payout or the date the member is terminated as an Emirates pilot or the date the notice of eligibility is approved, whichever occurs last.

13.4.3 Psychological, Mental or Nervous Disorders (as defined in Section 18). If a psychological, mental or nervous disorder is the reason a member's Class I Medical Certificate was permanently revoked and the Emirates Loss of License Insurance was paid, the Notice of Entitlement shall be limited to twenty-four (24) months from date the member receives his Emirates Loss of License lump-sum payout or the date the member is terminated as an Emirates pilot or the date the notice of eligibility is approved, whichever occurs last.

13.4.4 If a beneficiary was issued a Notice of Entitlement under Sections 13.4.1, 13.4.2 or 13.4.3 and improves to the extent that he / she holds a valid Class I Medical Certificate, the beneficiary may not avail Section 14.1.1.2 as pertaining to his / her entitlement claim with the effect of extending a reduced notice of entitlement beyond the twenty-four month or sixty-month period, respectively.

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13.5 Unless a Notice of Entitlement has been issued by The Directors confirming the entitlement to the benefit.

13.6 It is determined that per the GCAA regulations the member could return to work via an alternate and commonly accepted, non-surgical, non-invasive treatment plan as determined by qualified medical advisor(s) if that plan has not been attempted unless the member provides sufficient documentation to rule out that treatment plan as a possibility.

13.7 If, after a member receives the Emirates Loss of License Insurance lump-sum payout, a determination is made that a Notice of Entitlement is denied as the claim falls under Section 12 and is excluded, an amount equal to the entirety of a member's contribution to the Plan will be refunded to the member. This refund will constitute termination of the member from LIPS and the member will receive no further benefit consideration.

14. TERMINATION AND VARIATION OF BENEFITS

14.1 The Directors may revoke the Notice of Entitlement previously issued, and in such event the Directors shall cease further benefit payments to the beneficiary if the Directors are satisfied that:

14.1.1 the condition of a beneficiary has improved to the extent that he/she is no longer disabled using the following determination:

14.1.1.1 The beneficiary holds a valid Class 1 Medical Certificate AND is employed as a commercial pilot

OR

14.1.1.2. the beneficiary holds a valid Class 1 Medical Certificate and three (3) years have elapsed since the date the valid Class 1 Medical Certificate was issued.

14.2 The beneficiary refuses to submit to a medical check-up, medical specialist, aviation medical examination or psychological assessment of the Directors' choice as advised by the medical advisory service. Such medical examination shall be at the beneficiary's own cost. The original medical reports will be supplied to the Directors' medical advisory service directly from the examiner. Every attempt shall be made to not cause undue harm or financial strain to the member and every effort shall be made by the Directors to ensure the examiner is located locally to the member. Such refusal shall be grounds for immediate termination from the Plan with the beneficiary forfeiting any further financial or legal claim against the Plan.

14.3 A material change occurs in the Rules of the Plan.

14.4 During the calculation of the benefit payment, if it is determined that a past payment delinquency occurred the amount of the delinquent payment(s) will be subtracted from the first month's benefit payment.

14.5 The beneficiary has reached the Plan termination age of sixty-five (65), except as stated in Section 11.4 or the term of the Notice of Entitlement expires.

14.6 The beneficiary of the Notice of Entitlement has died, in which case the Notice of Entitlement shall continue for three (3) months.

15. THE DIRECTORS

15.1 The Directors are Garrie Don and Darwin Triggs and shall be assisted by its consultants, advisory and administrative staff as required. The Directors and their consultants shall be entitled to reasonable remuneration for their services. Such remuneration and any expenses reasonably incurred shall be recoverable from the assets of the Plan.

15.2 The Directors shall be entitled to employ or engage an administrator and such secretarial services, accountants and actuarial services as are required to assist with the administration the Plan and to pay the reasonable remuneration of such administration. Such remuneration to be recoverable from the assets of the Plan.

15.3. The Directors shall be entitled to enter into contracts for services which directly or indirectly benefit the membership.

15.4 The Directors also provides separate legal cover and death benefits outside of the Plan, details of which are contained in the Schedule.

16. INVESTMENTS AND ACCOUNTS

16.1 The Directors is empowered to invest the funds belonging to the Plan as legally allowed in the jurisdiction in which the funds are held.

16.2 The Directors shall create accounts appropriate to the operation and investment activities of the Plan.

16.3 The Directors shall maintain records of the account(s) detailing transactions of the Plan and its investments. The records shall be finalized as of 31st December, together with supporting accounts for the preceding twelve months ending on that date. Such accounts shall be subject to annual audit by the Auditors appointed to the Plan.

16.4 All contributions paid by, or on behalf of the members, less any remuneration or expenses shall be invested and/or held to administer the Plan and to fund the liabilities of the Plan to the extent that the Plan allows. The Directors shall, where there have been deductions made in respect of remuneration or expenses provide the members with a proper accounting for such deductions.

17. INDEMNITY

17.1 Neither the Directors, LIPS Ltd., its advisors, consultants, secretarial administrator or administrative staff or any person holding office for the time being or who has in the past held office under the Plan shall, in any event, be liable for any direct or indirect damages, losses or expenses arising from their acts or omissions in carrying out their respective duties unless arising from their gross negligence or dishonesty in the jurisdiction(s) in which said persons live or work or where funds are maintained.

17.2 No member or nominated beneficiary shall have any claim against LIPS Limited, the Directors, or their appointees or representatives should the Plan be legally and properly depleted within the Rules of the Plan or unable to meet the liabilities of the Plan to the members or nominated beneficiaries concerned. This limitation shall apply irrespective of whether or not a Notice of Entitlement has been issued by the Directors.

18. DEFINITIONS

AUDITOR/ACCOUNTANT: Means NUF Chartered Accountants LLC. PO Box 121685, Dubai, UAE.

ACTUARY: Means Independent Actuarial Consultants, 6th Floor, Wale Street Chambers, 38 Wale Street, Capetown 8001 South Africa.

DIRECTORS: Means the person of the Directors of LIPS Holdings, LTD., its consultative and administrative staff.

LIPS: Means Loss of Income Protection Scheme.

DISABILITY / DISABLED: A member is considered disabled if he/she is unable to perform, on a day to day basis as rostered by the company, the material and substantial duties of his/her regular occupation as an Emirates pilot due to sickness or injury following a determination by the UAE GCAA that he/she is physically unfit to fly as a commercial pilot.

EMIRATES LOSS OF LICENSE PLAN: Means the Emirates Sick Leave Plan as detailed in the Emirates Employment Handbook.

INCAPCITATED / INCAPACITY: Means a situation where the Directors accept qualified medical evidence to the effect that such Member is and will continue to be medically incapable either physically or mentally as a result of injury, sickness, disease or disability of continuing the Member's current occupation and as a result of such injury, sickness, disease or disability ceases to carry on that occupation and 'incapacitated' has a corresponding meaning.

MEMBER: Means a contributor to the LIPS Plan.

PSYCHOLOGICAL, MENTAL OR NERVOUS DISORDERS: Means any mental disorder, disturbance, dysfunction or syndrome, regardless of cause including biological or biochemical disorders or imbalances of the brain (though excluding stroke, trauma, viral infection, or Alzheimer's disease) or the presence or lack of physical symptoms. These disorders include, but are not limited to, bipolar affective disorder, organic brain syndrome, schizophrenia, psychotic illness, manic-depressive illness, depression and depressive disorders, anxiety and anxiety disorders and / or other such conditions not listed above which are usually treated by a

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mental health provider using psychotherapy, psychotropic drugs or other similar methods of treatment. It does *not* include dementia caused by stroke, trauma, viral infection, or Alzheimer's disease.

NORMAL RETIREMENT AGE: Means the 65th birthday of the member.

NOTICE OF ENTITLEMENT: Means a notice issued by the Directors confirming entitlement to benefits from the Protection Fund.

PRE-EXISTING CONDITION: Means an illness, injury or condition for which the member was diagnosed or treated, or received diagnostic or treatment services or was prescribed medication by a physician for a diagnosis or treatment for a specific medical condition if the condition presented itself or made itself known or came to be known following the member's date of joining as a pilot with Emirates Airline AND re-occurs within the first thirty-six (36) months immediately following the first day of the member's coverage with LIPS. However, this does not preclude the member from claiming benefits for another, separate loss of income under the Plan that is not related to the aforementioned pre-existing condition. (For reinstated members, see section 4).

PLAN: Means the Plan established by LIPS for the mutual benefit of the membership.

PLAN ADMINISTRATOR: Means the person, group or entity appointed by the Directors to assist with the administration of the Plan.

SELF-REPORTED DISABILITIES: A disability characterized by manifestations that are not verifiable or conclusive using tests or procedures accepted as standard medical practice including, but not limited to, one or more of the following: chronic fatigue, any allergy or sensitivity to chemicals or the environment, chronic pain conditions, obstructive sleep apnea, insomnia, vertigo, dizziness, nausea, loss of consciousness, headache, pain, Medically Unexplained Physical Symptoms (MUPS), Meniere's Disease, Migraines, Idiopathic Generalized Epilepsy, Chronic Fatigue Syndrome, Fibromyalgia, Multiple Chemical Sensitivity Syndrome, Systemic Exertion Intolerance Disease (SEID), fatigue, loss of energy, stiffness, soreness, ringing in the ears, numbness, itching, rapid or unexplained loss of hearing, rapid or unexplained loss of visual acuity, colour blindness or are historically limiting from a regulatory, versus medical, point-of-view.

RULES OF LOSS OF INCOME PROTECTION SCHEME

SPECIAL TERM DISABILITIES: A disability characterized by manifestations that are not verifiable or conclusive using tests or procedures accepted as standard medical practice but have specific, articulated, clinical pathologies and / or medically documented histories that pre-date joining Emirates Airline and / or LIPS and / or stem from medically documented causes and are limiting to a person's major life activities, such as performing strenuous physical tasks, walking, speaking, learning, eating or breathing.

UAE GCAA: Means the General Civil Aviation Authority which is the federal, autonomous body set up to oversee all aviation-related activities in the United Arab Emirates.

SCHEDULE

1. DEATH BENEFITS

1.1 The Directors has entered an agreement with the Oman Insurance Company (OIC) to provide a death benefit cover to the membership of the LIPS Plan. The coverage and policy is maintained by OIC and is subject to the terms and conditions of the OIC.

1.2 If a member dies while employed as a pilot with Emirates before receiving any benefit under the LIPS Plan, the Directors shall issue a Notice of Entitlement to pay the deceased member's nominated beneficiary an amount of \$100,000 USD. If the member has not nominated a beneficiary under the policy, the Directors shall contact Emirates Human Resources directly for dependant information as recorded in the member's dependents and beneficiary reports.

1.3 If a member's nominated spouse / fiancé / significant other dies while the member is employed as a pilot with Emirates before receiving any benefit under the LIPS Plan, the Directors shall issue a Notice of Entitlement to pay the member an amount of \$50,000 USD.

1.4 As the OIC is the sole manager of the policy, a situation may arise where OIC's terms and conditions prevent benefit payments to the member's nominated beneficiary. Should this occur:

1.4.1 The Directors will refund to the nominated beneficiary the entirety of the member's contribution to the policy.

1.4.2 The Directors is authorized to pay the nominated beneficiary \$15,000 USD.

1.5 For reasons of religious belief, members may decline the life insurance / death benefit for themselves and /or their spouse / fiancé / significant other.

2. LEGAL COVER

2.1 The Directors provides a policy of legal cover to pilots who are members of the Plan.

2.2 Members are covered by the policy for up to \$50,000 USD for legal costs related to actions taken by third-parties (except the employer, Emirates Airlines) against the member as a result of flight duties while the member is in a flight duty status and operating, augmenting or positioning an Emirates Airlines aircraft and is subject to local laws of the respective jurisdiction.