

Letter from Chairman of the NAPS Trustees, sent to active NAPS members, March 2006:

Dear NAPS active member

We are writing to you following the recent issue by British Airways of their proposal detailing how the current deficit position in NAPS can possibly be addressed.

At this stage the NAPS board of Trustees have not agreed to any of the changes proposed. We are considering the proposal and will be responding to the Company on behalf of the NAPS membership in due course.

We are currently seeking our own independent advice regarding the proposed changes and the Company's ability to pay contributions to secure past benefits as well as future benefits for the NAPS membership. The triennial valuation process due 31 March 2006 will establish the current contributions required to address both the deficit and to fund future benefit build up in NAPS. We will use this information together with other advice to formulate a response to the Company. There is likely to be a period of negotiation following this which we expect will begin during the summer.

We will keep you informed of developments over the next few months. Our top priority during this period of negotiation with the Company will be to make sure that your benefits in the Scheme are secure.

Yours sincerely

ROGER MAYNARD
Chairman to the Trustees of NAPS