



Vought Aircraft Industries, Inc.
Post Office Box 655907
Dallas, TX 75265-5907

November 6, 2006

Dear Retiree Medical Plan Participant,

As you know, costs for medical services and prescription drugs continue to rise. This means we must continually evaluate our retiree medical programs and, when necessary, make changes in retiree cost sharing and in our health care plan designs.

Outlined below are changes to your group health coverage that will be effective January 1, 2007, along with your retiree medical enrollment options for 2007. The enrollment period will be from November 6, 2006, through November 24, 2006.

What is Changing for Medicare-eligible retirees?

In addition to the PacifiCare PFFS currently offered, we will be offering Medicare Supplement Insurance coverage, insured by United HealthCare Company*. This coverage is known as AARP Health Care Options**. You will receive a separate mailing explaining AARP Health Care Options from United HealthCare.

Additionally, you and your eligible dependent will be given a monthly stipend of \$40 towards either the PFFS plan or AARP Health Care Options if you retired prior to August 9, 2005.

Please note that the PacifiCare PFFS plan and AARP Health Care Options cannot both be selected. In addition, both plans require you to purchase a separate Medicare Part D plan for prescription coverage.

Options for Non-Medicare Eligible Participants

- If you are not Medicare-eligible, we are continuing to offer you the various Blue Cross Blue Shield plans that we've offered in the past, with no changes to those plan designs for 2007. You will continue your prescription drug coverage through Caremark.
- If you live in California, you may be eligible to participate in either a Kaiser or PacifiCare HMO plan. Please call them directly at the numbers listed below if you would like to discuss the plan design they are offering in your area. The monthly contribution is the applicable Essentials plan contribution rate.
- You may choose to "opt out" of all Vought medical plans offered for 2007. If you opt out and do not sign up for either PacifiCare PFFS or AARP Health Care Options, you will have no medical coverage through Vought in 2007.

Confirmation Statement

Those who have made a change in their elections will be mailed a confirmation statement (following the enrollment period) showing your health plan selections for 2007. Please read

this statement carefully and call the Benefits Center if you have questions about your coverage. Please note, that if you sign up for either the PacifiCare PFFS plan or AARP Health Care Options, you will receive a confirmation directly from the provider.

Life Insurance

If you are purchasing optional life insurance and have reached the next five-year age increment, your life insurance premium will increase. This premium will continue to be deducted from your monthly pension check.

Enrollment Questions?

- [Need United's number]
- PacifiCare PFFS 1-800-287-0053
- PacifiCare HMO 1-800-624-8822
- Kaiser HMO 1-800-464-4000
- Blue Cross Blue Shield Member Services 1-888-979-4514
- **Vought Call Center toll free at 1-866-689-5999, 8 a.m. to 8 p.m. Monday through Thursday and 8 a.m. to 4:30 p.m. on Friday.**

To Enroll:

- If you are enrolled in PacifiCare PFFS and wish to continue in that plan, do nothing.
- If you are enrolled in PacifiCare PFFS and wish to move to another plan (including AARP Health Care Options) or select no plan at all, visit the Vought Benefits Web site at benefits.voughtaircraft.com and select "opt out". A disenrollment letter will be sent for you to fill out and forward to PacifiCare.
- If you are not currently enrolled in PacifiCare PFFS and wish to enroll in that plan, visit the Vought Benefits Web site at benefits.voughtaircraft.com and select that plan. In addition, you will also need to complete the enrollment kit that you receive from PacifiCare and return it to PacifiCare prior to December 15, 2006.
- If you wish to enroll in AARP Health Care Options, complete the enrollment package you will be receiving from United Healthcare. The package will need to be returned to United Healthcare prior to December 15, 2006. Once again, if you are currently enrolled in PacifiCare PFFS, you will need to select "opt out" on the Vought Benefits Web site (benefits.voughtaircraft.com) and later fill out a disenrollment form that will be mailed to you separately.
- Non-Medicare Eligible: Visit the Vought Excel Benefits Web site at benefits.voughtaircraft.com to view and select your medical plan options for 2006 or call the Vought Benefits Call Center.

Thank you for the opportunity to be of service with your retiree health care benefits.

Sincerely,



Cliff Collier
Manager – Benefits

* United HealthCare Insurance Company of New York for New York Residents.

** AARP Health Care Options is the name of AARP's health insurance and service program. It is not the insurer. AARP contracts with insurers to make coverage available to AARP members.

Enclosure:

<65 Salaried Contribution Schedule

The information in this document is intended as a summary. If there is a conflict between the information here and the official plan documents, the official documents will always determine how benefits are paid and the way the plan works. Any changes in retiree contributions or optional life insurance premiums will be effective January 1.